

MB Stories – Covid catch up moan

MB SCOOTER LTD CATCH UP, MOAN AND A BIT OF A RANT 2023

Well it's been a strange last few years! Just when you see day light – something else pops up and then something else and when you think nothing else can crop up it does – you really cant make it up.

We're all in it, it effects us all, not just the UK but around the world.

Bills are increasing for everyone and it's going to be a long hard winter for some!

Throughout Covid we were manic. The first lockdown was crazy! The phone, email and orders were just madness. We thought after the lock down was over that it would slow down – but it didn't – it carried on as manic again.

In 34 years in the Scooter business 'Covid was the best thing to happen to our business'. Not something to celebrate or brag about, we were in the right place at the right time! This is great when we had stock but parts were selling so fast we couldn't keep up with resupplying. It was the same for our Uk/Euro suppliers, they were selling out as well! They were reordering and waiting and waiting.

Manufacturing was and is, still a mess, even now factories get shut down and parts supplies get worse. The whole world wants parts making and they want it now. You get messed around and pushed to one side as you're just a small company in the grand scheme of things.

At one time I was sending a drawing and a week later samples in the office and stock arriving four weeks later. Now its 2-3 months for a sample then 6-12 months for delivery. Some parts are now taking 3 years to get right and have stock!

What with Brexit, Covid, extreme temperatures, a war in Europe, prime ministers coming and going and fuel prices rising!

What does it mean for MB Scooters?

This is the same for all Scooter Dealers – our incoming prices are increasing, it's a sad fact! For us it comes down to supply and demand. Materials are going up, this knocks onto the cost of manufacturing a part, then add on the shipping to fly parts around the world or pay for a container loaded with parts.

It may have been £0.05 added to a part a few years ago then its £0.19 per item, now I'm adding £0.50 to a £1 and even up to £5 per item if it's heavy – just to cover postage coming to us.

But this is happening to our suppliers as well, so they increase parts cost to us and as much as I've tried, I've held back increasing prices and I've managed to swallow it up. But some prices have just had to go up – it's another sad fact.

It's the same buying with in the UK, it's not just us. We had to work around Brexit. Okay import duty is only VAT and nothing changed there – but then we started to see service charges and fuel charges, it's not a great deal but these service charges have to be passed to the customers.

And the service charges are not just because of Brexit, year on year theres service charges for things you can not imagine.

As an exercise, I looked at moving from our big building to save money and working out of a bedroom! And guess what? To run our business all the overheads we're the same due to service charges, all I could save was the weekly rent! But of course this couldn't happen we need the building, we need the employees and everything that goes in to the building.

People who are not in business have no idea the costs involved in running a mail order business.

You've got lighting, heating and water. You've got wages and then National Insurance, Vat, corporation taxes, rent, rates, running a computer system, printers, paper, ink, visa processing, online processing, shredding machines, fire safety and insurance – gosh it just goes on and on and on, bills after bills after bills!

These are all costs, a war in Europe and fuel hikes don't help anyone but it's now knocking down to our little hobby! And as we know hobbies get pushed back when times are hard!

We have four charges for postage depending on value and size of packet/parcel. We don't do a minimum order on the webshop but we see others now doing it and their prices are higher than ours! They're also doing a high minimum postage price, something we haven't done. As much as we can we've held back increasing postage prices and only increasing £0.50 – £1 as we've needed to.

But this happens the other way, we buy parts in the UK and its not uncommon to see delivery charges of £15-£20 to us! When we are £10 for the same parcel. These suppliers don't seem to mind ripping off their customers – but are they?

It's always been a bug bare with me when people complain about our postage costs.

You as a customer have got to look beyond £6 postage for £1 item!

Look at all the bills I've mentioned to run a mail order company. To process a parcel takes a few people. We have our manager making sure all runs well from the online web shop, we've got a man running the online webshop and hoisting that, we need a man to put parts on stock, on the shelf and make up

kits, we need a man to download the order, accept it in the computer system, print out a picking list, walk around the stores to grab the parts, back in the computer system to process the money with PayPal/visa charges, rent of machine, then the parcel goes into the packing room to be packed! And then theres another wage to pay and then you've got the jiffy bag or box, tape, postage, postage sticker, rent the postage machine, run another computer and pay a courier to collect the packet – trust me we're making a loss on processing a parcel below £20 and it wouldn't surprise me if we make a loss at £40!

And guess what? Most parcels we process are below £50!

It's not all complaints. Some do complain about postage costs, but others will buy a part below £1 on one day and do the same the next day and again the next day and they don't complain! The idea is think of something else you need and add to the parcel/package to spread the postage costs. It is a Lambretta after all and you always need something for a Lambretta.

No one ever said business would be easy, but it's got worse over the years, the last two years has been taxing and the last few months even more so!

But we're still here plodding on.

All I'm asking is to be patient, think ahead add more to your order to spread costs and don't moan too much if some prices do increase.

It may sound all doom and gloom but we have more and more new exciting products coming. Some have come on stock and sold out a few times without us doing a 'new product' on Facebook.

Any comments email mark@mbscooters.co.uk