

January 2018

Green Book Editorial

The numbers below in the New Market section will show what has been a slower year in the industry for registrations, but it is not just the two-wheel market suffering. New car registrations fell by 11.2 % in November (to 163,541 units) and the Year To Date market is now 5% lower than the same period last year at a total of 2,388,144 million. Interesting that impending changes have had some effect as diesel powered cars declined by 30.6%.

The visitor numbers for Motorcycle Live 2017 are now finalised and the nine day NEC show attracted 107,072, says organiser the MCIA. Conversations have been had as to whether the visitor numbers reflect in some way the amount of retail activity in the following year. 2016 numbers were 113,172 which was an increase of 2.4% from 2015 which preceded a good new registration year and the former had lower 2017 numbers. Perhaps we should not try to read anything into it?

New Market

Continued downward trend in November is the short version from the latest MCIA figures. It has of course been a year of similar negatives on the score sheet, but the November fall of 17.7% compared with the same period last year is larger than the current year-to-date reduction of 15.7%. This in actual registrations is a reduction from 7,644 to 6,288. Before the detail is looked into though, the change from Euro 3 to Euro 4 caused the forced registration of the older models that although was the subject of effort most of the year, became a rush in last quarter of 2016, so not only will this month be lower, but once the December numbers are in we can again expect a large negative figure. As the 2016 deadline for change was prepared for by some of the big manufacturers, there was no big shock as the year drew to a close, but smaller manufacturers who predominantly sold smaller capacity machines, did not necessarily have the marketing prowess or budget, of the big boys to help Euro 3 into the retail customer. The consequence of all this was the 51-125cc engine band had 45.6% of the November 2016 market share, a significant increase in the 39.6% performance for the 2017 Y-T-D. This is a reduction in real numbers close to 1,000 less registrations.

November 2017 and Year to Date - New Registrations by Style

Mopeds	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Nov-17	Nov-16	Change	Nov-17	Nov-16	2017	2016	% Change	2017	2016
Scooter	417	511	-18.4%	81.3%	93.6%	5,565	7,219	-22.9%	86.7%	91.3%
Other	96	35	174.3%	18.7%	6.4%	850	692	22.8%	13.3%	8.7%
Totals	513	546	-6.0%	100.0%	100.0%	6,415	7,911	-18.9%	100.0%	100.0%

Motorcycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Nov-17	Nov-16	Change	Nov-17	Nov-16	2017	2016	% Change	2017	2016
Adventure Sport	1,046	981	6.6%	18.3%	13.9%	17,556	17,264	1.7%	19.1%	15.9%
Custom	429	565	-24.1%	7.5%	8.0%	7,789	9,512	-18.1%	8.5%	8.7%
Naked	1,628	1,911	-14.8%	28.4%	27.2%	29,275	32,599	-10.2%	31.8%	29.9%
Scooter	1,362	2,028	-32.8%	23.8%	28.8%	17,632	24,876	-29.1%	19.2%	22.9%
Sport/Tour	159	123	29.3%	2.8%	1.7%	2,877	3,777	-23.8%	3.1%	3.5%
Supersport	468	666	-29.7%	8.2%	9.5%	9,057	12,240	-26.0%	9.8%	11.2%
Touring	102	128	-20.3%	1.8%	1.8%	2,211	2,281	-3.1%	2.4%	2.1%
Trail/Enduro	524	630	-16.8%	9.2%	9.0%	5,484	6,144	-10.7%	6.0%	5.6%
Unspecified	7	5	40.0%	0.1%	0.1%	135	165	-18.2%	0.1%	0.2%
Totals	5,725	7,037	-18.6%	100.0%	100.0%	92,016	108,858	-15.5%	100.0%	100.0%

Tricycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Nov-17	Nov-16	Change	Nov-17	Nov-16	2017	2016	% Change	2017	2016
Scooter	28	40	-30.0%	0.4%	0.5%	487	650	-25.1%	0.5%	0.6%
Other	22	21	4.8%	0.3%	0.3%	283	235	20.4%	0.3%	0.2%
Total Registrations	50	61	-18.0%	0.8%	0.8%	770	885	-13.0%	0.8%	0.8%

Summary	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Nov-17	Nov-16	Change	Nov-17	Nov-16	2017	2016	% Change	2017	2016
Total Moped, Motorcycle & Tricycles (exc Scooters)	4,481	5,065	-11.5%	71.3%	66.3%	75,517	84,909	-11.1%	76.1%	72.2%
Total Scooters	1,807	2,579	-29.9%	28.7%	33.7%	23,684	32,745	-27.7%	23.9%	27.8%
Total Registrations	6,288	7,644	-17.7%	100.0%	100.0%	99,201	117,654	-15.7%	100.0%	100.0%

November 2017 and Year to Date - New Registrations by Engine Band

Engine Band	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Nov-17	Nov-16	Change	Nov-17	Nov-16	2017	2016	% Change	2017	2016
0-50cc	520	570	-8.8%	8.3%	7.5%	6,543	8,078	-19.0%	6.6%	6.9%
51-125cc	2,488	3,482	-28.5%	39.6%	45.6%	30,056	44,709	-32.8%	30.3%	38.0%
126-650cc	1,216	1,322	-8.0%	19.3%	17.3%	16,305	18,169	-10.3%	16.4%	15.4%
651-1000cc	1,162	1,148	1.2%	18.5%	15.0%	25,923	25,469	1.8%	26.1%	21.6%
Over 1000cc	902	1,122	-19.6%	14.3%	14.7%	20,374	21,229	-4.0%	20.5%	18.0%
Total Registrations	6,288	7,644	-17.7%	100.0%	100.0%	99,201	117,654	-15.7%	100.0%	100.0%

Sales of larger ticket machines that are predominantly in the larger capacity engine bands, have had a bit better time, with the 651-1000cc band even increasing on last year's performance for both month and Y-T-D and the bestselling Adventure Sport model Yamahas MT-09 Tracer, leading the way in the market full of offers in some disguise.

November 2017 and Year to Date - Highest Registering Model by Style

Mopeds	Highest Registering Model by style	Nov-17
Scooter	Longjia LJ 50 QT-3L ECHO 50	57
Other	Lexmoto HUNTER 50 TD 50 Q	29

Motorcycles	Highest Registering Model by style	Nov-17
Adventure Sport	Yamaha MT-09 TRACER	142
Custom	Harley-Davidson SPORTSTER N 883	57
Naked	Honda CB 125 F	117
Scooter	Honda PCX 125	186
Sport/Tour	Kawasaki Z1000 SX	73
Supersport	Suzuki GSXR 125	88
Touring	BMW R 1200 RT	18
TRAIL/ENDURO	Honda CRF 250 LA	32

Tricycles	Highest Registering Model by style	Nov-17
SCOOTER	Piaggio MP3 500 LT SPORT ABS	10
OTHER	Multiple Items	3

November 2017 - Highest Registering Model by Engine Size

Engine Band	Highest Registering Model by Engine Band	Nov-17
0-50cc	Longjia LJ 50 QT-3L ECHO 50	57
51-125cc	Honda PCX 125	186
126-650cc	KTM 390 DUKE	83
651-1000cc	Yamaha MT-09 TRACER	142
Over 1000cc	BMW R 1200 GS ADVENTURE	105

November 2017 - New Registrations by Brand

Major Brands	Nov-17
Honda	1,129
Yamaha	822
KTM	432
Triumph	396
Suzuki	394
Lexmoto	353
BMW	343
Piaggio	318
Kawasaki	300
Harley-Davidson	260

Used Market

There has been a mixed bunch of reports from the trade over the last few months. The back end of summer (August/September) was a victim of reduced retail sales, but October, moving into November things started to look up. Reports of reasonable activity was the theme in the majority of researched dealers. Stock was less of an issue as preparation's were being made to reduce the numbers on sales floors as the inevitable quiet times started. Slower selling models have been more readily available but in some types, particularly 125's, even though there has been significant reductions in the new market, used examples are still on the trades shopping lists, especially for the minority in excellent condition. That said, it has been noticeable, care has been taken when acquiring stock to pay on the safe side of "book". Not the first time mentioned in the editorial, but worth touching on again is the difference between clean machines and the ones requiring some reconditioning. The expectations of the lower customer base is for used bikes close to new condition and as stock in the service department queue is not being viewed by riders, the time element where no one is looking at them is being factored into trade prices. Noticed increasingly over the last couple of years, this is reflected in the differential between "Clean" and "Used" in Green Book. As you are reading this at the start of the new year, the tide could be turning as the quest for the new season's stock starts. At the time of writing this, the research is leading to a more positive view to pricing, but no pointers to major increases yet. Adding another year onto stock age and

economic/political concerns rife, there has been few mentions in the field suggesting there will be a rush in January such as has been seen over the last couple of years. The feeling is that the market will be judged in the first few months of 2018 and if necessary, prices will increase. At this moment the winter “behind book” price sentiment is still there, but will be monitored for a change and the start to any increasing prices. Consequently this month there has been some small alterations both ways where necessary with large increases moving into the new season on hold until evidence suggests otherwise.

Auction

A couple of sales in the BCA Peterborough site this research period, with an earlier than usual, small sale in the middle of December, but the more relevant last Black Horse disposal of the year attracting 124 entries. As usual, close to all the finance company entries sold, helping 75% of the offerings to sell. As the year wraps up in preparation for the cold and prices are at a low point, it comes as little surprise that the event as a whole returned an average of 95% of CAP. A major effect on this result is several poor quality examples including track bikes, performing exceptionally poorly. Sports bikes in particular struggled to perform. MAG at Rotherham saw reduced attendees, but the ones there were in the mood to buy and competition between dealers saw raised eyebrows to the prices realised. A dealer group who held the part exchange/over-age stock back for the previous two sales, had a large entry of quality, ready for retail stock which in the words of one of the more erudite dealers, “went ballistic”. Interestingly customs performed exceptionally well with again a struggle on the sports types. Naked types in the main performed as expected. 70 from the 92 entries found new homes.

End Notes

Eastenders and Corrie have nothing on the continuing soap happening in Italy. In fact the MV Agusta saga is even more thrilling than The Archers as Giovanni Castiglioni and his uncle Gianfranco Castiglioni have both had a run in with the Guardia di Finanza, Italy’s tax police. Giovanni Castiglioni received a six-month suspended prison sentence in November for stealing about £1.7m of employee PAYE and NI. The money had been deducted from the wages of MV Agusta factory workers between 2013 to 2015 but never remitted to the Italian Treasury. In a separate case Giovanni Castiglioni’s Swiss resident status for taxation purposes has been challenged and as part of this procedure, there has been substantial assets seized from him, including a pair of Ferraris. Investigating the 23 companies within his Casti Group since 2014 Gianfranco Castiglioni is in deep with a suspected long-term VAT fraud involving up to £1bn. Castiglioni’s various firms, have allegedly been issuing false invoices to each other regarding non-existent transactions and then claiming enormous quantities of VAT back, even though it had never actually been paid.

The saga continues and is ever more present in the news, but after years of escalating crime committed on motorcycle or mopeds, eventually The Metropolitan police have started using undercover snatch squads to drag suspects off their bikes. Part of a new initiative to combat thieves and smash-and-grab raiders, teams of plain clothes officers are ambushing criminals while they are caught in slow moving traffic at pinch points as they ride into London’s West End. The new ‘snatch and grab’ tactic is being used by officers as an alternative to the controversial chasing at speed in a vehicle, often considered too risky due to legal implications. They are also deploying stingers to deflate tyres, a forensic spray that marks individuals committing offences and spotters to identify suspects who radio ahead to the snatch squads lying in wait. Several suspects have recently been caught. On the same subject Sir Henry Bellingham MP has tabled a bill in parliament that could give extra protection to the emergency services. Under the Emergency Response Drivers (Protections) Bill (to be heard mid December 19) police pursuit drivers (as well as other emergency responders) would be exempt from ‘careful and competent’ element of the Road Traffic Act. Currently a police officer can face prosecution for dangerous driving during a pursuit if it is later judged that they were not driving carefully and competently. This has led to highly trained police drivers or riders reticent to pursue suspects. Let’s hope something is done, although most people realise the difference between these crimes and genuine riders, it’s not doing the industry or riders any good.

Only weeks away from race season starting but one piece of feel good news to finish the editorial on a high is three times WSB Champion, Troy Bayliss is returning to competitive racing. The 48 year old Australian will be competing in the Australian Superbike Championship riding a Ducati 1299 Panigale R Final Edition for the DesmoSport Ducati Team.

The continuing good news for racing in the face of an audience who would not normally know of its existence and big congratulations to Jonathan Rea on a surprising podium in the BBC Sports Personality of The Year.

Happy and prosperous New Year.