


MARKET-FOCUSED REINVENTION

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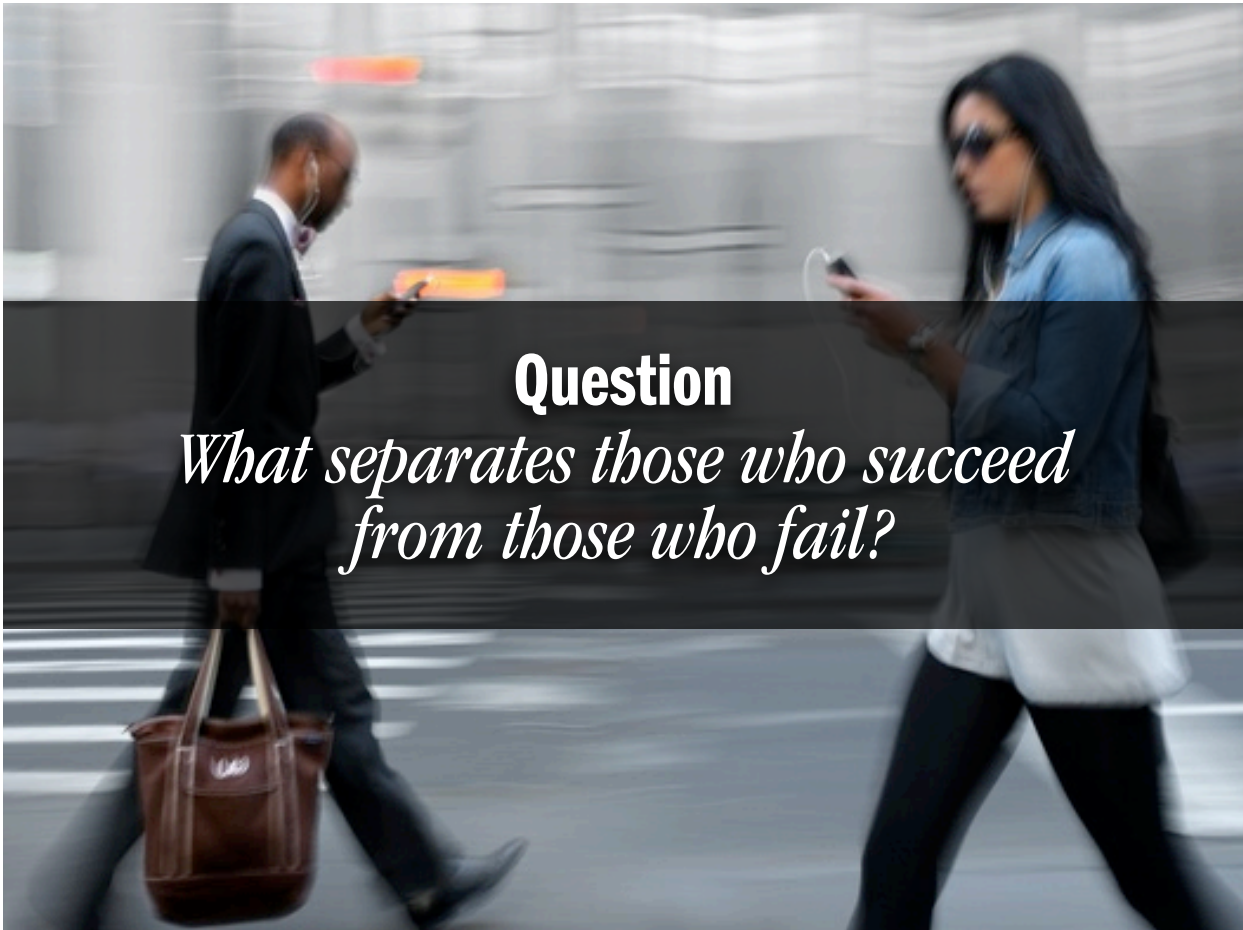
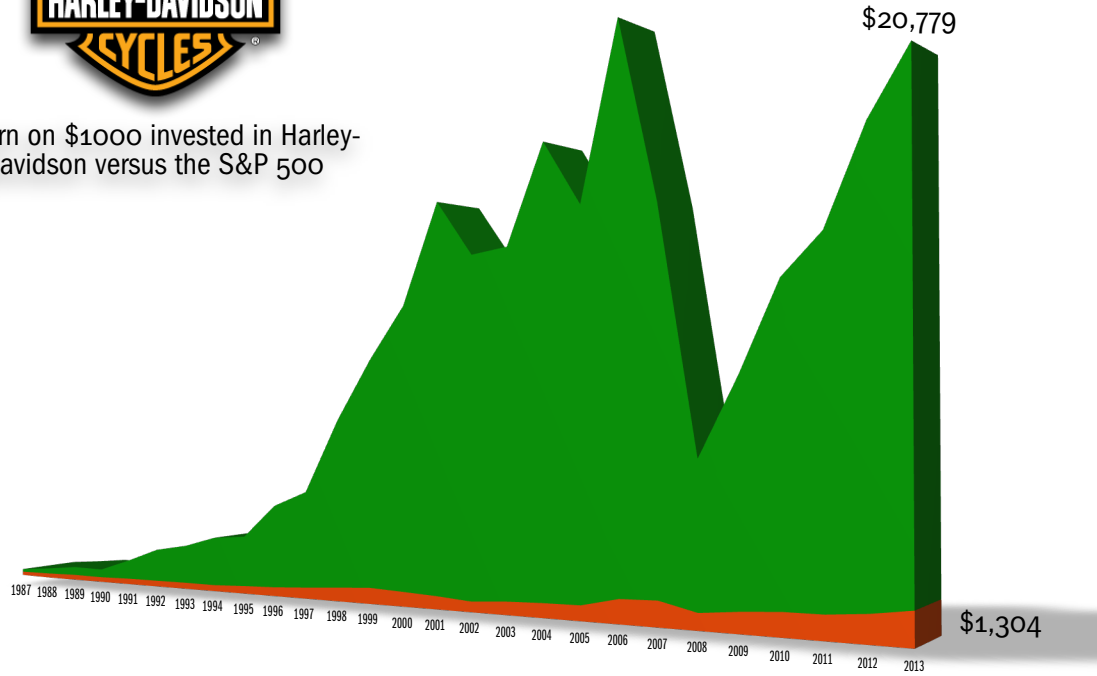
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What goes up
Struggle inevitably follows success



Return on \$1000 invested in Harley-Davidson versus the S&P 500



Question

What separates those who succeed from those who fail?

MARKET-FOCUSED REINVENTION

Recognition

Understand
the threat

Reinvention

Reconnect, build support
for change, shift power

Formalize

Change formal
structure

Maintain

Maintain focus
and evolve

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Recognition

Reinvention begins with recognition of a fundamental threat to the firm



Market as
raison d'être

Trust

Openness

MARKET-FOCUSED VALUES

Empathy

Collaboration

Respect

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Reinvention

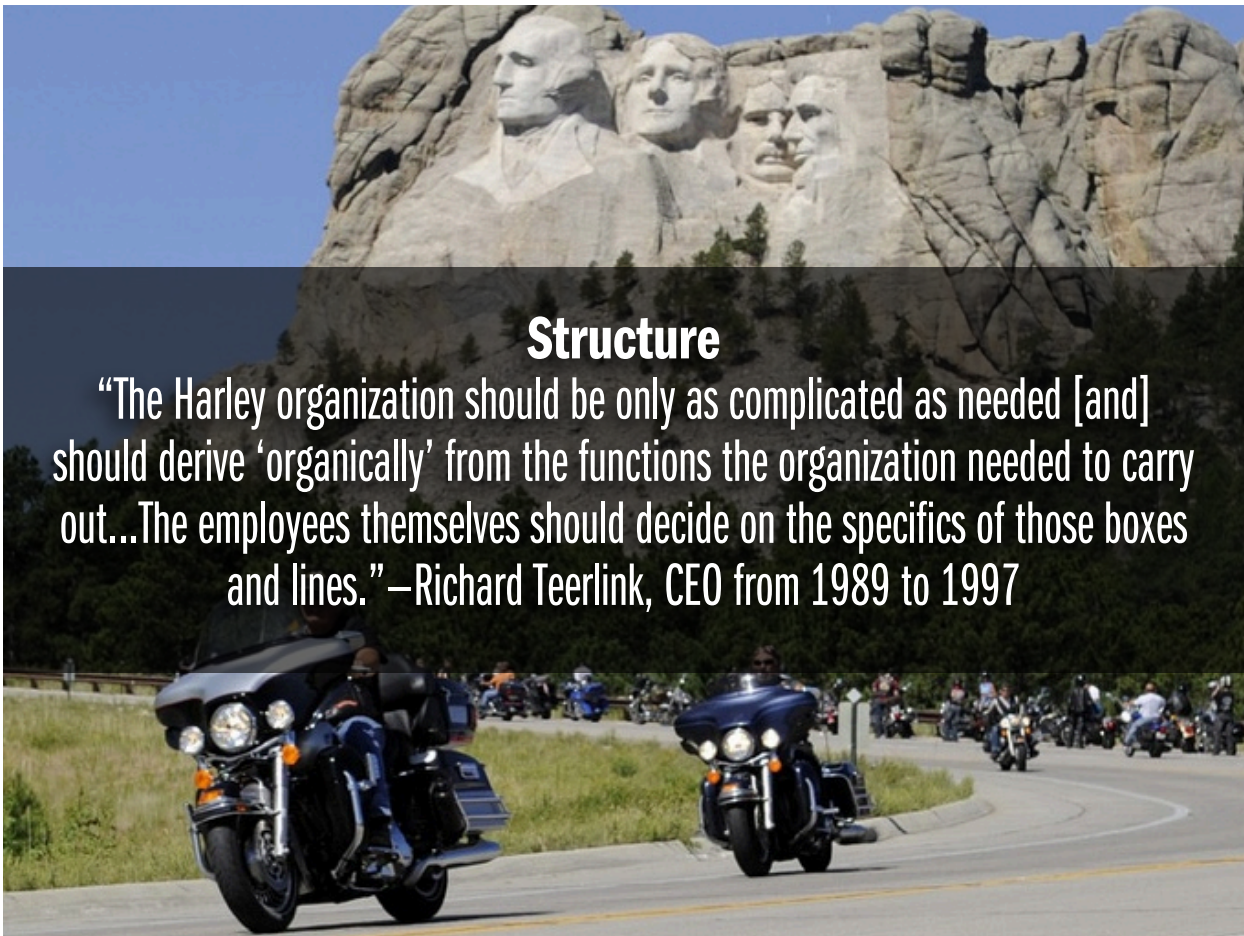
Direct customer experiences creates common understanding essential for change



Power Shift

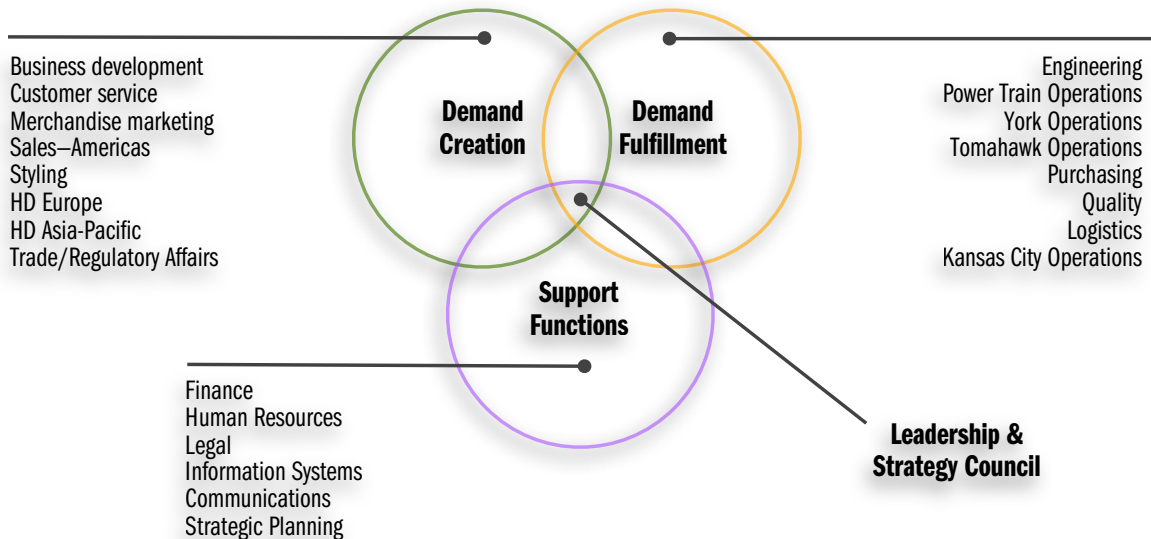
“Everyone owns the brand. They’re empowered to make decisions on the brand.”





Structure

“The Harley organization should be only as complicated as needed [and] should derive ‘organically’ from the functions the organization needed to carry out...The employees themselves should decide on the specifics of those boxes and lines.”—Richard Teerlink, CEO from 1989 to 1997





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As the culture changes and success grows,
the past surprisingly beckons

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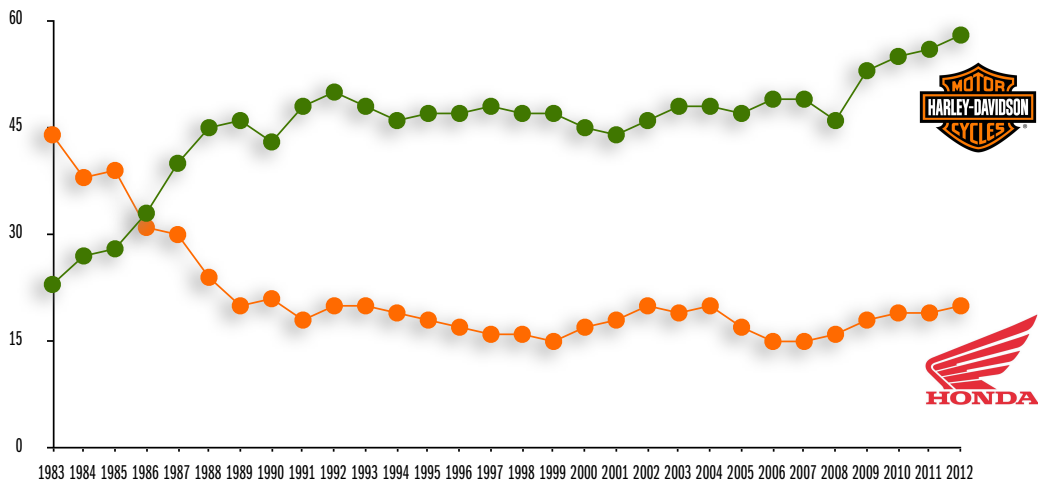
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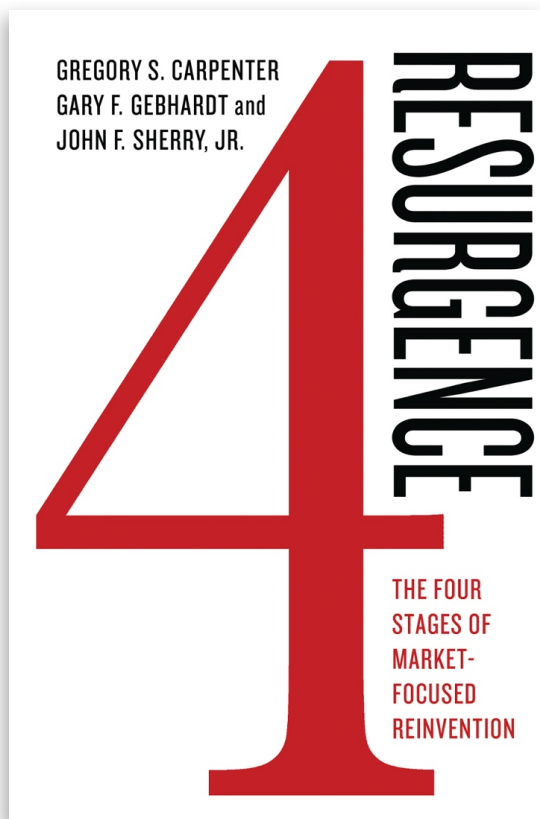
MARKET SHARES



ROARING BACK



Harley-Davidson's compounded growth in share price since 1990, versus 7.1% for the S&P 500



Thank you

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