

# Small hoops, huge jumps



## An interview with Sava sales executive Miodrag Ristic

With the help of leading tyre wholesaler Bike Tyrestore, the Slovenian brand Sava tyres has enjoyed a steady period of growth in UK sales over the past five years.

*Motorcycle Trader* visited its production plant in Slovenia last year; more recently, we caught up with Sava sales executive Miodrag Ristic

**MCT:** It has been well documented that Sava is proud of its made-in-Europe label. Why is that so important?

MR: This is very important, particularly due to the fact that many of our competitors moved their production to the Far East. We are proud to say that all our scooter, moped and motorcycle tyres are developed and produced in Europe and, more importantly, under regulations of the European Union. This also means that Sava fulfils ISO standards (ISO9001, ISO14001, OHSAS18001). The other advantage for Sava is the nearness to our customers, which means that we can provide shorter delivery terms and also be there for when they need us, as quickly as possible.

**MCT:** What do you consider to be Sava's unique selling points?

MR: The unique selling points for Sava are the quality of our products and adaptability to the needs of our customers and the needs of the market.

**MCT:** Why should a dealer consider Sava product over other brands offering similar functionality?

MR: Sava offers very good relation between price and quality – we believe Sava is great value for money. The factory is situated close to the market which enables quick reaction to the demands of the market. We have a wide range of niche products such as: white-wall tyres, racing tyres, winter tyres, etc. Sava has proved in many respects that its tyres can compete with the best tyre producers in any particular range of products. The Sava brand is present and winning across the world in many racing events, again this means that the performance of Sava tyres has an excellent equality with the price.

**MCT:** What racing activity is Sava involved in and what are the benefits?

MR: We supply our racing tyres to many different

championships. Some of the most interesting championships in Europe, where Sava is a sole supplier, are the MiniGP Championship in Italy, Polini Cup, Italy, Honda Italia Racing Project Trophy, Pit Bike and Mobster Championship in Italy, MiniGP UK, Malossi GP France and others. The benefits of such activities are usually the recognition the brand gets after good results in the racing world. People hear about this and they connect Sava with success in the racing world.

**MCT:** Has there been a deliberate intention to focus on scooter and the smaller-capacity machine market? If so, why?

MR: We purposely decided on the production of scooter and smaller-capacity motorcycle tyres. After this step, the goal was to reach the highest possible level of quality and recognition. This means that Sava was building its good name and reputation in this segment of tyres. We now see this as a progression to enter the high-speed, radial segment of tyres with top performance characteristics. We are well aware that the performance and quality of our scooter and small-capacity tyres is very good, so we also expect to reach the same level in the range of radial tyres when we start offering them.

**MCT:** Sava introduced a number of new motocross tyres last year. How have they been received?

MR: Before we launched them, we were a little unsure about the acceptance of our motocross tyres on the market, but quickly all our doubts were gone. We found that the market immediately accepted the product very well and we got good feedback from all parts of the world regarding the performance of the tyres. Some of our sponsored riders achieved several top results very soon after the launch of the tyres so we knew they were good.

**MCT:** Which manufacturers fit Sava tyres as original equipment? How important is such

endorsement? Does it influence end-user choice?

MR: Sava supplies the leading European manufacturers in the scooter and light motorcycle segment, such as Piaggio, Vespa, Aprilia, Peugeot, Malaguti, Rieju, Husqvarna, Gilera and others. This is very important for Sava as this means that machine manufacturers also recognise the top-quality of our products. Long-term co-operation with the producers of scooters and motorcycles is also very important for the development of new products. The OEM original-equipment impacts on the after-market, as customers decide to keep the same brand of tyres as were originally fitted on the new machine. We also have some newly developing projects with some well-known producers such as KTM and Yamaha.

**MCT:** Through Bike Tyrestore, Sava has been proactive in the UK in recent years. Has this had a significant impact on market share? How does the UK stack up in terms of sales for Sava, against other countries?

MR: The co-operation with Bike Tyrestore has been very successful and very positive for Sava ever since the first year, 2006. Each year since then, Sava has achieved better results and gained market share. According to the information we have, we are one of the top three players in scooter and light motorcycle ranges of tyres in the UK. UK sales have improved each year, and the levels are now very close to some traditional scooter and light motorcycle countries, such as Italy, France and Germany. We can now proudly say that the UK market is one of the top six strongest markets for the Sava brand.

**MCT:** Does the consumer's keen eye for a bargain create a knock-on effect with pricing and product development?

The competition on the market is very strong, which means that we cannot afford to stand back and not develop new products and new innovative technologies. Regardless of any other factors, it is vital to continue development in this area.

**MCT:** During our visit, last year, *Motorcycle Trader* witnessed a stringent quality-control process at the factory. What, if any, is the returns rate?

MR: There are very few claims in our factory. This is the result of a very strict quality-control procedure put in place before the tyres can leave the warehouse.

**MCT:** With regard to product availability, is Sava able to react quickly to market demand?

MR: Sava is able to react quickly to the market demand which proves also the very good co-operation with the European producers of scooters and motorcycles.

**MCT:** Is there an on-going product

development programme?

MR: At the moment, there are several new products that will be launched this year and next. Sava will launch two new off-road dimensions for bigger enduro motorcycles such as the BMW GS1200. We will also launch a few new dimensions in MC32 Win Scoot (all-season tyre). We also plan to launch a new dimension (110/100-18) in the off-road segment and three new street motorcycle dimensions in MC50. Sava will also present six new dimensions in one of the newest products in its offering and this is MC38 Max Scoot, which is an all-weather tyre. In the year 2012, we plan to launch several new dimensions in the segment of classic motorcycles.

**MCT:** Does Sava strive to produce a certain number of new tyres each year?

Sava has its own R&D, laboratory and also engineers for constructing machinery and we have many interesting projects every year. Our goal is to issue several new products each year as we wish to satisfy our customers across the world. For the development of some products we also use new technologies such as virtual development.

**MCT:** What are future product plans? Are we likely to see Sava diversify into other motorcycle sectors?

MR: One of the biggest projects that Sava is into at the moment is the development of radial tyres. We already have the technology and we are at the stage of development of new products in the radial segment. We have already carried out first tests which were very positive and we plan to launch new radials before the end of 2012.

**MCT:** Finally, in a document produced in August 2010, Sava stated its key goals as: to become the leading European manufacturer of scooter and moto tyres; to be among the three largest original equipment suppliers; five per cent annual growth in sales; five per cent annual growth in profit; to accrue 10 per cent of total revenue from niche products. Have these been achieved?

MR: The goals above can not be commented on, broadly, as some of the goals are long-term aspirations, such as to become the leading European manufacturer of scooter and moto tyres. To be among the three largest original equipment suppliers; and generate 10 per cent of total revenue from niche products in the two or four-wheel segment – these are also long-term goals.

Regarding two particular goals – five per cent annual growth in sales and five per cent annual growth in profit, which can be measured also yearly – we can proudly confirm that we have exceeded both of these goals.

*Sava tyres are available from Bike Tyrestore. Contact 0800 281413 for more details.*