

MEMO:

To: Cindy Reed
From: Larry Huttle
Date: January 27, 2011
Re: Class "A" Motorhome Discussion /
WBCCI Membership Acceptance

Cindy,

Airstream discontinued Class "A" motorhome production in 2006.

In 2007, recognizing the fact that many WBCCI members are Class "A" motorhome owners and will seek new Class "A" motorhomes in the future, we served up to the WBCCI IBT a viable option. Thor companies (Damon / Four Winds), now merged together as one Company named Thor Motor Coach Division, offered the WBCCI a wide range of Class "A" models. A vote to accept Class "A" Thor coaches by WBCCI members failed in June, 2007 by a 2 to 1 vote.

No formal WBCCI action has taken place in the past 3 years to move toward WBCCI acceptance of Thor Motor Coach products, other than passionate discussions by both advocates and those opposed to any such action.

Airstream has no foreseeable plan to enter the Class "A" or Class "C" segments of the RV business in the next several years. We do offer, however, Class "B" Interstate (Mercedes powered) and Avenue (Chevrolet powered) as Airstream's only motorized product offering and both are compliant for WBCCI membership and reach the fastest growing motorized segment of the RV business.

Fast forward ... in speaking with the officers of the Thor Motor Coach Division recently, their sentiment is that interest in building a "WBCCI Edition" motor coach exists only if significant interest by WBCCI members is demonstrated and several buyers come forth with purchases without a long campaign for support. Also, several challenges lie ahead for Thor Motor Coach to offer a WBCCI Edition coach to WBCCI members to be successful, in addition to immediate sales purchases:

- Airstream approval
- Thor Motor Coaches sells via its own distribution system and not via Airstream dealers
- Warranty coverage would be provided through Thor Motor Coach and not via Airstream dealers
- Airstream dealers would have to approve this because it affects its contractual agreement with Airstream and state DMV laws prevail with these types of matters

Cindy, I believe the Thor Motor Coach officials have lost interest in pursuing a workable arrangement with the WBCCI as a result of their experience in 2007 with a low WBCCI approval by the general membership of its involvement.

Without significant WBCCI support and strong interest in seeking an immediate workable agreement, I feel strongly the Thor Motor Coach Division officials will not seek to move forward.

Cindy, I hope these comments add some clarity?

Sincerely,

Larry Huttle
Chairman
LJH/lm