



# FROM THE PRESIDENT AND CEO THE TIMES, THEY ARE A-CHANGIN'

BY ROB DINGMAN

**W**hat a difference a year makes. The motorcycling world is a different place than it was just 12 months ago, with changes taking place that have the potential to reshape the industry as we know it.

The global success of KTM led to the creation of the Pierer Mobility Group, which eventually counted among its brands Husqvarna, GasGas, MV Agusta and KTM, as well as a bicycle and e-bike divisions. Inflation, high interest rates, inventory surpluses and sliding stock prices conspired to slow the momentum and growth of that expansion.

At the end of last year the company entered into a proceeding to restructure its debt and reorganize. Hopefully it will emerge from this and get back on track. But regardless of the outcome, the impact will be felt by the whole industry — especially in the disposition of excess inventory, which could lower pricing and margins industry-wide, and affect suppliers and the aftermarket, as well.

Harley-Davidson, a brand long synonymous with rugged individualism and Americanism, continues to struggle with a rapidly aging customer base and difficulties attracting younger buyers — all while it pursues a more global identity. And who could have foreseen that a company once acquired by its employees in a leveraged buyout — whose primary competitive advantage was its iconic American brand — would be run by a German-born businessman?

While motorcycling seems to be turning on its head, the world is in a different place, as well. There are some significant changes likely to come from the new administration in Washington, D.C., that have the

potential to affect motorcycling in very consequential ways.

I believe we are likely to see a less regulatory environment at the federal departments and agencies that tend to have significant impact on motorcycling. I am optimistic that the Departments of Interior and Agriculture that oversee much of the public lands that provide off-highway vehicle riding opportunities will be more accommodating of our interests, and that the Department of Transportation will be

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open to our input on programs that are vitally important to the safety of motorcyclists.

Still, there are some areas of concern. One is the apparent outsized influence of Tesla co-founder and CEO Elon Musk. The well-documented crashes caused by Tesla vehicles being operated in autonomous modes continue to instill deep concern that there are far too many autonomous vehicles on the nation's roadways that do not have the ability to detect the proximity of a motorcycle.

I maintain that this technology has tremendous potential to improve the safety of our roadways and the safety of motorcyclists, but our roadways are not an appropriate testing ground. Autonomous vehicle technology must be proven to be safe and proven to detect all vehicle types before being deployed.

Another area of concern is the imposition of tariffs. While the threat of a tariff can be incredibly effective at leveling a trade imbalance or getting a trading partner to alter their behavior, tariffs can wreak havoc on a relatively

small industry such as ours.

For the threat of a tariff to be effective without the imposition of one, affected constituencies need to be agitated into taking action. Some may recall a proposal in 2017 for a 100-percent tariff on 51cc to 500cc motorcycles imported to the U.S. from manufacturers in the European Union in retaliation for E.U. countries not accepting an agreed-upon purchase of a certain amount of beef from U.S. sources.

The U.S. Trade Representative

hoped to tap into the effectiveness of the motorcyclists' grass roots efforts to change Europe's beef purchasing policies. I wrote about my experience in this regard in the August 2017 edition of this magazine.

Since the nominee for U.S. Trade Representative was the chief of staff for the U.S. Trade Representative in the previous Administration of President Donald Trump, it's a safe bet we may see a redux of the 2017 proposed tariff on European motorcycle brands. This could be devastating, given what KTM is currently going through.

With so many changes happening now and more on the horizon, the next 100 years of the AMA could be even more consequential than our first. A strong AMA is needed, and that strength comes from memberships.

As always, thank you for being an AMA member, and for your support of our mission!

*Rob Dingman is the President and CEO of the AMA, and a Charter Life Member.*

