



NPDA FOLLOW UP STATEMENT ON OEM SURCHARGES:

The Powersports industry operates within a framework that is far from a zero-sum paradigm. Collaborative efforts between Dealers and Manufacturers hold the potential for achieving remarkable outcomes. It is imperative that neither party approaches this collaboration with apprehension over perceived territorial losses, fearing the advancement of the other.

During the apex of the pandemic, the justification for incremental costs tied to commodity prices and freight expenses was evident. However, as cost normalization took effect, these supplementary surcharges persisted. Regrettably, these incremental costs evolved into a source of contention among both consumers and dealerships.

As the unified voice of dealers, the NPDA assumes the responsibility of soliciting and aggregating feedback from its esteemed members, subsequently discerning the issues that warrant concerted attention. The onset of 2023 witnessed a notable influx of discourse within our membership regarding OEM surcharges. Consequently, the NPDA elected to prioritize this matter, issuing a resolute stance that the era of surcharges should come to an end.

It is with genuine appreciation that the NPDA extends its public commendation to Yamaha Motor Corporation and BRP for their pioneering role in the industry, marked by their decision to eliminate surcharges for the forthcoming year, 2024. This decisive action is poised to yield benefits for all stakeholders involved: consumers, dealers, and manufacturers. The NPDA firmly believes that adept sales personnel will harness this opportunity to drive increased sales for these esteemed brands.

Although tardiness seldom aligns with trends, there remains ample time to rectify the situation. The NPDA emphatically urges the remaining manufacturers to emulate this positive trajectory by rescinding surcharges for the upcoming year, 2024. The discerning consumer base has grown weary of incremental charges eroding the value of each purchase. For the manufacturers who have not yet rescinded surcharges, choosing unwisely in this matter would invariably lead to a competitive disadvantage throughout the remainder of the present model year.

NPDA Position Statement, featuring Lead Author & Board Member Mark J. Sheffield