

NMDA Newsletter November 2021



Yamaha NMAX 125 [Highest Selling Scooter]

Dear NMDA member,

Whilst the market was down to 8,856 sales, it is important to note that last October the industry was responding to the pent-up demand after a series of lockdowns. There were also fewer issues with supply. When compared to a more 'normal' period of trading in October 2019, we saw 96,409 registrations. Year-to-date figures in 2021 show a 4.9% growth compared to then.

Guidance & Contact

The NMDA works hard to support you and your businesses. Please do get in touch with us - If you have any legal, employment or questions concerning business advice please contact our helpline on 01788 538303 or email me directly. NMDA has engaged with Motorcycle News (MCN) in a way that could help promote member businesses to the public. Please refer to page 6 and take action today!

We are your trade body, here to help and advise you on regulatory and operational issues facing your business. If there are issues that we have not covered, or you have concerns about, please do contact us.

Paddy O'Connell

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Your Monthly Note from PHILIP YOULES, NMDA Chairman

The real effects of the pandemic seem like they are just around the corner, if not already here. A showroom devoid of stock in December probably isn't an issue but come March it might take a stiff drink to compare sales figures to the previous March. As the old saying goes: you can't sell empty spaces. The end of cheap money might just be in sight as a small increase in interest rates is undoubtably going to have an effect. But I'm less concerned about that than I am concerned about the lack of, or delay in obtaining stock.



It seems that some manufacturers are forgetting the "normal" sales pattern, ending up behind the retail curve. Traditionally we may have seen a bit of extended stocking or some keen offers to *encourage* a bit of stock into our showrooms, particularly between November and December. In previous years we may also have taken advantage of this, giving us healthy stock levels ready for the spring rush. Nowadays of course, this starts with the first keen customer enquiries coming as early January with the notion of taking delivery on the new plate.

I suppose the excuse "that it's happening to everyone" is ok up to a point but I suspect some might be much nimbler than others at supplying there network. These manufacturers will undoubtably be the winners in 2021. A word of caution here: keeping supply tight has certainly curtailed the discounting and keeping that lead time at an optimum, has created strong demand. Humans have a habit of wanting what's not available. So, getting this right is absolutely critical to our businesses. Which long term, affects everyone.

At the NMDA we really want to see licence reform and have affiliated to the National Motorcycle Council, to add weight to their campaign hopefully creating change in this area. The MCIA have our continued support on this matter as the current system is clearly not sensible. I hate all that not fit for purpose rubbish. It simply doesn't make sense that you can die in battle for your country at eighteen but can't ride a big motorcycle until you're 21, jumping through more hoops than a trapeze artist. Reform in licensing along with clarifying e-Scooters (PLEVs) and clear regulation of their use, just makes sense. I must have some sort of weirded common-sense filter as sometimes something that I think is obvious, quite clearly others have a deep misunderstanding of!!

The Legal services available to us NMDA members continues to be well used. It's exactly what these services are for. I had an interesting conversation on the Piaggio Milan trip where a dealer

was talking about a bike that had been paid for but the customer had gone to ground and they couldn't contact him. There is an act called Torts that deals with exactly this. MILS who operate the NMDA Legal helpline have all the standard documentation. Put simply, it's all set up for us dealers to use and take ownership of the situation, without hopefully losing any brass. The legal service alone is a fantastic reason to join the NMDA and make use of its services.

Motorcycle sales stabilize in October

"Registrations of Power Two Wheelers (PTWs) declined by -3.8% as the sector enters it's off season in the final quarter of 2021", said Paddy O'Connell, Head of the National Motorcycle Dealers Association (NMDA) which represents PTW dealers in the UK, commenting on the latest MCIA's figures.

Whilst the market was down to 8,856 sales, it is important to note that last October the industry was responding to the pent-up demand after a series of lockdowns. There were also fewer issues with supply. When compared to a more 'normal' period of trading in October 2019, we saw 96,409 registrations. Year-to-date figures in 2021 show a 4.9% growth compared to then.

Sales of Electric Powered Two-Wheeled Vehicles (ePTWs) continued to perform well – especially in the low powered segment, with an increase of 103.3% (618 units), both overachieving year on year and adding to the 5,085 registrations year to date for 2021.

In October, larger engine scooters (51-125cc) were dominated by the Yamaha NMAX 125 with 170 registered units. Honda was the brand leader in October with 1,431 units registered, followed by Yamaha (897 units) and Lexmoto (571 units) completing the top three spots.

Paddy O'Connell added, "The NMDA is optimistic that the market going forward will remain steady for the remainder of the year, as long as there is availability of stock across the entire supply chain".

The NMDA continues to encourage members to join our quarterly meetings to find out about all of the support that NMDA membership can offer, and to get behind the #DestinationDealer campaign. This initiative is to help dealers reconnect with their customers and remind them that motorcycle and scooter showrooms are not just a place to transact, they are also a place to chat, have a coffee, look at the new products and meet up with like-minded people.

Autumn's NMDA Dealer Attitude Survey (DAS) releases next week

The Autumn edition to NMDA's Dealer Attitude Survey will be released next week, **Monday 6 December 2021**.

This survey is carried out twice a year and examines how dealers view the major issues currently affecting them, whilst also evaluating how these views are changing over time. It also offers motorcycle dealers and their respective manufacturers a clear idea of the balance of opinion held on a range of views within their networks.

Dealers were asked to respond to questions covering significant aspects of their business relationship with their motorcycle manufacturer. From these responses scores, the majority of results have been produced on a simple five-point scale, ranging from 1 - very dissatisfied/very poor to 5 - very satisfied/very good.

We look forward to sharing the results with you.

RMI Coronavirus Briefing - 29.11.2021

England:

Face masks in retail settings

From 4am Tuesday 30 November face coverings will be compulsory in shops and other settings such as banks, post offices and hairdressers, as well as on public transport unless individuals are exempt from doing so.

Covid self-isolation exemption

All close contacts of anyone who has tested positive for the Omicron variant are required to isolate for 10 days regardless of whether they have been vaccinated. If an individual is contacted by NHS Test and Trace, they are legally obligated to isolate for 10 days.

Travel restrictions

All travellers arriving into the country from 4am on Tuesday 30 November will be required to take a PCR test on or before day 2 and self isolate until they have received a negative test result. These PCR tests can be purchased from private providers. Free NHS tests are not valid for this purpose.

Scotland:

Working from home

Nicola Sturgeon has called for people to work from home 'if they can'.

Warning: Bike sellers targeted by online scam

MCN report that a recent spate of online fraud has been targeting PTW sales.

If you have any concerns or queries, please remember to contact your NMDA to let us know, so that we can advise on and share any targeted instances with your industry colleagues. Don't forget that included in your NMDA membership, you have access to MILS legal advice should you require it, by calling **01788 538 303**

MILS Legal Update: Dismissing new employees for absence/illness

"I have recently taken on an employee, about a month ago, but she isn't proving to be very reliable. She is a receptionist but has already had 5 days off with a variety of medical complaints. What do I do? I don't want to be unfair to her but I've got a business to run and it is very difficult to cope without the receptionist taking the calls?"



Many employers believe that it is more difficult to dismiss an employee who is ill than one who has committed an act of misconduct. Provided the employee has well under 2 years' service (and note that normal unfair dismissal rights actually apply a week below two years) that is not necessarily the case.

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When dealing with employees with under 2 years' service, an employer is perfectly entitled to dismiss an employee if their illness/absence creates difficulties and is not always necessary to go through the full disciplinary procedure in terms of medical evidence and written warnings before taking that decision.

There are however caveats to that general advice. Absence issues can sometimes give rise to claims, and the most common 'banana skins' for employers when dismissing employees with short service who are absent, are as follows:

- 1. The risk that any absence could be related to a long term condition, so as to satisfy a disability under the Equality Act 2010. To qualify as a disability the condition has to be long term and have a substantial adverse effect on day-to-day activities. It is sometimes possible that (even if they appear to be short term issues) absences are linked to some longer term condition. Clearly if they are coughs, colds or other minor issues that is unlikely.
- 2. Be careful also that any absences are not related to pregnancy related illness or similar issues, as that can give rise to claims for sex and pregnancy discrimination.

In the scenario described above therefore if the employer had satisfied itself that those risks do not apply then the next step is very much at the employer's discretion. It could of course be sympathetic, give a warning and try to improve the issues, but if it is too disruptive it could take a view and invite the employee to a meeting to consider dismissal on the grounds of absence.

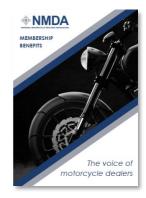
If the employer decides to proceed, it is usually advisable to lay a basic paper trail, involving a written invite to a hearing to consider dismissal on the grounds of absence, a minuted discussion regarding the issue and a decision letter, ideally with the right of appeal. Although not following that procedure wouldn't necessarily give rise to claims, by doing so the employer lays the foundation of a defence in the Tribunal, if the employee should try to claim that they were dismissed for any automatically unfair reason (most commonly discrimination, whistle-blowing or asserting statutory rights) for which length of service is not required to bring claims in the Tribunal.

Motor Industry Legal Services

Motor Industry Legal Services (MILS Solicitors) provides fully comprehensive legal advice and representation to UK motor retailers for one annual fee. It is the only law firm in the UK which specialises in motor law and motor trade law. MILS currently advises over 1,000 individual businesses within the sector as well as the Retail Motor Industry Federation (RMI) and its members.

What you get for your membership fee

- **Legal services** Free legal advice from in-house lawyers
- HR & Employment advice Resources for providing HR documentation
- Trading Standards Guidance advice handling legislation
- MOT Training Training centres to update and instruct MOT testers
- Conciliation & Arbitration Resolving trade and consumer disputes
- Government Lobbying Ensuring we are in consultation over law changes
- FCA Advice Keeping up to date with F&I knowledge
- **DVLA Partner** Working with DVLA to assist future projects
- **DVSA Advisor** Advising on MOT test requirements
- **Utility packages** Reviewing potential on saving energy costs
- Banking & Credit Cards Possible savings on banking charges
- Business advice On call to assist dealers with day-to-day issues
- BDN EXPO Trade Show Attend the annual motorcycle trade show
- Monthly Sales Report Review of monthly motorcycle registrations



- Monthly Newsletter Updating on issues, trends & results affecting your business
- Quarterly member meeting Reviewing issues affecting the industry
- Biannual Attitude Survey Monitoring dealer/manufacturer relationship
- NMDA Website Easy way to check on updates

For more information, please contact Ed Buckley (Membership Manager) on 07919576306 mobile or email ed.buckley@rmif.co.uk.

