

Although they hadn't been very involved in setting up state programs, suddenly the MSF was eager to get as many state programs running as soon as possible. A national Government Relations Office was also established to direct lobbying state by state.

Looking back, it seems obvious that non-profit, government-sponsored programs would increase the MSF's credibility as the authority in training, but having a state's authority behind the idea of training also made it easier to sell the notion to prospective students. The delay could work to the MSF's advantage when—and if—it sold franchises.

The second blow that delayed the plan was the falling out between Harley-Davidson and the other board members. As is well-known, Harley Davidson had financial troubles in the 1980s. In 1983, it had convinced the federal government to raise the tariff on Japanese bikes from 4.4% to 49.4% and even on motorcycles made at Honda's and Kawasaki's USA plants.⁴ Stories vary as to whether Harley-Davidson dropped out of the MSF on their own or were kicked out, but, either way, there were less dues coming in to finance the basic the MSF operations. The additional funds to market the franchises, however, were unavailable. Clearly, though, Harley knew about the secret franchise report before it left.

The third blow was the economic recession and the subsequent slump in motorcycle sales. That affected how much the manufacturers paid in dues, and this led to a series of cutbacks. In 1984, Alan Isley, already president of the MIC also became president of the MSF. The national office moved to Costa Mesa, California, and the regional offices were shut down. In 1988, the MSF moved in with MIC in Irvine, California, where they both remain to this day.

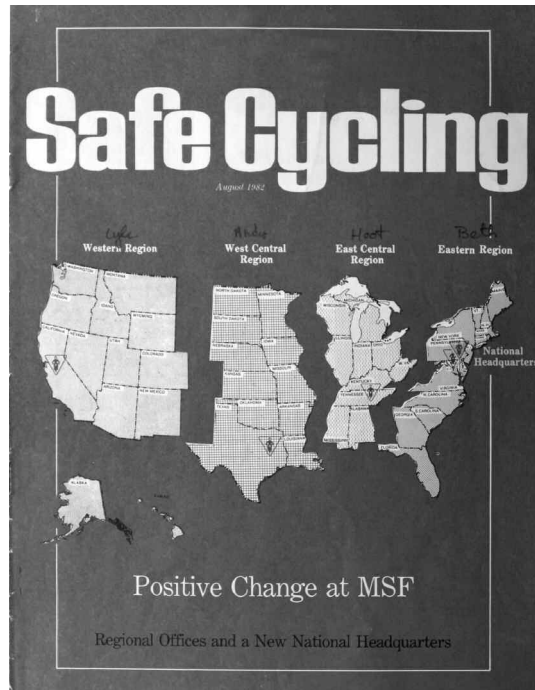
All Dressed Up and No New Worlds to Conquer?

By 1996, things had radically changed. Motorcycle sales were well into a new boom cycle. All states required a motorcycle license and used the MSF tests and standards. All but three states had viable state rider education programs, and the MSF was the go-to expert for the federal and state governments. Many of the obstacles that prevented the MSF from achieving the franchise plan no longer existed:

Potential franchisees would easily conclude that the MSF was essential to their success and that people believed training was necessary. The MSF had the business expertise in-house, and it was considered the authority by the federal and state governments, the media and the motorcycling community. It was also prepared to do the high-powered advertising and marketing it would need to sell training franchises. In fact, that was Tim Buche's genius—marketing. And that was the year Buche, formerly Suzuki's representative to the board, was elected president of both the MIC and the MSF.

The MSF, however, had no current experience administrating diverse training sites or state-wide programs. All that remained, it would appear, was to prove to entrepreneurs that the MSF could administrate huge programs successfully.

That's the situation the board found themselves in at the board meeting on December 9th, 1996. According to the MSF's goals when it began, the work it had set out to do was done. Rider education was seen as important and was widespread. In other words, it



was all dressed up with no new worlds to conquer. In the 25th Anniversary edition of Safe Cycling, Tim Buche said the purpose of that meeting was to discuss the future of rider education. It was concluded, he said, that the MSF should “maintain a visible and increased leadership role” to “preserve the substantial investment made by the member companies since 1973.”

THE MSF Begins to Run State Programs

Buche didn't say exactly what the MSF would do to preserve that substantial investment, but the very next year, the MSF was negotiating with New Mexico to take over their state program that took it over in 1998.

It was also 1998 that the MSF also hired Bobbie Carlson. Carlson had been the administrator of the award-winning Pennsylvania Rider Training Program before coming to work in Irvine. Coincidentally, she started her new job just as

bids for that state's program was being prepared. Part of her duties were to prepare the MSF's bid and, unsurprisingly, the MSF won the contract and took over Pennsylvania's training programs in 1999.

Pennsylvania, of course, was in the second area the franchise program anticipated developing and has a number of cities large enough to support a franchise.

In 2001, the MSF took over West Virginia—a state in the South Central area. With the acquisition of West Virginia, the MSF, coincidentally, had footholds in three of the four original regions.

Meanwhile, in 1997, according to business studies, Harley-Davidson had established a task force to find a way to attract women and young men to the marque. Market research had shown that young men thought of cruisers as something their dads rode and that training was “hard.” It was already well-known in rider education that students tended to buy the same brand of motorcycle they rode in training and to take their instructor's advice on what model to purchase. The Motor Company, though, didn't have a motorcycle that was light and small enough for training. The decision, was made to buy out the remaining shares of Buell, develop a less-powerful model, and to launch their own rider training program. This, the executives thought, would achieve all the goals: Attract women and young men through both training and a sport bike alternative and, hopefully, switch the young men to Harley's Big Twins in the future. But the Motor Company didn't have a training curriculum—the MSF did, though.

In June of 1999, Harley-Davidson re-joined the MSF. In August, the Buell Blast was previewed and shortly after that, the MSF raised the displacement limits in the training bike criteria to include the 500cc Buell Blast. In November, Harley-Davidson Rider's Edge training program was finished for a March, 2000 release.

Rider's Edge is a program offered by Harley-Davidson dealerships that uses the MSF curriculum dressed up in orange and black. Dealers pay a fee to Harley-Davidson to train their instructors and Harley-Davidson oversees the dealer's programs. In other words, it is exactly the model the 20-year old franchise report had laid out and is now offered in 31 states.

At the time Harley-Davidson re-joined the MSF, Lara Lee was in charge of Rider's Edge and the Harley-Davidson representative to the board. Coincidentally, since 2002, she has also been the chair of the MSF Board Of Trustees.