

## Harley takes a sporting chance

Harley-Davidson's takeover of MV Agusta could be good news for the Italian sports motorcycling brand. Kevin Ash spoke to Matt Levatich, the new man in charge.

By Kevin Ash

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In July this year Harley-Davidson stunned the bike world with the announcement of its takeover of MV Agusta. In 2005 the MV Group, MVAG, which at the time owned the off-road brand Husqvarna as well as Cagiva motorcycles, was ill-advisedly bought by the Malaysian car company Proton for €70 million, then promptly sold back the same year for €1 when VW was sniffing around Proton and demanding that extraneous and non-profit-making sectors of the business be sold. MV



Matt Levatich, now running MV Agusta for Harley-Davidson.

stumbled through the next two years, largely on the goodwill of its suppliers, in 2007 producing an unsustainable 5,800 motorcycles. Selling Husqvarna to BMW held off the wolves for a while, but it couldn't keep going like this, at which point, Harley-Davidson moved in.

Harley-Davidson? Purveyor of the original cruiser motorcycles, lazy, low-revving machines designed for endless American highways, buying MV Agusta, maker of multi-cylinder, high-powered superbikes with its heart in competition? It's clear that Harley has been looking at moving into new sectors for some time, but even so...

We asked the man Harley has installed in MV's former seaplane factory in Varese in northern Italy, Matt Levatich, what Harley hoped to get out of this. He said: "We have the technology now at Harley to produce a bike like the F4 but it just wouldn't be a credible performance machine without the right badge. Building a brand from scratch is very difficult, but in MV we already have the credibility."

Levatich maintained that it was not just the badge and the factory that Harley valued in MV. Claudio Castiglioni, the previous owner, is staying on as chairman of the board, which will reassure MV fans, as he's been one of the most influential men in the Italian motorcycle industry for years.

Levatich said: "Claudio is staying with us and is responsible for research and development. This is perfect for him, as maybe he's not been so good on the business side but in this his record's incredible. We've agreed to try and agree with [the motorcycle designer] Massimo Tamburini; he's still undecided but we're working on it. It might not work but we're hoping it will – this is all about the people, that's our big investment, which is why, for example, we will be keeping the Cagiva Research Centre in San Marino. On paper it's inefficient to do this,

but as well as Tamburini being there, there are many other very talented people who would all have to move far away if we closed it. And, of course, we'd lose many of them, so we won't do that."

MV's dire financial situation is only one area Levatich has been looking at. "We have three objectives with MV, not just the money. One is new product development, to get those ideas out of Claudio's head and into the metal. Amazingly the MV F4 is now 12 years old, and work on the engine started in the mid-1990s." This is astonishing in the superbike sector especially, where bikes are refreshed every two years and replaced completely every four, with technology moving forward quickly. Yet the F4 is still a pacesetter, having won the Italian superstock championship and various other titles and races.

"What is incredible is not just the great team and talent that are still at MV despite the problems, but how many others have stood by the company, including many suppliers who might not have been paid for up to six months. Even so, our second objective is to restore stakeholder confidence in MV, which means the suppliers and people we develop bikes with. The communication must be more active, meaning we involve them in new projects and get feedback from them – they are an integral part of the business and must be treated properly. This also includes dealers."

The goal is to make MV a major player in Europe. Levatich said: "We need a broader product range, but we must grow profitably and must enhance the brand as we do, which all points to caution. But don't forget we have Cagiva too to help with that. The Mito is a fabulous little bike, and the Elefant – what a great name for a motorcycle – would be a good one to bring back." The Ducati-powered Cagiva Elefant was one of the first big capacity trail bikes, now the fastest growing big-bike sector.

"The heritage of this brand is very strong, incredibly so really, but we can't live off this for ever. Racing is not our immediate priority, there's other stuff to sort first, but the soul of this company is racing, all of the people in it love racing, and ultimately I would like to see MV racing again."

As Levatich himself says, Harley is not going to do anything silly with MV, and if the bikes couldn't be more different as brands, there are plenty of parallels. Both are among the best-known names in motorcycling, both have long and powerful histories, each generates exceptional loyalty. The Americans might not be very good at sports motorcycles but they know a thing or two about brands. If Levatich gets the financial support he's been promised, then MV's future looks more secure now than it has for decades.

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