

March 2021

Motorcycle Market Overview

There are still problems with supplies coming into the country, not only machines, but parts, clothing and accessories, the real departure effects from the EU are still difficult to judge as COVID-19 is also throwing a spanner in the works as borders close. So as we discuss the industry, a lot of the talking points are veiled in a fog that will hang over us some time, making planning for businesses even more difficult than a “normal” year.

New Market

After what can only be described as a good result for 2020 in the circumstances, the new year has not started that well as seen in the MCIA’s latest statistics. Although what we need to keep in mind as we look at the first quarter figures over the next few months, is we are comparing a market in lockdown to one that wasn’t and although freshly out of leaving the EU, the transition period was really business as usual. The overall Power-Two-Wheel (PTW) market was down 37.6% in January, 2,312 less registrations from the 6,146 in 2020. Mopeds were 11.8% lower at 351 for January and total scooters better than the overall market with 1,279 a 22.8% fall. Although still both a large drop, remember back in the last few months of last year, there was a large number of Euro 4 pre-registrations that fell into the smaller capacity bands, especially from manufacturers appearing in the best seller charts we don’t normally see. As always in similar emission regulation changes in the past, the following years figures suffer as the ones with plates already on are preferably sold first. As the general PTW market has been hit from many directions, it’s difficult to single out any sector for special mention, Trail/Enduro fared the best with single figure percentage drop, the rest as can be seen in the below tables, suffered in a large way.

January 2021 and Year to Date - New Registrations by Style

Mopeds	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-21	Jan-20	Change	Jan-21	Jan-20	2021	2020	% Change	2021	2020
Scooter	239	301	-20.6%	68.1%	75.6%	239	301	-20.6%	68.1%	75.6%
Other	112	97	15.5%	31.9%	24.4%	112	97	15.5%	31.9%	24.4%
Totals	351	398	-11.8%	100.0%	100.0%	351	398	-11.8%	100.0%	100.0%

Motorcycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-21	Jan-20	Change	Jan-21	Jan-20	2021	2020	% Change	2021	2020
Adventure Sport	553	1,004	-44.9%	16.1%	17.6%	553	1,004	-44.9%	16.1%	17.6%
Custom	187	358	-47.8%	5.4%	6.3%	187	358	-47.8%	5.4%	6.3%
Naked	891	1,799	-50.5%	25.9%	31.5%	891	1,799	-50.5%	25.9%	31.5%
Scooter	1,015	1,326	-23.5%	29.5%	23.2%	1,015	1,326	-23.5%	29.5%	23.2%
Sport/Tour	49	88	-44.3%	1.4%	1.5%	49	88	-44.3%	1.4%	1.5%
Supersport	173	454	-61.9%	5.0%	8.0%	173	454	-61.9%	5.0%	8.0%
Touring	35	102	-65.7%	1.0%	1.8%	35	102	-65.7%	1.0%	1.8%
Trail/Enduro	522	576	-9.4%	15.2%	10.1%	522	576	-9.4%	15.2%	10.1%
Unspecified	13	2	550.0%	0.4%	0.0%	13	2	550.0%	0.4%	0.0%
Totals	3,438	5,709	-39.8%	100.0%	100.0%	3,438	5,709	-39.8%	100.0%	100.0%

Tricycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-21	Jan-20	Change	Jan-21	Jan-20	2021	2020	% Change	2021	2020
Scooter	25	30	-16.7%	0.7%	0.5%	25	30	-16.7%	0.7%	0.5%
Other	20	9	122.2%	0.6%	0.2%	20	9	122.2%	0.6%	0.2%
Total Registrations	45	39	15.4%	1.3%	0.7%	45	39	15.4%	1.3%	0.7%

Summary	Registrations			%		Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-21	Jan-20	Change	Jan-21	Jan-20	2021	2020	% Change	2021	2020		
Total Moped, Motorcycle & Tricycles (exc Scooters)	2,555	4,489	-43.1%	66.6%	73.0%	2,555	4,489	-43.1%	66.6%	73.0%		
Total Scooters	1,279	1,657	-22.8%	33.4%	27.0%	1,279	1,657	-22.8%	33.4%	27.0%		
Total Registrations	3,834	6,146	-37.6%	100.0%	100.0%	3,834	6,146	-37.6%	100.0%	100.0%		

As always in the first few months of a new year its difficult reading into the numbers any possible trends. Although some semblance of normality has returned after the rush to register Euro 4 stock still to find a retail customer. There is some talk of stock suffering initial hang-ups from import controls, either political or health, but as the year moves on there should be some clarity in the market with the new “normality”.

January 2021 Highest Registering Model by Style

Mopeds	Highest Registering Model by style	Jan-21
Scooter	Yadea C-LIKE YD 1200 D-11	20
Other	Leeway ZNAG 50	42

Motorcycles	Highest Registering Model by style	Jan-21
Adventure Sport	BMW R 1250 GS ADVENTURE	62
Custom	Keeway SUPERLIGHT	41
Naked	Honda CBF 125 M	58
Scooter	Honda SH 125	159
Sport/Tour	Kawasaki NINJA 1000 SX	17
Supersport	Lexmoto LXR 125 SY 125-10	37
Touring	BMW R 1250 RT	15
TRAIL/ENDURO	KTM 300 EXC TPI	43

Tricycles	Highest Registering Model by style	Jan-21
SCOOTER	Piaggio MP3 300 SPORT	10
OTHER	Multiple Items	5

January 2021 - Highest Registering Model by Engine Size

Engine Band	Highest Registering Model by Engine Band	Jan-21
0-50cc	Vmoto SUPER SOCO CPX	64
51-125cc	Honda SH 125	159
126-650cc	KTM 300 EXC TPI	43
651-1000cc	Yamaha TENERE 700	31
Over 1000cc	BMW R 1250 GS ADVENTURE	62

January 2021 - New Registrations by Brand

Major Brands	Jan-21
Honda	549
Lexmoto	310
KTM	288
Yamaha	271
BMW	253
Triumph	190
Kawasaki	143
Piaggio	117
SYM	94
Keeway	89

ACEM statistics for 2020 are now available and are showing an increase for Powered Two-Wheeler registrations in Europe. Always the chance to compare how the UK market is performing to our closest neighbours, with similar size markets. As with our market 2020 was a difficult year for the rest of Europe, with national lockdowns imposed in Spring, just when the motorcycle market usually picks up. Causing the inevitable large drop in registrations. Generally the top five largest markets (as seen in the chart) started recovering after Spring, with all but one moving from negative returns back into positive and Germany managed that a month earlier than the others. As one of the better performers in the battle against Covid-19, Germany also turned into the largest European PTW market after taking the crown from Italy where the pandemic had its first large scale foothold in the region.

All PTW Registrations			%
Country	2019	2020	Change
France	197763	191231	96.70%
Germany	166706	220304	132.15%
Italy	231996	218027	93.98%
Spain	177036	156202	88.23%
UK	101273	97338	96.11%
Total Registrations	874774	883102	100.95%

The final tally was ever so slightly larger than 2019, so a win, but no doubt helped along with the emission changes we had and as you see in the below table for December, quite a large help.

December PTW Registrations			%
Country	2019	2020	Change
France	9,446	12,705	134.50%
Germany	2,910	13,670	469.76%
Italy	6,152	7,651	124.37%
Spain	10,802	12,773	118.25%
UK	4,596	7,111	154.72%
Total Registrations	33906	53910	159.00%

Used Market

The motorcycle dealers in this country have to be deft at on-line marketing, sales and remote delivery for some time now. This has led to an easier transformation to virtual only sales that many other businesses have been trying to play catch up over the last year. Time will tell if this will continue in our industry as things ease, as buying a motorcycle is still a touchy feely experience, especially for used machines, as new ones are all the same. Word on the street is of trade still being done, even through the winter weather we suffered in the opening weeks of the year. With some confidence (or is it just hope) that the time of high activity in rider purchases will coincide with rule relaxations and perhaps compounded by what is being reported as some difficulty in finding suitable stock, trade buying is brisk. A few spoken to have given opinion that good money is having to be paid for quality stock, even if they don't really want too, the choice is join in or don't buy. This with the realised auction prices as below, have led to a small general rise in this months reported prices.

Auction

The latest available sale figures from BCA (January) including the Black Horse and BMW disposal in there, are similar to what we see in the first month of the year every year as dealers start to restock ready for the upcoming season start. a leap that is usually followed by a slight easing again that stabilises through the season until stock levels are reduced as retail demand tails off. Of the 149 entries, 125 sold (84%) and overall the sale returned 104% of CAP.

End Notes

The Motorcycle Action Group has written to parliamentary under secretary of state Rachel Maclean MP, arguing that continued refusal to extend Compulsory Basic Training (CBT) certificates is discriminatory. MAG claims that removing a legitimate use of motorcycles by not extending expiring CBTs is unfair. Motorcyclists are the only road user group facing this restriction for legitimate travel during the lockdown. The letter mentions delivery riders, access schemes such as Wheels to Work, as this is their only viable transport choice for making essential trips, working as a key worker in health or social care and delivery riders. MAG is asking for a temporary intervention similar to the first lockdown's extension of MOTs, as opposed to the current two-year renewal regulation. Although exact numbers of affected riders is available, around 6000 CBTs will expire each month. There will be some who will have passed their test or stopped riding, but there are a lot who will choose to continue riding without taking a full test. Also the NMDA has repeatedly highlighted the issue to the Government indicating that there is a large proportion of riders who need to renew training in order to keep in gainful employment and many last-mile delivery services requiring new staff to cope with enhanced demand resulting from the latest lockdown. It comes at a time that the types subject to a CBT are in the ascendancy with an increasing growing market share as people seek safer way to commute than public transport. The Motorcycle Industry Association is also doing their bit by seeking parliamentary help to keep learner riders on the road. To hopefully focus government attention on this issue, independent MP Jonathan Edwards has tabled an "early day motion" in parliament in support of the extension of CBT certificates. "Early day motions" are used to put on record the views of individual MPs or to draw attention to specific events or campaigns. And by attracting the signatures of other MPs, they can be used to demonstrate the level of parliamentary support for a particular cause or point of view.

Surely if someone has been using PTW for transport for two years, there is little risk involved for a temporary extension of CBT certificates during lockdown measures?

Ducati are one of the first of the big manufacturers to announce its annual sales figures that will include the period of the global COVID-19 pandemic. There is a drop of -9.7% compared with 2019. Ducati are players in machines that fall into the full licence sectors and therefore have not benefited from the strong recovery in the motorcycle industry for users wanting smaller capacity bikes. Their domestic market where large numbers of the brand are sold was also the first country outside of China to be subject

to the virus in a large way. After the initial hit early in the year, the best ever last half six month period, went a long way to saving the year from complete disaster with 48,042 sales, down -9.7% on 2019.

Good news in the domestic manufacturing scene after the latest saviours of the historic British brand Norton Motorcycles, TVS the sixth biggest bike manufacturer in the world, are moving to its new state-of-the-art production facility in Solihull. TVS have poured multi-million pounds of investment into the brand and given it a new production base. The premises will be the central hub for all of Norton operations, a permanent base for all staff, the home to design, engineering, purchasing, sales, marketing, and support teams as well as the skilled production team that will manufacture the motorcycles. Norton will resume production of the Commando Classic, building a limited quality to honour customers that had ordered and paid for a deposit on these bikes under former ownership.

PIAGGIO Group has had a good 2020 despite all the problems, with sales across all their brands totalling 207,000, which is 6% more than the totals for 2019. The groups motorcycle and scooter sales across all brands account for 14.2% of all sales in Europe for 2020.

Harley-Davidson's full-year 2020 results are showing overall yearly revenue was 24.4% down (to £2.978bn), turnover attributable to motorcycles and related products reduced by 28.6% (to £2.397bn) and financial services despite a 26.4% contraction still returned an operating profit of £143.7m. The total mix in operating profit figure crashed by an enormous 98.3% (to £7.1m), which after tax rebates finished only just in a small profit down by 99.7% (to £952,000). Their bike shipments to dealers worldwide in 2020 reduced by 32.1% (to 145,246), global retail sales were 17.4% down (to 180,248) and their own domestic market dropped slightly more by 17.7% (to 103,650). Q4 saw an even worse trend as wholesale shipments crashed by 48.3% (to 20,921) and total revenue by 32.4% (to £532.2m) which resulted in an operating loss of £87.7m and a net loss of £70.7m. The company under new leadership with a five year strategy which re-focuses on the core business but is also seeing electric and adventure bikes, is not in for an easy time once the pandemic is over the financial fallout will last for years, but many are in the same boat.

Some good news to finish off this month, the UK's national biking showcase Motorcycle Live, plans to be back this year. Dates have been confirmed over 4-12 December and as always will be at the NEC in Birmingham. Perhaps a big shout in some respects, but it is three quarters of the year away and if there is not some semblance of return to normality, not going to show a load of shiny new bikes all in one place is going to be the least of our worries.