



Norton Triumph Corporation

P.O. Box 275,
Duarte, California 91010
Telephone: (213) 359-3221

August 29, 1975

PRIVATE AND CONFIDENTIAL TO ALL NORTON AND TRIUMPH DEALERS

Dear Dealer:

In our letter to you of August 8, 1975, we assured you that as soon as a plan of re-organization was known you would be advised. After many lengthy negotiations with all parties concerned, we have now formulated such a plan which, if successful, will guarantee the future of our company. There is very little point in my trying to tell you that our situation is not critical, because it is.

Long Term

Our long-term future is excellent, providing we can overcome our short-term problems. As you all know, our engineering staff has progressed well on its new projects. The new Challenge DOHC, eight-valve, twin-cylinder engine, developed in cooperation with Cosworth, has just been unveiled in the U.K. and heralded as one of the most advanced-engineered four-cycle engines ever to be seen in the motorcycle industry. Our Wankel Rotary testing continues to show nothing but the most favorable results. While there was some concern that its lack of water cooling would cause problems in high temperatures, it has just come through high-temperature testing with flying colors. These models will be the most competitive in all respects of anything presented to the market by the British motorcycle industry in recent years; and they CAN be produced provided we can overcome our short-term problems.

All Norton and Triumph Dealers
August 29, 1975
Page Two

Short Term

Plain and simply, we must reduce our inventory levels. It is recognized that in order for you to assist us in doing this, it is necessary that we reduce the prices to a point where you can be competitive with other products being sold in the marketplace. We need your orders now and are therefore instituting a price reduction to be applicable on all orders for Triumph T-160 and Norton Mark II and Mark III Commando models placed prior to October 31, 1975.

Motorcycle Delivery

Your best dollar buy is now while we have a good inventory and before every other dealer has committed themselves to these low prices. But you do not need to take delivery immediately (except for Norton Mark II's); and the pricing schedule reflects a variation in prices, with the higher prices on the later deliveries, which will assist us in the cost of warehousing the inventory through the winter months. These prices are outlined in the new price schedule attached.

Advertising

An advertising program will start immediately to assist you in generating retail sales. This campaign, to be called the "Jam Breaker Sale", will include full-page ads in both Cycle News and Motorcycle Weekly each week through October 31st. Window banners, salesman badges, handlebar price tags and slicks of ad copy for you to use in your local advertising program will be forwarded to you as soon as they can be produced.

All Norton and Triumph Dealers
August 29, 1975
Page Three

Reduced Overheads

In order for us to survive on this pricing level, it has been necessary to reduce our overheads substantially. This is being accomplished as follows:

Sales Staff - Effective immediately, our complete field sales force has been eliminated. While there will be no one in the field calling upon you for the time being, may I assure you that each and every one of us here in Duarte remain available to assist you with any problems. We are as close as your telephone. Tom Cates has been appointed National Sales Manager. He and his secretary will be ready to take your motorcycle orders; but please feel free to give your orders to any senior staff member should Tom be busy.

Baltimore - Effective September 1, 1975, the Baltimore warehouse has been closed and all orders will be filled from Duarte. Every effort will be made to fill your orders from Duarte on as timely a basis as possible. Motorcycle inventories will be maintained in public warehouses in strategic positions to serve the Eastern dealers.

Atlanta - The Atlanta office has been closed.

Spare Parts - We have an excellent inventory of most spare parts for current models in stock; and it is anticipated that supplies will continue to arrive from the U.K. uninterrupted. We have, however, had to reduce the staff level on the parts ordering desks and will therefore find it necessary to accept only "rider-on-foot" orders by telephone.

Top Gear - Changes are being made in Top Gear as well. Effective September 10th,

All Norton and Triumph Dealers
August 29, 1975
Page Four

the free freight allowance on orders of \$400 and over is being discontinued; however, a 4% discount will be allowed for cash if payment is received by the 10th of the month following shipment.

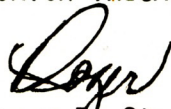
As you can see, we are taking every step possible to reduce our overheads in order to ensure our future survival. We know it can work, but we desperately need your support. We are confident this program can be beneficial to all concerned:

- A. It will protect your existing investment in Norton and Triumph inventories.
- B. It will allow you to sell additional Norton and Triumph products at attractive prices, which will provide you with a good profit margin.
- C. If successful, it will hopefully provide you with some of the world's most advanced, competitive motorcycles to sell in the very near future.

In conversations with several large dealers this week, in which I have indicated we are planning a program of this nature, the response was optimistic and most gratifying. They all indicated good orders would be forthcoming as soon as the program was announced. We anticipate an early sell-out, so suggest you act quickly. Order blanks are enclosed. Please, may we have your orders today.

Sincerely yours,

NORTON TRIUMPH CORPORATION


Roger E. Stange
President

RES:ds
Enclosures

A-117



Norton Triumph Corporation

1975 NORTON PRICE LIST
FOR ORDERS PLACED BEFORE OCTOBER 31, 1975

CONFIDENTIAL

Mark III Electric-Start

For Delivery:	Thru <u>Oct. 31, 1975</u>	Nov. 1, 1975 Thru <u>Dec. 31, 1975</u>	Jan. 1, 1976 Thru <u>Apr. 1, 1976</u>
0 - 50	\$1,420.00	\$1,470.00	\$1,520.00
51 - 200	\$1,370.00	\$1,420.00	\$1,470.00
201 & Up	\$1,320.00	\$1,370.00	\$1,420.00

Mark II Kick-Start (While they last!) - Not Available for Delayed Delivery

0 - 50	\$1,270.00
51 - 200	\$1,220.00
201 & Up	\$1,170.00

All prices f.o.b. warehouse of shipment. Prices and specifications subject to change without notice. The possession of a Norton Triumph Corporation Price List or of a Terms and Conditions of Sale sheet is not necessarily to be construed as an offer to sell anyone the equipment listed at the prices indicated.

August 29, 1975



Norton Triumph Corporation

1975 TRIUMPH PRICE LIST
FOR ORDERS PLACED BEFORE OCTOBER 31, 1975

CONFIDENTIAL

T-160 Trident Electric

For Delivery:	Thru <u>Oct. 31, 1975</u>	Nov. 1, 1975 Thru <u>Dec. 31, 1975</u>	Jan. 1, 1976 Thru <u>Apr. 1, 1976</u>
0 - 50	\$1,420.00	\$1,470.00	\$1,520.00
51 - 200	\$1,370.00	\$1,420.00	\$1,470.00
201 & Up	\$1,320.00	\$1,370.00	\$1,420.00

All prices f.o.b. warehouse of shipment. Prices and specifications subject to change without notice. The possession of a Norton Triumph Corporation Price List or of a Terms and Conditions of Sale sheet is not necessarily to be construed as an offer to sell anyone the equipment listed at the prices indicated.

August 29, 1975



1975 TRIUMPH PRICE LIST

JANUARY 14, 1975

CONFIDENTIAL

	<u>Dealer Cost</u>	<u>Suggested Retail</u>
T160 Trident Electric	\$2,280.00	\$2,870.00
T150 Trident (Kick-Start Model, Black & Red) Right-Hand Shift	\$1,895.00	\$2,461.00

RICKMAN PRICE LIST

	<u>Dealer Cost</u>	<u>Suggested Retail</u>
1974 125 Moto Cross	\$529.00	\$669.00
1974 125 Six-Day Enduro	\$539.00	\$685.00
1973 250 Moto Cross	\$655.00	\$829.00
1974 250 Moto Cross	\$951.00	\$1,216.00

NOTE: If you are not presently a Rickman dealer, we have an excellent program for Rickman dealers (including Floor Plan aid). Your territory may be open for Rickman. Write or phone us.

All prices F.O.B. Duarte, California or Baltimore, Maryland.
Prices and specifications subject to change without notice.

Special Thanks To John Melniczuk for Dealer Information