

An inside look at the battery market

Consultant remains at fore with 2013 Market Report



GARY GUSTAFSON

Gary Gustafson is the president of G-Force Consulting Inc, a powersports manufacturer consulting firm based in Clear Lake, Minn. He is releasing his 2013 Market Report on North American Powersports Batteries. More information is available at www.gforceconsulting.com

PSB: What is your background with powersports batteries?

GG: My first professional project involving batteries was specifying the starting battery along with all of the other electronics for the Polaris Ranger launch in the mid-90s. That was a Yuasa YB30L-B. From there I eventually led a cross-functional team that transitioned Polaris' ATV division away from flooded batteries to AGM batteries. Our engineering department did a lot of engineering analysis of various batteries and chargers, plus managing things that other departments had to handle like implementing first-in, first-out inventory and selling our dealers better battery service tools. I also specified all of the next generation ATV charging systems on the first Polaris domestic

ATV engines with an eye towards maintaining battery state-of-charge. I did the same things at Arctic Cat during my time there, plus I taught about batteries at their service schools. This was my first interaction that gave me the opportunity to learn about customer expectations. Since founding G-Force Consulting Inc in 2005, I've had continuous involvement in electric drive train development, electric vehicle development, charging system development, and — of course batteries. I've analyzed the technologies at a 100,000-foot level for merger and acquisition due diligence, visited lithium battery manufacturing plants for supplier audits, consulted on new business development for battery and battery accessory manufacturers, visited over 100 dealers as an electric vehicle sales rep, resolved field problems and a lot more.

PSB: You are releasing a report on the North American powersports battery market. Obviously there are more and more electric motorcycle and UTV entries every year so batteries are a hot topic. What kind of information does your report contain, and who do you think needs it?

GG: My report describes the things that make powersports batteries a unique application. It also offers an objective analysis of current and future battery technologies with a forecast for the success of each one filtered by the realities specific to each type of vehicle. I analyze the ostensible battery strategies for various

OEMs, and give a SWOT analysis of the battery manufacturers themselves. I also provide Voice-Of-Customer data on today's deep-cycle or "energy" battery end-user and starting or "power" battery end-user. There is a marked difference between the two. It is all translated into dollars and cents so it is actionable, and it includes a holistic three to five year forecast. Investment managers, technology directors, and leaders at battery manufacturers and vehicle OEMs may all find it beneficial.

PSB: Why is there a need for special research into batteries for powersports vehicles? Aren't there battery experts all over the world, and don't the battery manufacturers themselves know the products better than anyone?

GG: Batteries are developed for general applications, and the applications need to be optimized for the batteries. Powersports batteries reside in a unique electrical, physical and business environment. I think these are elements of research that I can educate people about. A battery in a vehicle can succeed or fail based upon the charging system, the battery management system, where it's installed, how much splash or submersion it sees, electrical loads, consumer behavior, and other factors. Replacement starting batteries are an important profit center and consumers have been trained to accept fairly frequent, low-cost replacements on their gas-powered vehicles. These factors are all unique for a side-by-side or snowmobile

versus, say, a battery pack on a Prius, or a stationary battery set on a wind energy farm.

PSB: You say that there is "another shoe yet to drop" with the adoption of new batteries. What is that?

GG: People are going to have to buy the report to find that out. But again, one of the major things that makes my report different is that I present observations from on the ground, in the lab and at the factory. Certain battery performance factors are dramatically amplified on powersports vehicles that are mitigated in other applications. Anyone who wants to successfully develop next-generation ATVs, motorcycles and snowmobiles needs to know these things. And remember — no OEM or battery manufacturer is the established new battery technology leader yet. Any manufacturer could still turn out to be a big winner, if they have the right approach. In an article called "Mega-trends in the ATV industry" I predicted five years ago that the industry was undergoing a fundamental change, and we are now barely halfway through it.

PSB: Will vehicles of the future all be battery-powered? Or will this turn out to be a fad?

GG: We should not compare powersports to automotive when considering this question. The new industry will not normalize until the

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Cardo community connects online

scala rider G9 users can search for friends, plan meet-ups

Cardo Systems, the pioneer and global market leader in motorcycle communications, announced a new free service called the cardo community to complement its scala rider G9 motorcycle communication systems. Now motorcyclists who enjoy riding with their friends can also enhance their social experience online and do much much more by visiting www.cardosystems.com and clicking on the cardo community.

The award-winning G9 is a revolutionary system that easily connects to virtually all motorcycle helmets to allow users to communicate in a natural manner. Equipped with high-quality speakers, it lets motorcyclists keep their hands on the handlebars as they control many functions by voice. The G9 is also unique in enabling full duplex natural conferencing to up to two other motorcyclists on a total of three bikes or among two couples riding on two motorcycles. In addition, the industry-leading G9 is perfect for motorcycle clubs because it breaks communication barriers by letting a user toggle to up to eight other riders. These are only a few of the outstanding features and benefits pioneered by the G9 from the company that has brought motorcyclists virtually all of the significant advances in motorcycle communications.

"With the launch of the cardo community we are encouraging our motorcyclist users to build a thriving social network of other enthusiasts," said Cardo's CEO Abraham Glezerman. "Our versatile scala rider G9 can be customized through the community, allowing users to change languages, voice activation controls

and other settings. They can also build lists of friends, and search for others in the community in order to organize group rides. Motorcycling has always been its own community, and we are looking to expand this sense of belonging to the virtual world, while we encourage real-world friendships and connections."

But there is even more. Owning a G9 makes riders part of the cardo community.

Once users have registered and chosen a nickname or a real name for themselves, a host of unique community benefits become available. They can customize the features of their

communication device and preset FM radio stations and re-tune their radio; update software; change settings for Voice Activation Sensitivity; Voice activation Operation Mode; Sensitivity of Automatic Gain Control; Spoken status announcements; Programming a Hot-Dial Number; Change languages.

Users can also create a list of friends, search for friends by their user names, create a tour and invite their friends, publish tours to invite others and join tours online.



There are many additional benefits to joining the cardo community, including access to video tutorials, user manuals, read more about recent software releases and even ask for Cardo Customer support. **PSB**

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technologies mature, and the sales channels evolve to fit the right customer with the right technology. This year and next, we will be transitioning from early adoption to mass adoption of electric and hybrid UTVs, with motorcycles not far behind. Automobiles require fast speeds and long distances, but a lot of EV use is in limited spaces and some people want quieter machines. For example, a lot of private land-owners love electric UTVs, and electric-only motocross parks such as the BrammoParx concept that they picked up from Quanta is a great way for people to open up riding opportunities in populated areas. The hybrid electric drive trains being developed will appeal to even more people, not just to save the earth but because of the incredible experience they offer. I believe that the ROHV industry could make a strong push to keep trail systems open in national forests, etc. if we promoted hybrid drive train technology now, and use this argument to prevent more public lands from being designated as non-motorized, wilderness areas. Fuel-cells could supplant a lot of energy storage technologies as well. There are also challenges. Since many powersports dealers are small in comparison to auto stores, the industry will need to standardize battery footprints, service tools, etc. to prevent mass-disruption of the dealer base. Collaborative design safety standards are also needed. The Motorcycle Industry Council's Electric Vehicle Task Force, which I am privileged to be a member of, is leading these kinds of efforts. **PSB**