



mcia
Today's Industry. Tomorrow's Journeys

Annual Report

NOVEMBER 2024

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Chairman's Report — Neil Fletcher – HONDA UK – Head of Motorcycles – Chairman, MCIA Board of Directors

It gives me great pleasure to write to you in my final year as Chairman of the MCIA. It has been a privilege to be involved, and as 2024 draws to a close, there is much to reflect upon.

The market, while reasonably stable on the face of it, has brought some interesting challenges to the sector, particularly in the lead-up to and post-election. We were hopeful that the new Government would help bring immediate stability to the economy, and while it is still early days, we are yet to see policies that encourage market and business growth. At the time of writing this foreword, the October Budget had not been announced, so I remain hopeful.

Looking closer at the political landscape and, in particular, policies that directly affect the sector, once again, the Government has failed to respond to the phase-out consultation despite two years of waiting. We now surely need concrete guidance relating to the phase-out, investment in the sector, and a long-overdue review of rider licensing.

The MCIA has researched and presented all of the above and discussed it in detail with government departments. I know Tony and his team are pushing the new regime hard to secure for the sector the package that was previously presented.

With this backdrop of uncertainty for our customers, the new vehicle market has seen some ups and downs in different segments through 2024. However, it is important to remember that the UK Powered Two-wheeler market remains robust, certainly when compared to the pre-COVID era. The MCIA is forecasting annual volumes to be around 2.1% behind 2023 with continued growth in the circulating parc (total number of bikes in use).

Despite some market distortions we expect to see in the final quarter, conditions remain encouraging looking ahead to 2025. We need to build and maintain confidence in consumers and investors in our sector.



If we can secure the political and policy support detailed above, this will help generate the required platform for growth that the industry and government want.

Motorcycle Live this year will look very different from previous events. The team is introducing many new major features that intend to create more of a "festival" vibe throughout the venue. A celebration of the fun and mobility only our sector can deliver may be just the tonic our visitors are craving at this time of year.

I know many of you will be exhibiting or at least visiting, and I encourage you to support the event in any way possible. It is in all our interest that MCL 24 is a major success, attracting both existing and new customers to our market.

I close by saying a big thank you to all those companies that support the MCIA and a warm welcome to the many new member companies that have joined this year. I look forward to seeing many of you at Motorcycle Live and the MCIA annual conference, which will take place in February 2025 (date and venue to be confirmed).

Lastly, from the Board and the whole team here at MCIA, we wish you a Merry Christmas and a happy and prosperous 2025.

Chief Executive Report —

Tony Campbell

MCIA LTD

– Chief Executive Officer

Introduction –

I hope you are all well and that 2024 is proving to be a good year for your business, given the challenging market and economic environment we are all experiencing. I am sure 2024 won't be remembered as a golden year, but we need to refrain from becoming too negative, as there are many other sectors facing far bigger challenges than ours.

The biggest challenge we face as a sector is the urgent need to attract new, younger riders, whether they become fully fledged motorcycle users or simply use our products as everyday transport. With this in mind, my Policy team is focussing all their efforts on ensuring the barriers to market and obstructive policies (such as rider licensing) are reviewed, or the attitude and perception toward the sector are changed.

It is fair to say that MCIA made great strides with the previous government. While we now have a new regime in place, the sector's relationships and position with senior officials remain as they were. From this platform, we are already fully engaged at the Minister level.

At the time of writing, it is just a few days following the new government's first budget, which is far from great news for small businesses and private enterprises. As you would expect, we will be placing pressure on the various government departments about the impact this approach could have on our sector and your businesses.

Looking ahead to 2025 and beyond, we believe there is much to look forward to as transport continues to transition to low and zero emission technologies. Our sector can and will play a key role in offering market opportunities for all MCIA members.



The MCIA Team –

We have now established an incredibly strong, knowledgeable, and dedicated team here at MCIA whose focus is to represent and service our members with your interests as our primary focus. Our priorities are to ensure the core services are of the highest quality and, simultaneously, push to introduce new added value services that will provide additional support and insight for your business.

My public affairs team, headed by **Alfie Brierley**, will continue to "stress" the relevant government departments, ensuring the sector's voice is heard, and the outcomes of that work achieve the changes we need to see, be it licensing, vehicle regulation, or government investment and support to the sector.

Headed by **Nick Duck**, our market intelligence department has never produced so much insight and data about our market; only a few years back, we produced only static reporting on new vehicle registration information. Now, we produce and provide our members detailed insight on vehicle parc, theft, license/test passes, used vehicle transactions, road safety stats, and an annual report on new vehicle price evolution. This department will continue to develop new areas of reporting and directly support our members in integrating this information into their own systems making the information of even greater use.

Technical & Regulatory support is a vital service provided by **Mark Fowler**. I am sure you will join me in agreeing that Mark's support and detailed knowledge of this incredibly complex area are second to none. As we move ahead, it is likely that, over the coming years, the regulations will become even more complex

as the regulations adopted post-Brexit expire. The UK government must create UK-specific regulations. Our goal will be to ensure this remains a mirror image of EU regulation, which, as I am sure you will agree, will be fundamental to the economies of scale and manufacturing efficiencies.

Our commercial department, which includes membership services, marketing, and events headed by **Finlay McAllan**, will continue to develop all the touch points between MCIA and its members, whether that be our interactions with you (Conference, Special Member Groups and communications) or direct to the consumer through Motorcycle Live. Motorcycle Live 24 (MCL 24) is undergoing major change, and the clear goal is not just to attract the existing motorcycle audience but also to attract new people to the market. To achieve this, Motorcycle Live needed to evolve enormously; the days of visiting an exhibition and being satisfied with static, non-interactive displays with limited entertainment are long gone. For 2024, MCL will take on a completely new look. We encourage you to visit (if you are not taking part), as I know you will be surprised by the level of change.

MCIA Financial Wellbeing –

As you will see from the financial report enclosed, the association remains on a solid financial footing and, therefore, is in a secure place to provide you with the representation, support, and services mentioned above. In accordance with our governance rules (articles of association), the company continues to operate in full compliance, which, as you will be aware, is reviewed quarterly by the Board of Directors and twice annually by the audit committee.

Careers & Apprenticeships –

You will recall that MCIA coordinated a new initiative to address the shortage of technical apprentices in the dealer network and promote the industry as a great place to work. I am pleased to advise that 46 new apprentices joined the sector this year alone, and we expect this number to grow further over the coming months. MCIA will continue to work with the training providers and the National Motorcycle Dealer Association to continue driving this forward. If you do visit Motorcycle Live on Tuesday or Thursday, be sure to spend time at the Expert Lab, as these days will be dedicated to careers in the sector. We expect more than 400 students from various colleges around the country to be with us.

Road Safety & other threats to our sector –

Road safety continues to be the biggest threat to achieving full government support. Whilst we have seen improvements since 2022, killed and seriously injured riders make up 20% of all KSI's but represent 1% of miles travelled. We can, of course, blame other road users. However, this will not make the problem go away. Therefore, I urge all members to consider what can be done to make our users safer, whether it be engineered technology, vehicle connectivity, improvements in PPE, or improvements in training. MCIA will continue to push the road safety organisations (including the government) to do more.

Another topic that is causing massive harm to the sector is anti-social riding and noisy illegal exhausts. It concerns me greatly when I see (non-MCIA members) companies openly promoting illegal exhausts through social media platforms. On some occasions, I have seen fairly high-profile people in our sector on social media "like" what these companies are doing. I do not buy into "noisy pipes save lives", but I will say that "noisy pipes are killing the industry". This subject is very topical, and whenever I attend meetings with officials, MPs, and Ministers, both Road Safety and Noise nuisance are the first subjects I must attempt to defend.

Please give this some thought.

Summary & thank you –

It is a real pleasure working in this industry and, more importantly, representing all the companies that support MCIA. The team here is committed to delivering the best services possible, representing your best interests and helping create a stable and growing market for the sector.

Without your support, this couldn't happen, so please accept my sincere thanks and appreciation to you all.

Finally, I wish you, your families, and your colleagues a very Happy Christmas and a prosperous 2025. We look forward to seeing you all at Motorcycle Live and in the New Year at the Conference, which will take place in late February (date TBC).

Financial Summary —

MEMBERSHIP YEAR 2023–24

Key financials are outlined below and a full copy of accounts including the Directors' and Auditors' Report is available on request. Please contact Karl Pahnke, Financial Controller at k.pahnke@mcia.co.uk should you require any further detail.

CONSOLIDATED INCOME & EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH	2024 – £	2023 – £
TURNOVER	4,316,512	3,961,807
Cost of sales	2,360,819	2,369,080
GROSS SURPLUS	1,955,693	1,592,727
Administrative expenses	1,694,354	1,535,660
	261,339	57,067
Other operating income	10,352	5,946
OPERATING SURPLUS	271,691	63,013
Interest receivable and similar income	51,546	12,494
SURPLUS BEFORE TAXATION	323,237	75,507
Tax on surplus on ordinary activities	17,243	15,442
SURPLUS FOR THE FINANCIAL YEAR FOR THE GROUP	305,994	60,065

CONSOLIDATED BALANCE SHEET 31 MARCH 2024	2024 – £		2023 – £	
FIXED ASSETS				
Tangible assets		655,722		657,036
Investments		-		-
		655,722		657,036
CURRENT ASSETS				
Debtors	619,424		594,586	
Cash at bank and in hand	2,518,508		2,110,659	
	3,137,932		2,705,245	
CREDITORS				
Amounts falling due within 1 year	(333,517)		(208,138)	
NET CURRENT ASSETS		2,804,415		2,497,107
TOTAL ASSETS LESS CURRENT LIABILITIES		3,460,137		3,154,143
RESERVES				
Income and expenditure account		3,460,137		3,154,143

Governance —

MCIA BOARD OF DIRECTORS 2024–25



Neil Fletcher –
Honda UK
Appointed Director*
CHAIR



Adam Kelley –
Yamaha Motor UK
Appointed Director*
VICE CHAIR



Tony Campbell –
CEO, MCIA
Appointed Director*



George Cheeseman –
Royal Endfield (UK) Ltd
Appointed Director*



Howard Dale –
Kawasaki Motors (UK) Ltd
Appointed Director*



Paulo Alves –
BMW Motorrad UK
Appointed Director



Devron Boulton –
Triumph Motorcycles
Appointed Director*



Paul De Lusignan –
Suzuki GB PLC
Appointed Director*



Steve Reynolds –
Independent Director*



Fabrizio Cazzoli –
Ducati UK
Appointed Director



Matt Walker –
KTM Sportmotorcycle UK
Appointed Director
Manufacturer & Importer SMG Chair



Dean Clements –
Clements Moto
Appointed Director



Mike Loydall –
TME
Elected Director
Service Providers SMG Chair



Kevin Howells –
Datatag ID Ltd
Elected Director
Accessory & Component SMG Chair



Dale Robinson –
Zero Motorcycles Ltd
Elected Director
**Manufacturer & Importer SMG
Vice Chair**

*Audit Committee Member, responsible for reviewing financial strategies, budgets & accounting operations relating to MCIA and MCIA Events Ltd

AUDITORS – Harrison Beale & Owen

Membership —

BENEFITS TO MEMBERS

Membership of MCIA welcomes companies into a collective, whose passion and drive for Powered Light Vehicles (PLV's) is unrivalled. Support is provided by an Executive that are constantly developing ideas and other support mechanisms, to ensure the services delivered are class leading, progressive and ultimately, the best!

There is an extensive suite of benefits available to MCIA Members; links to the entire suite can be found here:

- **Manufacturers** (Bronze, Silver, Gold & Platinum) www.mcia.co.uk/appendix-1-manufacturers
- **General Members** www.mcia.co.uk/appendix-1-general-members

The benefit package is continually added to, with the latest introduction being **Members First**.

This exclusive new platform, found within the Members section of the website, presents the facility to connect with other members directly, offering the opportunity to network, and offer an advantageous opportunity or discount on services, not available to consumers or non-members.

The key to membership is communication and we conduct several meetings throughout the year with agenda items specific to membership groups, as well as hosting a number of Special Interest Group meetings (SIG's), covering topics including International trade, import & export, off road, sport and marketing & PR.

A full list of all upcoming meeting dates for 2025 as listed below:

DATES FOR YOUR DIARY – 2025	2025 DATES
MCIA Conference – London (Venue TBC)	18 February
Manufacturer & Importer Group	18 March 10 June 9 September
Accessory & Component Supplier Group	19 March 11 June 10 September
Service Provider Group	20 March 12 June 11 September
Off Road/Bike Sport Interest Group	March (TBC) June (TBC) October (TBC)

In addition to the information detailed here, there's the comfort in knowing that by being a Member, your interests are being represented, your voice is being heard, and that whether it's whole vehicles, accessories and components, clothing and safety equipment or services to industry, membership of MCIA presents the opportunity to be a part of Today's Industry for Tomorrow's Journeys.

MCIA Team —



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MEMBERSHIP, COMMUNICATIONS & EVENTS TEAM



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GOVERNMENT AFFAIRS, POLICY, SAFETY & TRAINING



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