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DRIVING BUSINESS FORWARD

As a leading distributor of two-wheeled vehicles in Europe, Moteo branched out into parts distribution when the global financial crisis hit its core business. Now it's growing rapidly and has become the leading distributor in Europe.

Images by Michael Smits

When you speak to Peter Rask, CEO of Moteo Group, it is clear that he is passionate about motorcycles and how they can improve the everyday lives of people and make European cities more accessible.

Moteo has been an institution in distribution of two-wheeled vehicles in Europe for 76 years, and currently sells more than 40,000 vehicles yearly in five countries. The company has a long history in quality distribution, including being the first European distributor of Suzuki in 1958. "Moteo Group is a traditional business in a sense. It started out by producing motorcycles, and then started importing and distributing to dealers various motorcycle and scooter brands like BMW, Kawasaki, Suzuki, SYM, and Peugeot," Peter says.

Distributing to more than 10,000 dealers across Europe, Moteo is a market leader, but is having to

build itself back up after the global financial crisis. Prior to the GFC, Moteo had been successfully expanding outside its core business in Europe, but the contraction of the market after the crash made this unviable.

"Moteo had been growing its business and its brands across Europe, and even as far as South Africa where we also represented a number of brands. But when the financial crisis hit Europe the new-vehicle market contracted by 50 per cent, which of course meant that our business also contracted very violently, we had to pull out of a number of markets and also pull out of certain brands and concentrate on our core brands like Suzuki, Peugeot, and SYM in a number of our biggest and most solid European markets."

What Moteo realised during the economic downturn was how to modify their business to meet the new consumer needs. Customers weren't buying new vehicles as often, and instead holding on to

vehicles and replacing parts when needed. This market was increasing and Moteo took advantage of that.

"Since 2005, we have been more and more involved in non-original parts and accessories and building up a new business versus only representing original brands and vehicles and their original parts and accessories. So today we have two divisions within the Moteo Group: one is representing original brands' parts and accessories to exclusive or multi-brand dealers, and then we operate in a number of European markets with non-original parts and accessories, which can be for all dealers for all brands."

Peter came to head Moteo after experience with a number of other large multinational companies and vehicle manufacturers. He studied a masters in economics at the Copenhagen Business School, and an MBA at the University of Washington before getting his first position at international giant >

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Unilever. “I started as a management trainee at Unilever and finished as marketing manager.

“I did 15 years with Volvo, first as global brand strategy manager responsible for defining the global brand strategy, and then vice president of global marketing, so taking over the global responsibility for all marketing activities worldwide. Then I had three managing director positions and the last one was as MD for Volvo Cars UK. I was the first non-native English speaking person to take on that position, and that was in January 2009, so that was a big challenge right in the middle of the financial crisis, which luckily turned out well.”

Peter is now looking at how he can drive Moteo’s business forward. He wants to take risks and push the envelope, something he believes businesses have been reluctant to do since the GFC. “After the financial crisis we have had six years of cutting and tight cost control and being very cautious. I think we have to get back to the insight that being in business also means taking risks and I think a lot of us have not been thinking proactively in taking calculated risks. We need to be entrepreneurial about our business, so I would hope that my leadership will provide that motivation and atmosphere that entrepreneurship can come back on our agenda as much as being efficient.”

Peter also sees opportunities in Europe that will not only make Moteo’s business grow, but also address environmental and overcrowding issues as the world’s population increases. “I have a background in cars and am a citizen in a very congested country, namely Belgium, but Europe is generally a very congested place. More and more research is coming out about how many days people are spending in queues every year and re-thinking their mobility needs.

“Research from France was done and they had calculated that France loses €18 billion a year



because of people sitting in queues. Originally man used horse for personal freedom and mobility and today that is one person in a four-person car but people can’t move freely, so the whole concept of mobility and freedom and independence has gone out of the window because of the direct issues there are with mobility in Europe.”

Moteo believes that it can help address these mobility issues by encouraging more sales of two-wheeled vehicles and lessening dependence on cars. “I think it is an illusion to think that our infrastructure will dramatically change so we have to look for other mobility solutions. Of course, the traditional ones like trains and buses, but also the two-wheeled sector can be part of that solution. We have a vision of becoming the preferred choice of riders in Europe. If we become the preferred choice of riders in Europe we will also have more and more people on two wheels.

“I would like to see a shift from four wheels to two wheels in the next 10 years because the effects can be quite dramatic if you can get people out of their cars and onto two-wheeled

“Since 2005, we have been more and more involved in non-original parts and accessories and building up a new business.”

- Peter Rask

vehicles. And then we have to think broader. We have to think scooters with a roof. We have to think three-wheel scooters. We have to think bicycles with electric engines or electric motors.”

To do this, Peter and his team have developed in-depth strategies planning for Moteo’s future. “We have developed a strategy for each of our two divisions—the original brand division and the P&A Europe division, which is the non-original parts and accessories division. We established our strategy last year, which we called ‘The Road Ahead’. It’s a forward-looking strategy with a philosophy that if you want to climb Mount Everest or you want to start a long journey you have to chop it up in phases, using base camp, camp one and camp two to get up Mount Everest. We ask, ‘Where do we want to be after 2016, 2018 and 2023?’, ‘What do we need to achieve by when?’ and ‘How shall we set out on that journey?’” >

“SYM, the global mobility provider for dynamic demanding users, is proud to celebrate its 60th anniversary with worldwide partners. With leading technology coupled with manufacturing experience, SYM serves over 16 million quality products in more than 100 countries.” - Ting-I Huang, Overseas Marketing Division Account Management Associate, SYM



Peter's role is to use his experience to lead his team so that the strategy they've developed goes to plan. "My leadership will be about providing direction through The Road Ahead strategy and then ensuring that we have the necessary new processes and new structures to execute against the strategy. To have the perseverance, to pursue it relentlessly and also to overcome the inherent resistance to change that all companies have when they decide on a new strategy."

One important part of The Road Ahead strategy, and ensuring it succeeds, is engaging staff in the vision of the company. Peter believes that a strategy can only succeed if you get all staff members on board and have every employee working towards the

"It's about aligning expectations so that we share with our suppliers and our retail partners what our respective strategies are and we make sure that we believe in each other's plans."

- Peter Rask

same thing. "I want to make all people in Moteo understand why they go to work every day—a lot of employees don't understand the purpose of their company."

"So we spend a lot of effort of explaining about The Road Ahead and the purpose of the strategy, understanding that this is not a sprint but it is a marathon and we have a plan that we want to pursue. That's the kind of attitude that we try to inherently work with—to show how everybody can add value and of course have fun at the same time."

Involved in this is also training for the staff, building up future leaders of the company who understand the values and vision of Moteo. "Training and development take place every day and it's a two-way street. Moteo needs to provide opportunities for training and development and give regular feedback, and the employee has to look for training and development.

And we are definitely fostering a collective leadership style here at Moteo, believing that working together is better than working on your own."

That ethos of working together, not alone, can be seen in Moteo's relationships with its suppliers and retail partners. Peter believes that collaboration is the best way forward, so the company works closely with its stakeholders. "I think it's about aligning expectations so that we share with our suppliers and our retail partners what our respective strategies are and we make sure that we believe in each other's plans. If we do that, we become part of the same value chain, and then we are able to develop profitable growth together by working efficiently and positively with each other. I have always followed those principles when working with dealer networks throughout Europe. If the retail partners believe in the strategy of the importer, if they believe that

they can make their business grow profitably today and tomorrow with their business partner, and you can work together effectively, then you are in very good shape."

Despite the setbacks that Moteo experienced during the global financial crisis, it is in a strong position in the European market and exploring opportunities to expand internationally. The company is looking for innovative ways to grow the business now and into the future, especially considering the changing attitudes of the younger generation towards vehicles. "The younger generation doesn't want to own; they want to share and pay as you go and we need to

"Over the past 57 years, Moteo has represented the Suzuki brand for motorcycles in Belgium. In these years, Moteo and Suzuki have successfully established strong ties in the market that would not easily be affected by short-term economic situations." - Akira Kyuji, General Manager, Motorcycle sales division I, Suzuki Motor Corporation



work with relevant institutions to look for new concepts."

Ultimately, Peter believes Moteo sets itself apart from its competitors, and has more freedom to expand in innovative ways. The company structure and a comprehensive strategic plan means the future is bright.

"It sets us apart in that we have a European footprint. We look across various brands. We are an independent group privately owned, so we have a lot more freedom to look for entrepreneurial opportunities than many of our competitors who are either national or part of large multinationals." •

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