Industry Overview

Many dealers still haven’t turned sales around from the slow winter...
Industry Overview...

As we move from spring to summer, on-road motorcycles gain popularity and are anticipated to be the top sellers for most dealers. Figure 1.1 indicates that dealers believe Cruisers will be their best selling segment, with Sport, Touring, and Dirt following close behind.

![Dealer Opinion of Best Selling Segments](image)

Percentages produced by dividing total number of responding members by number of members responding with a specific segment they anticipate selling well in the next 60-days.

Source: NADAguides, Inc.

Figure 1.1
Industry Overview...

Figure 1.2 reflects purchases within the last 60 days. 72% of dealers responded that the majority of their sales were new units; whereas, 28% indicated they sold more used units than new. Many qualifying consumers are taking advantage of aggressive incentives offered by OEM’s. It has been reported that financing has loosened up and consumers have more faith in the economy.

![New Versus Used Units as Majority of Overall Sales](image)

Percentages produced by dividing the number of dealers responding that new or used units made up the majority of sales within the previous 90 days, by the number of total respondents.

Source: NADAguides, Inc.
Industry Overview...

Previously, 60% of dealers believed that sales would be about the same this year as the previous, this has shifted drastically to 32%. Figure 1.3 shows this shift of people who now believe that this selling season has been worse than last year. Based on conversations with dealers, this is due to the late winter and destructive storms experienced in many areas.

Figure 1.3

Percentages produced by dividing total number of responding dealers by the number of dealers responding that conditions are better, about the same, or worse. Source: NADAguides, Inc.
NADAguides Data Overview
Data Overview...

The charts shown in Figures 1.5 and 1.6 reflect, by industry segment, where the trade-in values were too low, about right, or too high, as compared to their local market area.

![NADAguides Powersports Rough Trade-In Values](chart)

This chart reflects where responding members felt the guidebook values within each segment fell with respect to their local market areas.

Source: NADAguides, Inc.

Figure 1.5

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Data Overview...

The charts shown in Figures 1.5 reflects, by industry segment, where the trade-in values were too low, about right, or too high, as compared to their local market area.
Data Overview...

The charts shown in Figures 1.7 reflects, by industry segment, where the retail values were too low, about right, or too high, as compared to their local market area.

![Chart showing retail values for different segments of the industry](image)

This chart reflects where responding members felt the guidebook values within each segment fell with respect to their local market areas.

Source: NADAguides, Inc.

Figure 1.7
Outside Influences
Fuel Prices

A view of the national average gas price and regional year over year change over the last year, is supplied to provide support to longer-term strategic planning.

<table>
<thead>
<tr>
<th>Region</th>
<th>May-13</th>
<th>Apr-13</th>
<th>May-12</th>
<th>Change From</th>
</tr>
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<tbody>
<tr>
<td>US</td>
<td>$3.62</td>
<td>$3.57</td>
<td>$3.73</td>
<td>$0.05</td>
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<td>East Coast</td>
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<td>$3.67</td>
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<td>$3.65</td>
<td>$0.19</td>
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<tr>
<td>Gulf Coast</td>
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<td>$3.52</td>
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<tr>
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<td>$3.76</td>
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<tr>
<td>West Coast</td>
<td>$3.91</td>
<td>$3.88</td>
<td>$4.22</td>
<td>$0.03</td>
</tr>
</tbody>
</table>

Source: EIA

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Economic Factors: Two important factors affecting the powersports market today are the unemployment rate and consumer confidence. These factors can be interpreted to represent the consumer’s ability and willingness to make a new or used motorcycle or ATV purchase.
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