

Parts & Accessories Bulletin

November 15, 1994



PAB #527

BRAKE PAD PRICE REDUCTION



... and take a look at the new Genuine Harley-Davidson brake pad prices. We're going to be rolling back the prices on our brake pads to the time when ... Well, frankly we can't remember if we ever had prices this low on our brake pads.

<u>Part Number</u>	<u>OLD</u>		<u>NEW</u>	
	<u>Dealer Net</u>	<u>Suggested Retail</u>	<u>Dealer Net</u>	<u>Suggested Retail</u>
43395-80A	\$23.97	\$47.95	\$22.95	\$34.45
43957-80A	37.47	74.95	26.95	39.45
43957-86E	36.97	61.95	26.95	39.45
44005-78A	24.78	41.95	21.95	32.45
44032-79A	17.97	35.95	17.97	35.95
44063-83C	24.97	49.95	22.95	34.45
44135-74A	23.97	47.95	22.95	33.45
44209-82A	26.47	52.95	23.95	35.45
44209-87C	34.97	69.95	25.95	39.45

For a long time now, many of you – and your retail customers – have voiced your concerns and frustrations with the high prices of our Genuine Harley-Davidson brake pads (when compared to pricing of aftermarket brake pads).

You've been confident selling the quality, durability, and performance benefits of Genuine H-D brake pads, but you've had a tough time overcoming customer objections to the high prices. Up until now, many of your customers may have compromised and purchased aftermarket brake pads – brake pads which may or may not meet Harley-Davidson's standards for brake system performance.

WE LISTENED TO YOU! And now we're doing something about it. We want more of your brake pad business. So, **starting January 3, 1995**, we will be lowering the dealer net and suggested retail prices as shown above. We are providing you with this advance notification of the price reductions to allow you time to plan and adjust your dealership's inventory levels and ordering schedule for these parts.

Comparing the old and new pricing, you'll notice several things:

- The new suggested retail price is significantly lower in most cases. We've come very close to matching suggested retail prices of similar aftermarket brake pads. Your retail customers will appreciate the reduced costs – and increased value. You shouldn't have to fend off customer complaints about the high cost of H-D brake pads anymore. Over the long term, we anticipate that you'll increase your sales of, and experience more repeat business for, original-equipment brake pads. In addition, you should expect to see an increase in incremental sales of other items/accessories in your store as a result of increased retail customer visits to purchase H-D brake pads – especially now that you've saved your customers some disposable income by offering more affordable original-equipment brake pads.

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FILE IN ACCESSORY GUIDE FOR FUTURE REFERENCE

- The new dealer net price is lower in most cases (on certain selected brake pads, the new dealer net price is **significantly** lower). You will have fewer investment dollars tied up in brake pad inventory as a result of the dealer net price reductions, and you can expect to see increased overall Genuine H-D brake pad profits due to increased sales volume.
- By responding to customer demand for more affordable Genuine H-D brake pads, you and Harley-Davidson will be working together to provide the highest product value to our retail customers. Although both you and Harley-Davidson will see a reduction in profit per **individual** sale of H-D brake pads, we both should realize an increase in **overall** profit on H-D brake pads because of increased sales volume. In most (if not all) cases, your profit dollars on H-D brake pads will continue to be more than your current profit dollars on similar aftermarket brake pads.

We want to improve the value image of Harley-Davidson's Genuine Service Parts. As you already know, Harley-Davidson has always provided high-value service parts. We're sure you'll agree that this new brake pad pricing strategy will enhance that value image, making it easier for you and our retail customers to use Genuine Harley-Davidson service parts on Harley-Davidson motorcycles.

Members of the Harley-Davidson Service Parts Group will be available to discuss this new brake pad pricing strategy with you at the Winter Dealer Meeting in early January 1995. We look forward to seeing all of you there.