
How do you feel about losing a dealer in CO

Posted by pjessen - 2008/04/11 19:59

So you heard the announcement; Foothills BMW bought BMW-Ducati-Husqvarna-Big Wheel of Ft. Collins. What do you think...is this a better deal than before, or did we just lose one option to deal on bikes and have them serviced. Or is this just the way of the future; the "GO" dealerships of the automobiles?

I have mixed feelings about the event, and I hope they all turn out good, but I'm very skeptical. B)

Could have been very much worse; they could have just shut down!

Re:How do you feel about losing a dealer in CO

Posted by BobOdenweller - 2008/04/11 20:39

I'm pretty skeptical, too. Not that I think it is some kind of conspiracy, but it's not good for the consumer any way you look at it. Oh well, it's not like the dealers involved were actually competing for our business. It's full price or nothing with these guys. That's why I like to buy used bikes. (The truth be told, it's all my wife will let me buy)

Re:How do you feel about losing a dealer in CO

Posted by Radar - 2008/04/15 10:22

I feel the same as Bob, the loss of another BMW dealer can't be good for us (consumers). Being new to the area I have bought "stuff" from all three dealers in the area and was trying to make a decision as to which one would be "my dealer". Now the choice has narrowed. Being a BMW dealer these days can not be easy. BMW does have some new and exciting machines coming to market, but the prices, as they always have been, are pretty high for the average rider. Yes, we older riders will no doubt continue to support the marque. However, when I wear the LT out, or my wife stops riding with me, :) I may look at other machines BECAUSE of the shrinking BMW support network!! And oh, by the way the new Concours sure looks good;)

radar

Re:How do you feel about losing a dealer in CO

Posted by k7ugt - 2008/04/15 16:02

I've always felt that a BMW Motorcycle dealer competes on a national basis, having bought my bike in North Carolina. Selecting a motorcycle can pretty much be done on line if you've nailed down the color and options, and since we all like a nice ride it just adds to the experience bringing it home. I'll admit I miss getting the loaners and testing out the new equipment.

Now if they close the shop, that would be sad.

Re:How do you feel about losing a dealer in CO

Posted by BobOdenweller - 2008/04/15 22:02

The only potential problem with buying out of your area is getting warranty work done. This might not apply to motorcycles, but it sure applies to RVs. We have to have some major warranty work done on a RV that we bought in Sterling, CO. The local Denver dealer said that since we didn't but from him that the soonest he could work on it is November. Yeah, right. Needless to say we recently drove the 5 hours round trip to the Sterling dealer to have it fixed.

Re:How do you feel about losing a dealer in CO

Hello All,

I think when dealing with BMW, we have to consider it to be a bit different then with other manufacturers. First of all, I follow a strategy that is best for me.. I try as much as possible to insulate myself from the use of a local dealer. But, when I need them, I use them.

Unlike alot of areas throughout the country, we have 4 dealers within a days ride (that I am aware of). Several rules of thumb that I follow as it relates to the acquisition of new (to me) BMW motorcycles, and service:

- 1) Always buy second hand (it cost less and easier negotiat.)
- 2) Do as much maintenance as I possibly can outside of the authorized dealer network on my bike including DIY.
- 3) Have extended warranties on my bikes for large repairs
- 4) Purchase from dealers that I both trust; that recognize the club, and are competitively priced.
- 5) Negotiate each time I work with a dealer.

As to whether it will be better or not that the Northern Colorado dealer is owned by Foothills can only be determined over time. The question is, do you like the way Foothills does business?? Those that use a Denver dealer will probably not be impacted by that change in ownership.

The fact of the matter is, competition is healthy, but in this BMW motorcycle niche', pricing is not very competitive since it is pretty much retail on new bikes during season. The lower exchange rate between the \$ and Euro has squeezed everyone. I believe the dealers are in the middle being squeezed even worse. Therefore, having a dedicated store to BMW is really suicide at this point. The only way to really offset that difficulty, is to diversify more. I am sure that is what happened to Northern Colorado. Plus the liquidity requirements to fulfill the dealer's commitment to BMW is also massive. Without proper funding, it is easy to see how a dealer can go under. The massive capital requirements lends itself to a larger organization.

The end result is that it is in BMW's hands how these things shake out. If they set an extremely high operating requirement, only larger well funded and diversified companies can meet those requirements. Remember, the US only accounts for a very small percentage of BMWs sales.

So, you really must ask yourself:

- 1) What do you want from a dealer? (sales, service, parts)
- 2) Are your local dealers meeting your needs?

If the answer is yes, then I would continue to support the dealer that provides you with the best of what you are looking for regardless of who owns it. That should be the final impact.

Keep in mind that no one that is in business wants a lower profit margin. No dealer wants their current financial situation to dictate their business strategy as it relates to their profit level. The larger companies can maintain that consistency.. How does that relate to the buyer, less negotiation room. But, to the business, less dependancy on each deal financially. That is the best position to be in as a business. That is what they are striving for while giving the client the best perception possible.

Re:How do you feel about losing a dealer in CO

Posted by critchlin - 2008/04/16 17:49

I'm with most of the responders- I have mixed feelings. On one hand it does affect the consumer with less competition in the area, but on the other you also want to have a strong dealer network out there (even if it is a smaller number).

I don't know if Northern Denver was finding their operations too tight and struggling a bit, or if the other dealer just wanted to expand and made an offer that was good.

I know that I have used all 3 dealers for work on my bikes. It was nice having the 3 so I could sometimes get a better appointment here vs there, lower price etc. Sometimes the dealers also handle differnet items.

I wanted to put in an autocomm system on my bike, BMW of Denver basically told me that they could get it, but was not comfortable installing- they actually suggested calling the other dealers. Northern Colorado had people knowledgeable

about it and I was able to get a good system designed and installed. In this case it made sense to ride up there for the day and wait around as it was put in.

My experience with consolidations is that your choices can decrease. Different dealers try to have some angle that allows them to be differentiated from the others. No single dealer can be everything to everybody and it's not efficient to have your multiple locations offer different brands, services, etc.

Like I said- mixed feelings...:huh:

Re:How do you feel about losing a dealer in CO

Posted by mkonopka - 2008/04/17 08:12

i currenty own 2 06s' that i've bought from northern colo. bmw. over the last couple of years i've build a repore with the staff,always recieve a warm welcome by name and prompt, knoweldgeable service. . thats why i continued to use them for my service needs. i hope this won't change. warranty work should be done at any "authorized dealer", regardless of where you purchased the product.(ie recalls or failures of warrantied parts as described by the manufacturer).this news caught me by suprise and i'm going up there to see for myself what,if any thing has changed with the staff or service. I also agree that less competition is never a plus for the consumer. mark k

Re:How do you feel about losing a dealer in CO

Posted by Ken - 2008/04/18 14:04

If they follow the Proctor & Gamble model, and allow local managers the authority and responsibility necessary to compete against one another as well as unrelated dealers, it could be win-win, but BMW motorcycles in Colorado is probably too much of a niche market. The number of locations hasn't changed. I've never been introduced to a dealership owner.

It seems like you can price shop most new motorcycles on the difference in the dealer documentation fee alone (MSRP is the price), so I'm not sure there has been any change from that perspective. I haven't done enough price comparison to see if Denver BMW's oil change deal on new bikes is a bargain or not.

I do a lot of my own maintenance, so parts purchases and tire installation will likely be the majority of my interaction with the dealers. Most of the accessories I have purchased came from internet vendors, or ads in other motorcycle forums.

I prefer the sales people at Foothills. I have been satisfied with the service work I have had done at Foothills, although I wish their service area was not so shielded from public view (I have had issues with auto repair shops not doing work they charged for as I stood there and watched them skip items on the work order). They are the closest dealer to home.

The Denver BMW parts manager seems like a nice guy. I like their parts discount for club members. I haven't done much business with them for many years because of an experience with their previous ownership and employees who are no longer with them.

I will probably shop around a bit when it's time for the 24K service on my K12RS. I will use Barvarian Motorcycles West for my vintage bike.

Re:How do you feel about losing a dealer in CO

Posted by Radar - 2008/04/21 12:09

mkonopka wrote:

i'm going up there to see for myself what,if any thing has changed with the staff or service. I also agree that less competition is never a plus for the consumer. mark k

Mark;

I was there last week purchasing oil for my Airhead. Something is different about the "feel" of the place. Staff was "ok"

waited on me and took care of business but it didn't feel "friendly". I'll wait to see before I make any more purchases there.

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Re:How do you feel about losing a dealer in CO

Posted by DenverRider - 2008/05/18 11:48

I only had one experience with Foothills. When I looked to trade in my 2005 K1200S for a new one, BMW of Denver was the best deal for me by far. I will not go anywhere else in Colorado to have work done on my bike.
<http://www.coloradobeemers.org/images/fbfiles/images/k1200s3.jpg>

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