

REVIEW OF THE USA OFF-ROAD AND DIRT SPORT MARKET PLACE

Extracts from PRI magazine – April 2009

The off-road and dirt sport racing market, in the USA, has enjoyed near explosive growth in recent years. The following notes are taken from an article, dated April 2009, in PRI magazine. From all reports, the market continues to grow at a fast pace and remains centred in California and Nevada.

Each top level vehicle – trucks and cars –, even now, spend in the millions of dollars. Technical limitations and regulations are mostly unrestricted – outright performance being the target, a welcome relief from other areas of the international motorsport market! Very few approaches from Europe have been made to this group of businesses and teams, so it is a genuinely NEW market place.

The MIA will take a business development group to Las Vegas, and Santee near San Diego, to meet leaders in this industry, visit SEMA show for a day, attend one of their top racing events with Lucas Oil, and visit businesses and teams and learn more of this great new market opportunity.

Technology at the top end of off-road and dirt sports is spectacular, with, for example, wheel travel and suspension measured in feet! There are business opportunities with fabricators, engine builders and retailers.

These notes are meant to serve as an indication of the opportunities that exist:

"It is exciting, fun, entertaining and challenging, but we expect people to pick and choose races during these tough times", said Ivan Stewart, Pro Truck, El Cajon, California

Casey Folks of Best in the Desert, Las Vegas, Nevada said *"In January 2009 we had nearly 300 entries for our opening event. We expect our largest event to be the Vegas to Reno – the long way – a 1000 mile 3 days stay, staged event. People have spent a lot of money on their toys and will keep using them. Every fabricator I have talked to is backlogged – the off-road market is healthy, strong and still moving forward".*

The Best in the Desert event at Parker, Arizona is a fully fledged 400 mile desert race running for 7 or 8 hours flat out.

"The guys seem to be more focused on repairing and maintaining, instead of building new cars for 2009" said Jeff Quinn of McKenzie Performance Products of Anaheim, California. *"The best thing about off-road racing is that they always need to replace things when they have finished racing – nothing survives!"*

Blitzkrieg Motorsports of Anaheim, California, introduced in 2009, their race truck chassis designed specifically for short course racing, now hosted by Lucas Oil. They felt this will reignite the intense action and excitement of short course racing and the new 7200 racing class for trucks. They said "this takes what Trophy Trucks have given us using a smaller package with a 6 cylinder engine.

Underneath the rough and tumble exterior are technologically advanced components especially in use at the top end. This is the land of unlimited budgets, unlimited wheel travel and unlimited engine horse power and RPMs. Suspension components are perhaps the most remarkable, but there are always new products coming along to improve performance.

Multiple opportunities from this market include gauges, seats, harnesses, fuel cells, helmets, rod ends, bearing and fittings.

Sal Fish of SCORE International said he has a lot more manufacturers participating now in the long desert races. PRI commented on the arrival of Lucas Oil off-road racing series (previously CORR). This is focused on short course off-road racing attracting substantial audiences. TV coverage and guaranteed purses will help and Speed TV will cover the series as well as NBC and others. The series will have 6 events in California, Nevada and Arizona.

Another major series, TORC, is the off-road championship series sponsored by Traxxas and sanctioned by USAC, with a nine race schedule.

PRI confirmed that *Dusty Times* is the most popular newspaper covering off-road racing, who reported that 40% of those racing are from the construction industry. Most run Trophy trucks and Class One cars and for that they need "lots of bucks" – they have to, as they say it is a 'bottomless pit'. In 2008 there was an average of 12-14 Pro Trucks appearing at 15 events.

Pro Trucks are every bit as competitive as Trophy Trucks but horsepower is limited to improve reliability. They still have 21 inches of wheel travel in the front and 26 inches in the rear and are hand built from chromoly 4140 tubing.

Some cars and trucks run with 36 inches of travel and the most advanced suspension ideas are everywhere. Robbie Gordon was reported to say that he pays around \$1,000 per inch for each wheel and each one has around 29 inches of travel, so there is a sale of over \$200,000 just in shocks for one vehicle. Trophy Trucks require constant updates in shock absorbers and suspension. In 2009 trucks were using triple by-pass shocks and now four way by-pass shocks.

Further developments are a new sliding axle that uses a front wheel drive CV joint to give more travel on the buggies. Bilstein are very active, as are Eibach, Volkswagen is building sports trucks and BF Goodrich has always been very active.

Safety has seen a huge increase in business in off-road. Personal safety equipment is becoming very big – M-rated helmets with air pump filtered air systems and head and neck restraints are growing in sales.

The websites below give you a close up look at this industry, in preparation to joining the MIA on our visit in November. This will also take in a day at the world famous SEMA trade show in Las Vegas, and the Las Vegas Lucas off-road race, before moving on to Santee to meet up to ten specialist companies. Full details are available on www.the-mia.com or from charlotte.austin@the-mia.com

www.dustytimes.com

www.dirtsportsnation.com

www.off-road.com/competition

www.score-international.com

www.lucasoiloffroad.com

MIA July 2010