

**Media Release**

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**Australian Powersports Company Secures European Alliance**

Australian powersports company, Scarpar, has secured an alliance with German-based engineering powerhouse EDAG to finalise the product development, design and engineering for its first vehicle.

Designed to give board riders an equivalent off-road experience to other powersports products, Scarpar's first product – an all terrain four-stroke engine powered board – is expected to be on the market by early 2009.

Scarpar CEO Andrew Fern said EDAG was an ideal partner for the company and would bring significant value to the project with their depth of experience.

"EDAG has world-class experience in design, engineering and product development and the team assigned to us has worked on rally cars, aerospace projects and a broad range of automotive projects, involving some of the world's largest manufacturers," Mr Fern said.

"The board will be marketed through existing powersports dealer channels and while we've had a large number of approaches from interested distributors, we are keen to make sure we get the right ones," he said.

"If our sales follow the general trend for other powersports products, up to 80 percent of the products will be sold into the US and Canada. This means that the distributors in this region in particular will need to have significant scale to be able to deal with anticipated volumes.

"We are sure the board's product range including safety gear, fashion clothing and accessories, can be a substantial new revenue stream to the powersports dealer channel.

"With a reduction of around 50 percent in personal water craft and snowmobile sales over the last decade, and apparent peak of ATV volumes, it is imperative that dealers ensure future products will secure substantial revenues and engage the next generation of powersports riders – our market research indicates our range of products will do this."

Head of EDAG Australia, Thomas Beck, said the project had been greeted with great enthusiasm internally as several of the assigned team were experienced board riders themselves.

"There's a real excitement around this project internally. While this is far from the most complex project EDAG has at the moment, it is one of the most exciting. Most of our automotive projects are very complex components rather than entire vehicles," Mr Beck said.

"We are involved in creating a whole new product category for Scarpar, which our people are really enjoying. There's a long line of young and not-so-young engineers in EDAG Australia volunteering for testing," he said.

"Our conversations with the major manufacturers of powersports vehicles tell us they're all aware of the potential for an off-road board market, they just don't know what to do about it," Mr. Fern said.

With the ability to traverse almost any land surface including over-snow, due to the unique patent pending front and rear track design, Scarpar believes it can convert the hundreds of thousands of web site hits and thousands of enquiries it's had over the last two years into sales.

For more information, visit [www.scarpar.com](http://www.scarpar.com) or contact Andrew Fern (CEO) +61 422 724 277

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