

Motopodd.com

23rd February, 2011

For the Attention of Mr Wim van der Camp, MEP and Rapporteur for the Approval and Market Surveillance of Two or Three-Wheel Vehicles and Quadricycles

Copies to:

Mr Malcolm Harbour, MEP and Chairman of the European Parliament Internal Market and Consumer Protection Committee.

Mr Adrian Burrows, Department for Transport, United Kingdom.

Dear Mr van der Camp,

I am writing with regards to the proposals for the Approval and Market surveillance of two or three wheel vehicles and quadricycles.

Motopodd Ltd. is a new company setup in 2009 during the credit crunch in the UK.

We design and manufacture innovative and modern motorcycle sidecars with the aim of increasing popularity for this quirky, fun and practical form of transport. Our values are good quality engineering, innovation and British design and manufacturing.

We began with a design for a sidecar which could be produced for both left and right hand drive formats, with the aim of exporting in the second year of production. Motopodd entered production in early 2010 having been entirely self funded. Investment at the end of 2010 was c.£100,000.

Every part and component on the sidecar is manufactured in the UK by British craftsmen. We outsource our frame building to a small specialist engineering company and our GRP bodies to a GRP specialist for example, whilst we use small local firms to produce our upholstery, spray painting etc. We could have everything made in China for a substantial cost saving, but we want to build a quality product and promote UK manufacturing.

We sold our first batch immediately and have produced several more, demand is strong and we are now looking at new model development.

The standard retail price of our sidecar is £3250

The average sale price (including paint/extras etc) is £4500

Within 3 months of going to market we had export enquiries from Canada, the United States and Scandinavia.

We would hope to be in a position to complete our first export orders in the latter part of this year or early 2012. The initial quantities suggested so far are not insignificant at 100 units for North America and 50 units for Scandinavia, representing around £0.5 million.

In order to achieve this, we will need to employ additional full time staff to cover assembly, office, crating and marketing roles. We have the production capacity in

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place with our current suppliers, who have already invested in additional production equipment for us.

There are many markets remaining to explore, with Japan and Australia experiencing growing sidecar sales, we would expect to achieve an export target of 500 units per year in 2013, or around £1.6 million. These figures will mean a substantial investment by us in the local businesses that supply us, several of which have already indicated that they will need to take on additional staff.

We at Motopodd believe that a motorcycle sidecar is a practical, safe and efficient form of transport that has a strong place in any transport system. A motorcycle with a sidecar in most cases is no less fuel efficient than a solo motorcycle, the reasons for this being that they tend not to be ridden so hard and the rolling resistance of the additional wheel is low, emissions tend to be lower than that of the same solo motorcycle due to the lower engine revs used in practice.

In terms of efficiency, a sidecar is built for a passenger and they are specifically used to do so, most owners take at least one passenger for most journeys, whereas most cars are driven with three or more empty seats predominantly. Sidecars are substantially safer than a solo motorcycle by design, a slippery or loose road surface does not cause the accidents associated with solos, the third wheel giving them inherent stability. Accident statistics are so low as to be unrecorded so far as we can ascertain in the UK.

Disabled and elderly owners make up a significant proportion of sidecar owners, often solo motorcyclists originally, this group prefer the choice of still owning and riding a motorcycle and a sidecar can often allow them to continue riding when they would be physically unable to ride a solo motorcycle.

Within the proposals, the Commission aims to reduce the production numbers permitted to 100 units per annum for so called small series producers. We would ask that sidecars be either withdrawn from the proposal or at the least, left at the present limit of 200 units on the following grounds.

A sidecar is not a vehicle, in fact the Commission has clearly indicated that it is a Separate Technical Unit (STU) and therefore cannot be considered in the same manner as a newly built motorcycle, trike or car. Sidecars are most often retro-fitted to a used motorcycle, not creating a new vehicle, but adding an accessory to that existing vehicle.

We note that the sidecar production figures that the Commission are using for their impact assessments are totally inaccurate. Based on Eurostat data, they quote an average of 3000 sidecars per year produced, from 2003 to 2007, then a rise to 40,000 units for 2008. Equally, the production value figures make no sense at all and are wildly inaccurate. In 2004 the average value of a single unit was £1200 which rises to £7200 in 2005. This is clearly incorrect. How can serious decisions that will affect a whole market sector be made with inaccurate data?

Finally and most importantly, sidecar production is made up from a number of small companies each making a small volume. The proposal to reduce the small series number to 100 would cause all the sidecar manufacturers in the UK to cease

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production with obvious consequences for the staff and industries associated. If this limit was imposed, I would have no choice but to wind up Motopodd Ltd. and cancel all of our plans for future expansion and exports. This would end my project to promote British manufacturing and build a quality product for worldwide export in a most unfortunate and unnecessary way.

We are building a successful manufacturing business and whilst we have not asked for, or taken any assistance, financial or otherwise from the Government of this country or from Europe, the least that we would expect is that we are not held back or even destroyed by legislation that is ill informed and counter productive.

For the above reasons, I respectfully request that you as Rapporteur of the Internal Market and Consumer Protection Committee for the Approval and market surveillance of two- or three-wheel vehicles and quadricycles, recommend the withdrawal of the limitations set out in the proposal by DG Enterprise and Industry.

Yours sincerely,

Rod Young
Managing Director

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Two wheels good. Three wheels better



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