

Scooter, USA

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Vespa: Italian excellence in America. Interview with Paolo Timoni, President and CEO of "Piaggio Group Americas."

The Italian motor scooter par excellence has been spotted around New York more frequently in the past few months. Italy is invading the city's marketplace with the Vespa. What happened? We asked Paolo Timoni who represents Piaggio in New York. He is a man who is as passionate about his work as few others are...

"Increasingly more people are realizing that the motor scooter - an Italian product with a history of over 60 years - represents an efficient solution to the growing cost of gasoline. In the first eight months of this year our retail sales have increased over 80% with respect to last year's sales. We

want to create a wide market for the motor scooter in the U.S., as there is in London, Paris, Rome...we believe in it.”

Is there a specific strategy behind Piaggio’s success?

A few years ago we looked at the U.S. and tried to bring certain elements together. While in Europe the motor scooter is an established product used by millions of people, in the U.S. the phenomenon started in the ‘90s. In 2000, only 20,000 motor scooters were sold that year, which is very few for a country of 300 million inhabitants. To give you an idea, Americans buy between 14 and 16 million cars per year. We needed to understand that the U.S. was very different from Europe and so we put together three benefits.

The first is that after 2000, the development of a global economy has created an exponential demand for oil. The oil supply is not unlimited and therefore prices are destined to keep going up, as we see in the U.S. today.

The second is traffic. Americans spend 3.7 billion hours sitting in their cars, a statistic that is on the rise. This is also affected by a change in lifestyle: Americans are rediscovering their city centers and “downtowns” as places where to live, many are leaving the suburbs, and it is more difficult to get around by car in the city.

The third aspect is global warming. Many cities are passing laws to reduce carbon emissions. With distance covered being equal, a motor scooter creates 70% less carbon emission than a car.

This seems to be a perfect situation for you. In fact Piaggio is a leader in the industry...

We have a focused strategy in actively promoting the motor scooter as a form of transportation. We have launched the initiative [VESPANOMICS](#) [2], Vespa’s economic model.

In February 2006, after Bush’s national address in which he declared the reduction in oil consumption to be a national objective, we published in the [New York Times](#) [3] an open letter to the mayors of every American city. We explained how the motor scooter could contribute to reach these goals and proposed making cities “scooter friendly” by creating appropriate parking areas, designated traffic lanes, etc.

How did the local governments respond?

The situation is getting better. This year Atlanta held its first “day of the motor scooter” in which citizens were invited to try this form of transportation. Other cities are improving their parking situation. And this year the requests are growing. We are fortunate that Vespa is a highly valued product because here in America Italian products are sought-after and we benefit from a level of prestige that other competitors do not enjoy.

Certainly change is difficult. Although there is a scooter culture in Europe, the difference is that it does not exist here. Our bet, therefore, is on educating the consumer.

And we have a certain appeal, nevertheless. Our clients span 25 to 60 years of age and over. This summer two 72-year olds went cross-country from San Francisco to New York on our scooters. They are passionate riders, but for them the motorcycle is a cumbersome way to travel. They chose our scooters to keep their sense of adventure intact. They have also become part of our promotional campaign.

Images of an Italian piazza frequently include a group of young people with their Vespas parked on angle in front of a café. Are there associations or clubs for Vespa enthusiasts in the U.S.?

The Vespa entered the U.S. in the ‘50s and in the following decades these so-called VESPA CLUBS were created. For many years they represented a parallel market, with used vehicles imported directly from Europe. There are still a few and we try to support them. There are events in which we participate as sponsors. We contact them to find out if there are people who would be willing to give testimonials.

A personal question: you have been with Piaggio since 2005. What motivated you to accept this position?

The rare opportunity to be able to create a marketplace that does not exist, and a unique and very



enjoyable experience.

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