

Canadian Motorcycle, Scooter and ATV sales roaring towards \$5 billion mark

Toronto, Canada, November 26, 2003 – Total retail sales of motorcycles, scooters and ATV's in Canada have again accelerated to a new high and are powering toward the magic \$5 billion-a-year level, according to an annual survey of motorcycle and ATV retail outlets conducted by the Motorcycle and Moped Industry Council (MMIC).

The survey, distributed to 1,170 Canadian motorcycle and ATV retail outlets, showed sales in 2002 powered past previous year figures by a roaring 64 per cent among survey respondents. Only 29 per cent of the respondents reported sales remained stable while a mere seven per cent reported slightly lower sales.

Survey results for the year ending February 2002, estimated motorcycle, scooter and ATV related retail income to be \$4,695,555. New vehicle sales accounted for \$2.8 billion of the total figure.

"The popularity of motorcycling for leisure, recreation and transportation continues to grow. ATV riding and use is at an all-time high. These trends provide excellent indicators of strong industry performance for 2003 and 2004" says Bob Ramsay, MMIC president.

As sales increased, employment at motorcycle outlets in Canada also has gone up. The survey further estimated 14,391 full-time and 1,989 part time employees including owners and managers were employed at motorcycle dealerships. The average dealership employed 12 full-time and 2 part-time employees during the high season between April and September. Average annual payroll was over \$480,000 per dealership.

Unit sales for individual retail outlets surveyed averaged 140 new and 43 used motorcycles, 10 new to 2 used scooters and 110 new to 27 used ATV's. According to survey findings, 88 per cent of survey respondents sold an average of 159 new motorcycles, 84 per cent sold 137 new ATV's and 50 per cent sold 20 new and used scooters.

Also, survey respondents spent \$77 million in 2002 on advertising and promotional costs for motorcycle, scooter and ATV related sales and services.

Motorcycle and ATV retail outlets in Canada reported earning an average of 65 per cent of their 2002 total retail income from new motorcycle, scooter and ATV sales. The balance was attributed to sales of parts, accessories and riding apparel (20 per cent), used motorcycles, scooters and ATV's (11 per cent), service labour (six per cent) and other related sales and services, such as insurance premiums and extended warranties (two per cent). Other products not tabulated into total retail sales but sold by the outlets included power products, snowmobiles, outboards, farm and garden equipment, personal watercraft, and boats.

The survey found continuity in ownership and dealership location. The average motorcycle outlet was established and run by current owners for 21 years and had been in same location for 20 years.

An economic impact analysis tabulated from the survey data is being used to provide statistical benchmarks and promote the industry to government. The next annual survey to monitor the uphill trend of motorcycle, scooter and ATV sales will be conducted by MMIC in February 2004.

The Motorcycle and Moped Industry Council (MMIC) is Canada's not-for-profit trade association which represents the responsible interests of the major motorcycle distributors, manufacturers, distributors and retail outlets of motorcycle related products and services, and individual owners and riders of motorcycles in Canada.

-30-

Interviews can be booked with the industry leaders who can give you even more information of the ever-increasing retail sales of motorcycles, ATVs and Scooters in Canada.

Please contact:

Media Contact

Denis Hamel,

AssociationsOnly

Tel: 416-539-9444

denis.hamel@associationonly.net