

## NATIONAL MOTORCYCLE DEALERS ASSOCIATION NEWSLETTER AUGUST 2020



*Honda PCX 125 was the best seller in June*

### MOTORCYCLE MARKET

Scooters and motorcycle sales saw a 41.9% rise compared with July last year. The public remain cautious to return to trains and buses, which is notably benefiting scooters and motorcycle sales.

#### E-Scooters

The Department for Transport (DfT) announced the outcomes of the consultation on E-Scooters, which ran from the 18 May through to the 2 June. Please consult the DfT website for the outcome of the consultation.

#### 'IT'S COVID SAFE TO RIDE'

The NMDA keeps promoting our 'IT'S COVID SAFE TO RIDE' campaign.

As part of this campaign, we have produced the strapline **'IT'S COVID SAFE TO RIDE'** which we recommend you use in your email signatures and communications to encourage all customers to consider the safety of motorcycling.



NMDA is your trade body and 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 on the NMDA helpline 01788 538303.

Stephen Latham  
Head of NMDA

**Stephen Latham, Head of NMDA**

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## **V-SHAPE RECOVERY FOR MOTORCYCLE DEALERS**

“Scooters and motorcycle sales saw a 41.9% rise compared with July last year. The public remain cautious to return to trains and buses, which is notably benefiting scooters and motorcycle sales”, said Stephen Latham, Head of the National Motorcycle Dealers Association (NMDA) which represents motorcycle retailers across the UK.

Motorcycle sales grew by 42.0% with a total of 13,093 units registered in July. All variants of showed increases in registrations.

Total Scooter sales rose by over 56.6% to 3,576 units, up from 2,284 in the July 2019. This is shows that these machines are continuing their increase in popularity among commuters seeking a viable alternative to public transport.

The continued rise in popularity for scooters follows the positive campaign the NMDA, alongside the MCIA, have run recently to spread the message of ‘unlocking your freedom’ through advising that bikes are ‘COVID-safe to ride’.

All engine bands, from 0-50cc to over 1000cc, experienced an increase. While the majority of the growth tended to be driven by the less power motorcycles, with 51-251cc rising by 62.5%, the larger powered motorcycles still experienced impressive increases. The over 1000cc segment rose by 38.8%.

The biggest selling model in July was the Honda PCX125 with 458 registrations. Overall, Honda continued to outsell all other brands with 2,554 bikes sold, followed by Yamaha with 1,607 registrations, with Lexmoto, that champion in the sale of budget price 125cc bikes, coming in at third with 1,163 new machines.

Latham continued, “Current riders and new entrants to the motorcycle market are becoming increasingly assured of the benefits of motorcycles. The benefits are that it permits isolated travel, a less congested commute and lower fuel consumption. It’s a shame that the Government do not instruct all local authorities to allow bus lanes to be used by scooters and motorcycles, instead, they retain a fixation that push bikes are the only way to commute.”

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## **TRADE IS GOOD**

*British Dealer News, 20 July 2020*

**A message from Philip Youles, Chair of the National Motorcycle Dealer Association (NMDA) and owner of Youles Motorcycles, Manchester & Blackburn.**

Trade is good and the market buoyant. I don’t know about other dealers but I’ve really enjoyed some of the challenges of lockdown. I don’t want to sound crass and insensitive as it’s obviously caused a lot of heartache and emotional stress for many people. But hasn’t it been wonderful to be able to just get on with the job, Manufacturers



take note. I'm not just talking about the ones I deal with, as other dealers from brands I don't represent have uttered these words. It's just been bliss to be able to actually focus on putting the customer first, and putting them on the product.

The feeling has been, you are open and we are grateful for everything you're doing both in terms of looking after the customers and the brand. No nonsense dealing, this brought the really good old days into the fore of my memory when I first started dealing with a manufacturer aka Wilf Green of MZ fame.

Simple product simple pricing sold on a simple HP agreement with a simple to administer insurance scheme. Oh, and with no floor funding, you paid up front cleared funds and a very abrupt style of motivation to his network. For a few weeks it's felt like the clock had been turned back to 1989. I know that actually things probably weren't as rosy as I remember them but we suddenly seem to have being selling bikes again. Maybe there is a lesson there in keeping it simple mind you, I've never liked complicated.

Blackburn is seeing a rise in Covid-19 cases or at least they are testing more people and therefore finding more of the virus. Face masks are looking like they are going to become mandatory. There are plenty of column inches related to the benefits versus the negative impact of wearing and not wearing a face mask but for me the big negative will be not being able to see the customer smile. I delivered a few bikes in the van during lockdown and that was truly the best job I've done for a while. In fact, I'd forgotten how good it is to see the beaming face of a customer as you turn up in the van with their new steed.

With renewed vigour I've got excited about the job again. Two wheels just makes so much sense. As an industry we have a superb product that only needs a bit more recognition from the road planning bods and we have a truly effective transport solution. I've tried to instigate a petition to allow motorcycles and scooters into bus lanes and had hoped the petition would be up there and I'd be encouraging everyone to sign it, in fairness I was warned this wouldn't be straight forward. I've had to start this in my own name as an association is not allowed to create a petition, that was mistake number one.

The NMDA are supporting this and Fred from the NFDA has helped with the submission. It seems as though the government are kicking all these requests into the long grass and giving all these COVID excuses as to why their normal two week turn-around is taking forever. Maybe a petition to ask why petitions aren't being dealt with is in order!! Just thought I'd keep everyone up to date as at least we are trying something, and rest assured I'm like a dog with a bone now so you won't hear the last of this.

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## 'IT'S COVID SAFE TO RIDE'



← Use the strapline in your email footer and customer communications

NMDA continues to promote the **'IT'S COVID SAFE TO RIDE'** campaign to promote scooters and motorcycles as a safe way to avoid public transport, with advantages over walking, cycling or driving.

**Speed** – typical 125cc motorbikes can reach up to 60mph, which is ideal for longer commutes on A-roads, and much faster than a push-bike.

**Economic to run** – the fuel economy of a motorbike can reach around 90mpg.

**Only 1 day of training needed** – to ride a scooter or motorbike solo on the road, only one day of training is needed once you have a provisional licence. The compulsory basic training (CBT) course, once taken, allows anyone over the age of 17 to ride a motorbike up to 125cc with L plates on the road.

**Ease of parking** – many car parks will have dedicated free motorbike parking spaces, which will usually be quieter than the car spaces.

**Environmentally friendly** – as they have smaller engines and complete the journey time faster, motorbikes emit far less CO2 than cars.

**Freedom** – motorbikes have you as close to nature as a push-bike does, and access to all the same areas as cars, but with all of the advantages above.

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## MILS LEGAL GUIDANCE: HOLIDAY PAY



### Managing Holiday Post Lockdown

Many employers in the motor industry are facing a headache post lockdown with managing employees' holiday entitlement.

In this article, we thought we would bullet point some of the key considerations and potential options.

The key points to remember for an employer are as follows:

1. In the UK, entitlement to annual leave is split into different sections of leave:
  - (a) 20 days known as "EU" leave which derive from the Working Time Directive;
  - (b) an additional 8 days "UK" leave.

Together, the 28 days is the minimum in UK law, but as below, different rights attach to the different sections.

Anything beyond 28 days is extra contractual leave and again, different rules would apply.

2. Except on termination of employment, employers are not supposed to pay in lieu of any untaken holiday.

3. Employers should be facilitating employees to take all their leave within the holiday year, but if an employer does so and the employee does not take the leave, then (subject to certain exceptions) the employer can determine that any unused leave entitlement is lost at the renewal of the new holiday year.

As holiday will have continued to accrue during any period of furlough and lockdown, many employers are finding it difficult to grant employees their full leave entitlement within the holiday year.

What are the options in these circumstances?

- One option is to try to “buy” some of the leave back from the employee. As above, with the statutory minimum leave, this is not technically allowed in law, albeit commercially, it is something that employers and employees might agree if both parties are willing to do so.
- Where the Coronavirus has rendered it not “reasonably practicable” for employees to take their leave during the holiday year, then new regulations allow workers to carry over untaken holiday into the next two leave years (SI 2020/365). The two-year carry-over applies to the 20 days basic EU leave.

This is a relatively limited right and guidance suggests that it only relates to situations where it will be quite difficult for the employee to take their statutory leave, given the extent of the leave year remaining and the extent of the holiday entitlement remaining. Further guidance is available at:

<https://www.gov.uk/guidance/holiday-entitlement-and-pay-during-coronavirus-covid-19#carrying-annual-leave-into-future-leave-years>

- Under the Working Time Regulations, it is possible for the employer and employee to agree to carry over the additional UK leave (effectively the 8 days of the 28) into the next leave year if there is agreement.
- With any contractual leave above and beyond the 28 days, employers and employees have more leeway. As above, there is nothing to prevent the employer and employee agreeing a payment in lieu of the extra contractual holiday, if that makes it more manageable. In the alternative, if the employer can demonstrate a strong business case, it might, after consultation, decide that it needs to change the contract and reduce contractual leave in the present economic circumstances.

As the above summary demonstrates, the situation is somewhat complicated, and you should always seek specific legal advice which will depend on the individual facts of the case.

If you find yourself in a similar situation with managing employees’ holiday post lockdown, you should seek advice via the RMIF helpline.

### **Motor Industry Legal Services**

*Motor Industry Legal Services (MILS Legal Ltd) 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.

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## DVSA LAUNCHES PRE-CBT TRAINING WITH ONLINE RIDEFREE COURSE

*Visor Down, 29 July 2020*

The DVSA has announced the launch of **Ridefree** – a free online training resource for those looking to take their CBT course

The Driver and Vehicle Standards Agency (DVSA) has launched a new online training course for riders looking to get on two-wheels.

The course was developed by the DVSA, Highways England and the MCIA, and has already gone on to win a Prince Michael International Road Safety Award and a Chartered Institution of Highways and Transportation (CIHT) Kier Road Safety Award.

The free course covers topics like the Highway Code, clothing, equipment, and the importance of motorcycle maintenance and also how a rider's behaviour can affect them and other road users.

Mark Winn, DVSA Chief Driving and Riding Examiner, said: "As motorcyclists are amongst the most vulnerable road users it's essential they have the right knowledge and skills needed to stay safe on Britain's roads.

"Getting the right advice from a professional instructor and the new ride free course helps new riders get the most from their CBT and should improve road safety."

Tony Campbell, Motorcycle Industry Association (MCIA) Chief Executive, said: "It is important that new riders should be safer riders and receive the best training possible and for that reason, MCIA is proud to be part of the Ridefree initiative."

To link to sign up for the Ridefree course is: [safedrivingforlife.info/ridefree](https://safedrivingforlife.info/ridefree)

[Source: Visor Down](#)

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## GLASS'S GUIDE MARKET SUMMARY

*British Dealer News, 24 July 2020*

Following months of devastating registrations in the wake of the COVID-19 lockdown, June recovered strongly with dealers in England opening from June 1. Motorcycle Industry Association registration data recorded growth of 14.8% over June 2019, with seven out of the nine categories experiencing increases. Interestingly, it was the scooter segment that recorded the strongest increase.

### Engine band highest registering model June 2020

Power Band	Model	Registrations
0-50cc	Lexmoto ECHO 50	77
51-125cc	Honda PCX 125	445

126-650cc	Royal Enfield Interceptor INT 650	196
651-1000cc	Triumph Tiger 900 GT PRO	137
Over 1000cc	BMW R 1250 GS Adventure	188

*Data courtesy of the Motorcycle Industry Association*

### **Dealer feedback**

June 2020 was one of the busiest months for motorcycle dealers “since the 1980s”. This sentiment was shared across many of the dealers selling both new and used bikes contacted following lockdown. Dealers situated close to larger towns and cities are also witnessing increases in demand for scooters, suggesting consumers are seeking socially distanced alternatives to public transport.

Today, demand appears to be strong across all power bands. However, caution is needed due to the economic effects of Covid-19, especially the ramifications for consumer spending with the possibility of local lockdowns leading to dealer closures.

Used stock supply continues to be an issue. With levels running low, dealers need to pay strong money to replenish. However, with increases in demand for new bikes, there is a corresponding increase in part exchanges, going some way to replenishing used stock levels.

### **What can the industry expect moving forward?**

The industry will likely enjoy a strong late-season. This forecast is supported by increasing numbers of commuters returning to work who are looking at two-wheel transport to offer a value for money and socially distanced alternative to public transport. However, the next few months remain critical for the industry. With significant redundancies inevitable across many employers, the main question is how long will the demand ‘spike’ last.

### **Sales Environment**

Although there is much uncertainty ahead, given the market is reporting current strong activity, residual values will remain buoyant. Taking this into account and some careful consideration of the current situation, the majority of values have been held for August’s data, except where trade feedback and market evidence suggests further adjustments.

## **TRADE ONLY MOTORCYCLE AUCTION LAUNCHES**

*16 July 2020, British Dealer News*

Fleet Auction Group, based at Coalville in Leicestershire, is well established in the car and commercial vehicle market. And the group now plans to hold its first trade-only motorcycle auction at 11am on Thursday 13 August. This will include 77 machines direct from Honda financial services.

To enter bikes for sale or to register to bid please contact [nj.young@aol.com](mailto:nj.young@aol.com).



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## 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](mailto:ed.buckley@rmif.co.uk).

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## NMDA MEMBER CALL – WEDNESDAY 16 SEPTEMBER 2020

### Next NMDA conference call - Wednesday 16 September 2020

All members are welcome to dial-in. Please dial **08444 737630** and use the PIN **201 157** to join the call.