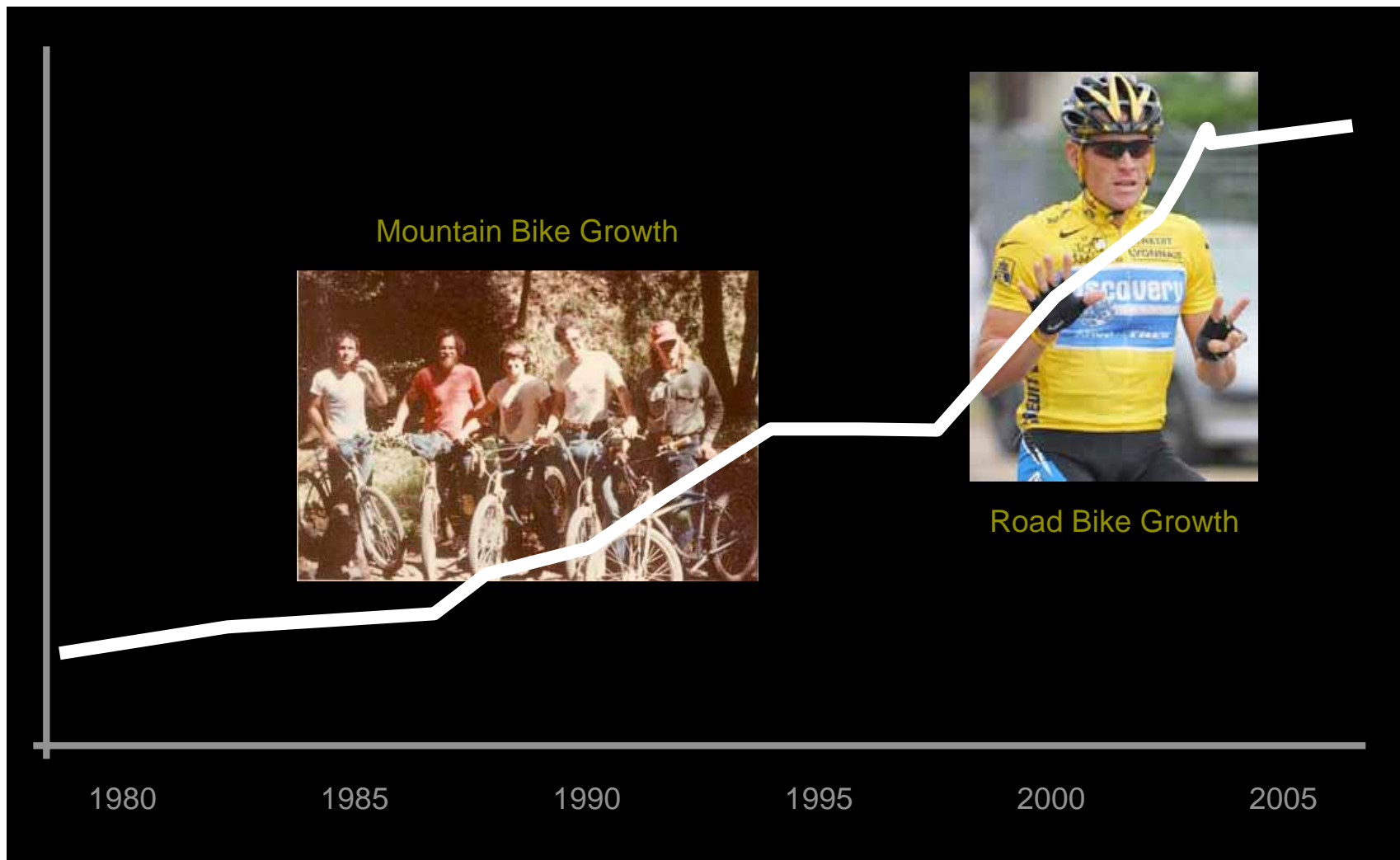


A paved path with yellow arrows and a sunset background with palm trees. The path is paved with concrete and has two large yellow arrows painted on it, one pointing left and one pointing right. A yellow line runs down the center of the path. The path is flanked by palm trees and leads towards a sunset. The sun is low on the horizon, creating a warm, golden glow. The palm trees are tall and slender, with their fronds visible against the sky. The overall scene is peaceful and scenic.

**THE BICYCLE INDUSTRY'S  
GREATEST OPPORTUNITY**

# Industry Growth

# Growth in the Bicycle Business





# Industry's Growth Plans for the Next 20 Years

ON MARKETING ...



... Same As the Last 20 Years

# Interesting Global Trends

# 1. THE WORLD IS GETTING FAT



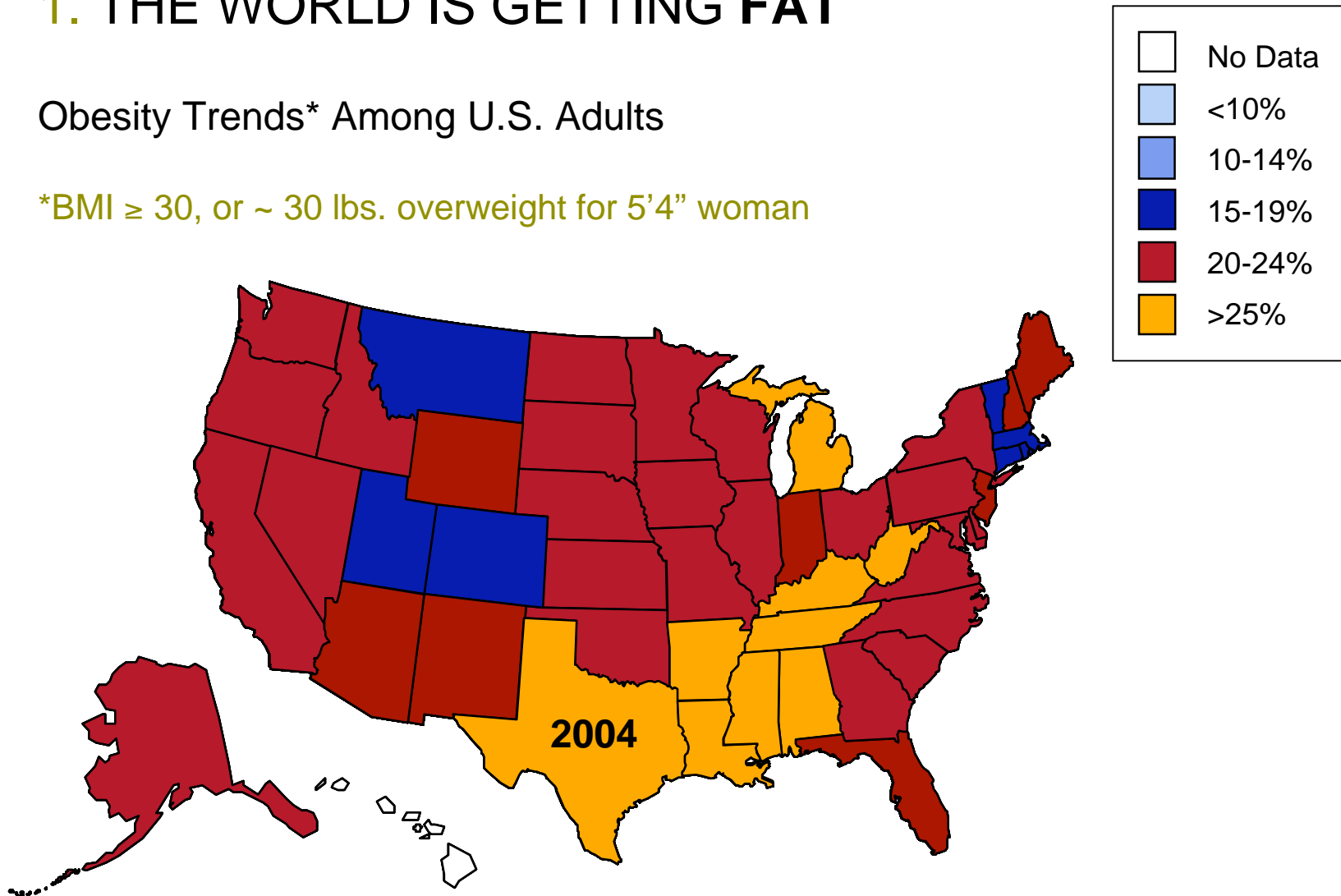
<b>Average Weights</b>	<b>1960</b>	<b>2002</b>	<b>Difference</b>
Kids 6-11	63 lbs.	74 lbs.	11 lbs.
Men over 20	167 lbs.	191 lbs.	24 lbs.
Women over 20	139 lbs.	163 lbs.	24 lbs.



# 1. THE WORLD IS GETTING FAT

## Obesity Trends\* Among U.S. Adults

\*BMI  $\geq$  30, or ~ 30 lbs. overweight for 5'4" woman



## 2. TRAFFIC CONGESTION

In 2003, traffic congestion delayed people world wide for 7 billion hours and wasted 5 billion gallons of fuel.



### 3. URBANIZATION

For the first time in human history, more people are living in cities than in the rural areas, and the rate of urbanization is increasing.



In 1950, the world had just 2 “megacities” with populations in excess of 10 million. Today, there are at least 20.

There are over 200 cities in China with a population over one million.



The United Nations estimates that about 180,000 people are added to the urban population every day.

By 2050, an estimated two-thirds of the world’s population will live in urban areas.



## 4. ENVIRONMENT



Emissions from cars far outweighs that from power plants.

Vehicles contribute to an estimated 60-70% of urban air pollution.



60% of the pollution created by car emissions happens in the first few minutes of operation.



What kind of product  
can we develop to  
address these trends?



# How the bicycle solves problems



## HEALTH ISSUES

Bicycling burns 500-700 calories per hour. Driving a car burns 5-20.

Bicycling promotes healthier lifestyles, strengthens family bonds, provides a recreational outlet for youth, and builds closer-knit communities.

## ENVIRONMENT ISSUES

Car emissions produce 60-70% of urban air pollution. Bicycles produce 0%.

Commuters waste 2.3 billion gallons of fuel annually in traffic jams. Bicycles waste 0 gallons.

## CONGESTION ISSUES

50% of car trips taken are less than 2 miles long.

A 4-mile journey in Central London takes 40 minutes by car, yet only 22 minutes by bicycle.

7 to 12 bicycles can be parked in one automobile parking space.

# The industry's greatest opportunity and challenge is to create a bicycle friendly world.



# We don't need to reinvent the wheel. A bicycle friendly world already exists in:



## The Netherlands

25% of population commutes by bicycle



## London

Bike commuters don't pay congestion charge



## Boulder, Colorado

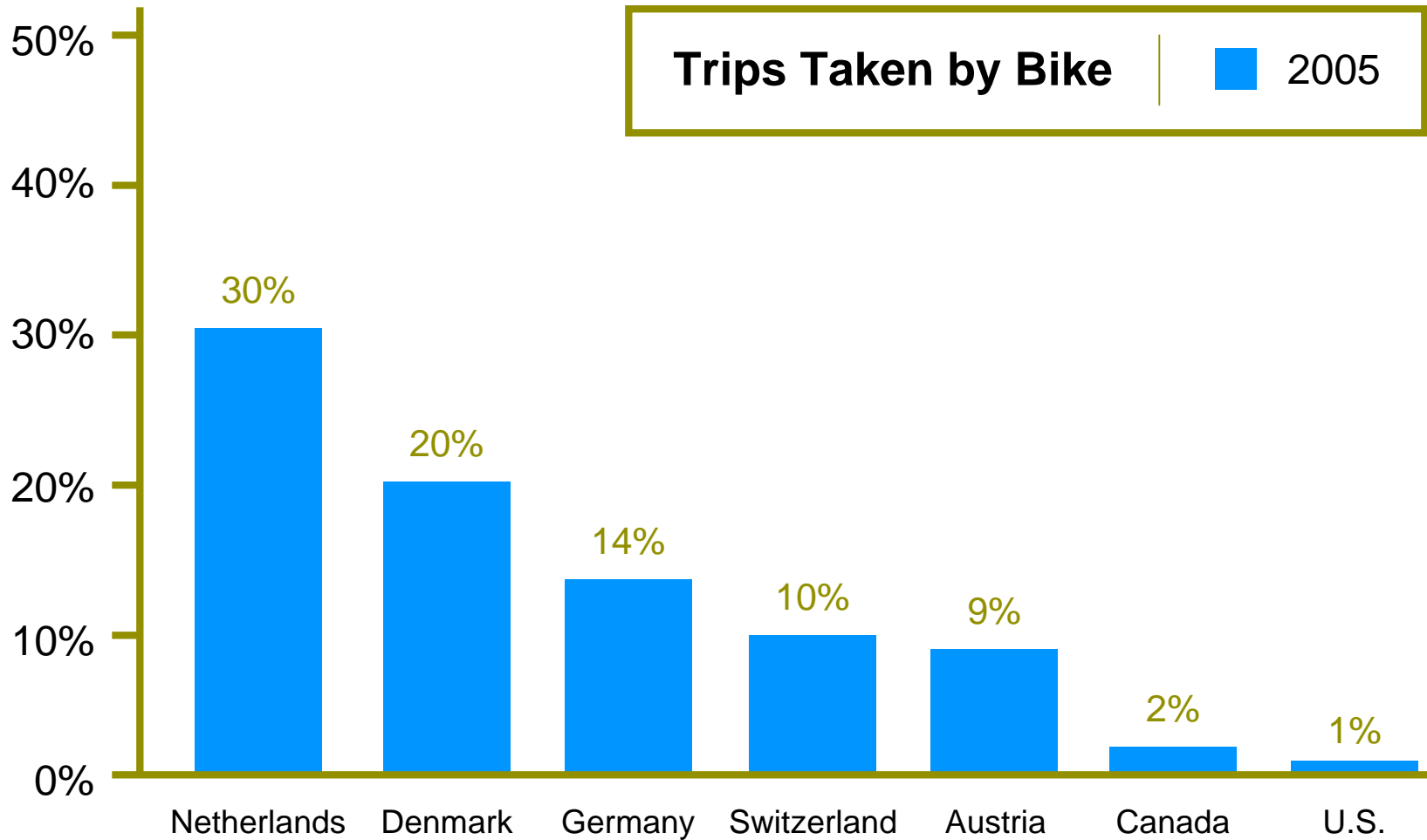
21% of population commutes by bicycle



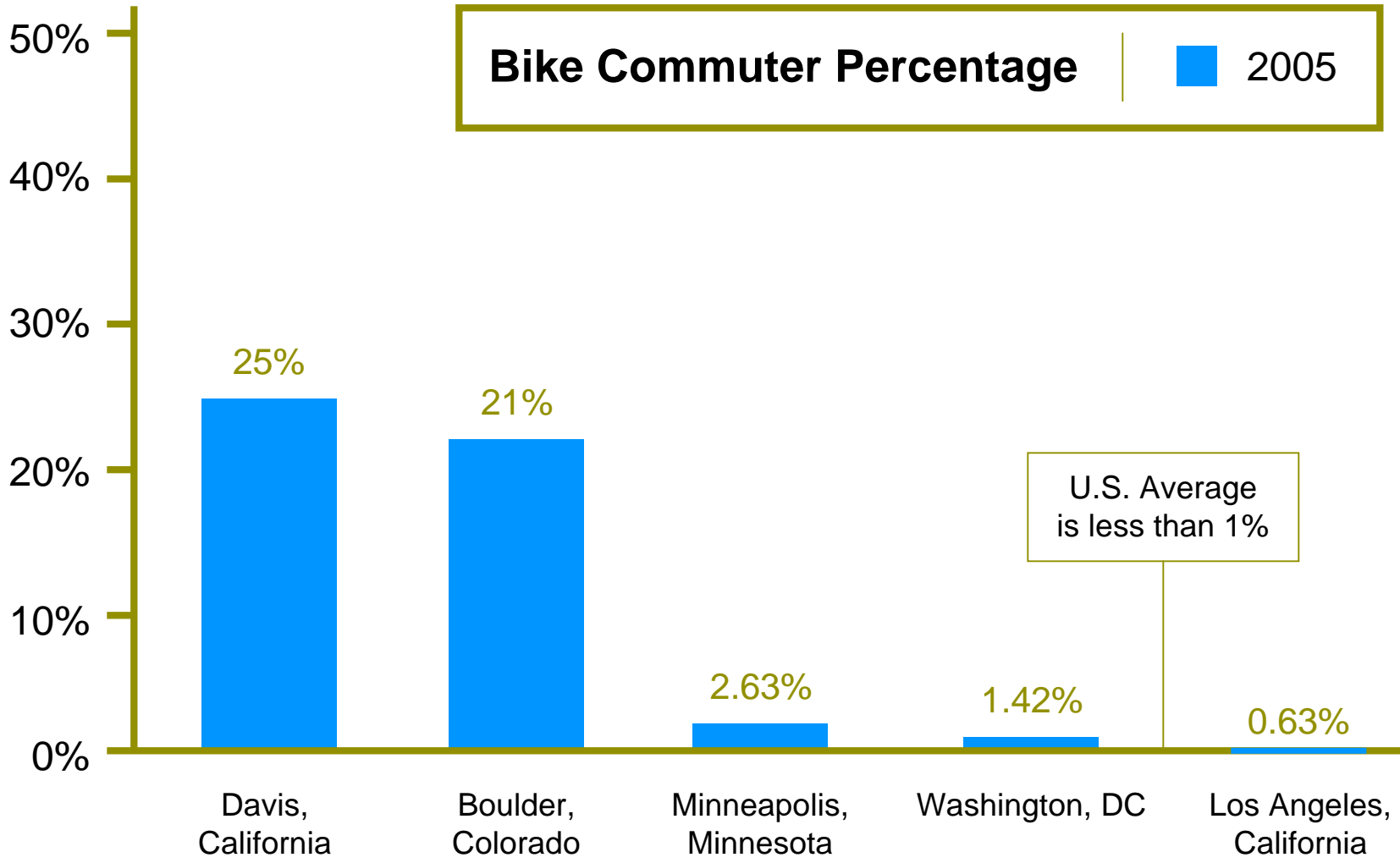
## Portland, Oregon

Congressman Blumenauer's Bike Commuter Act

# The U.S. Needs to Catch Up



# The U.S. Needs to Catch Up



# What if the world's bike usage was like the Netherlands or Boulder?

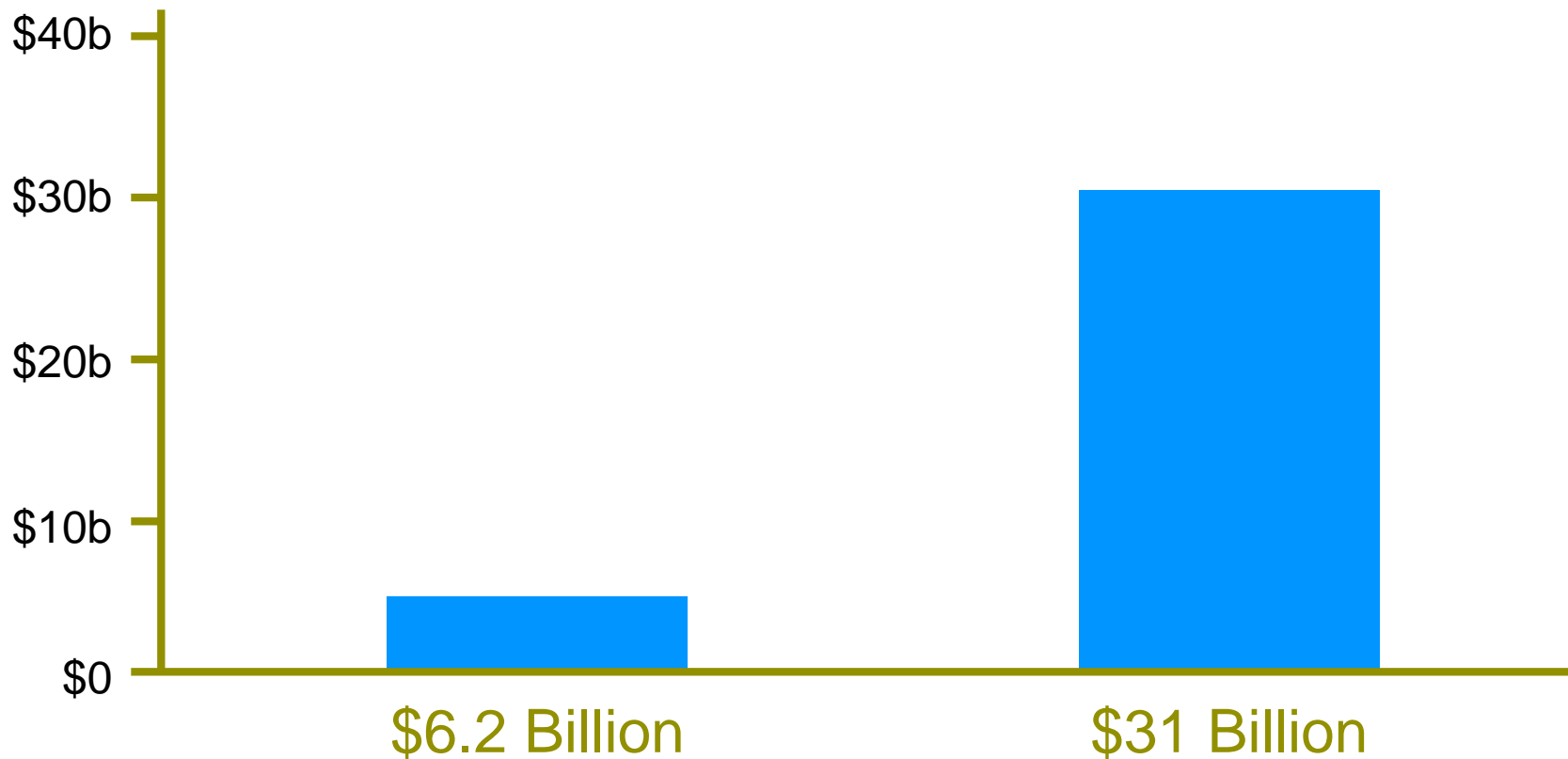


“Cycling is the fastest, cheapest, most healthy and environmentally friendly way to get around London, which is why we are investing £20m this year to improve cycle facilities in the capital. The number of cyclists on our roads has doubled since 2000 and we’ve already exceeded our cycling targets five years ahead of schedule, on top of achieving a shift from car use to public transport. I will now be looking at tougher targets so we can continue to build on this success and encourage many more cyclists in London.”

- London Mayor, Ken Livingstone



**If bicycle trips in the U.S. grew from 1/2 of 1% to 5%, what would happen to the size of the bicycle industry in the U.S.?**



# Creating a Bicycle Friendly World



**Louisville, Kentucky** : a Bicycle Friendly Community Success Story

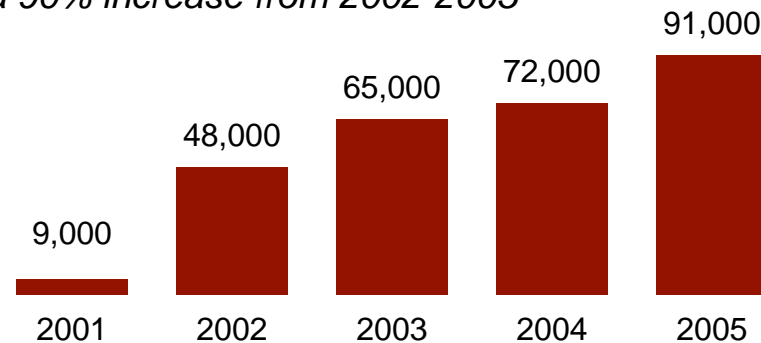
# Creating a Bicycle Friendly World

## Louisville, Kentucky : a Bicycle Friendly Community Success Story

**Goal: Bicycling is fully integrated into the transportation network. Bicyclists of all ages and skill levels feel comfortable and safe riding to their destinations.**



Public transit Bikes-On-Board Annual Boardings  
*\*a 90% increase from 2002-2005*



# Then vs. Now in the U.S.

	1995	Today
Industry money for advocacy	\$0	\$2 million
Government spend	\$20 million	\$800 million
Safe Routes to Schools	\$0	\$100 million
Bicycle Friendly Communities	0	58



# What the Global Bicycle Business Needs to Do

Understand that the #1 way to grow the bicycle business is to create a bicycle friendly world.

# 1. GET INVOLVED WITH GOVERNMENT LEADERS



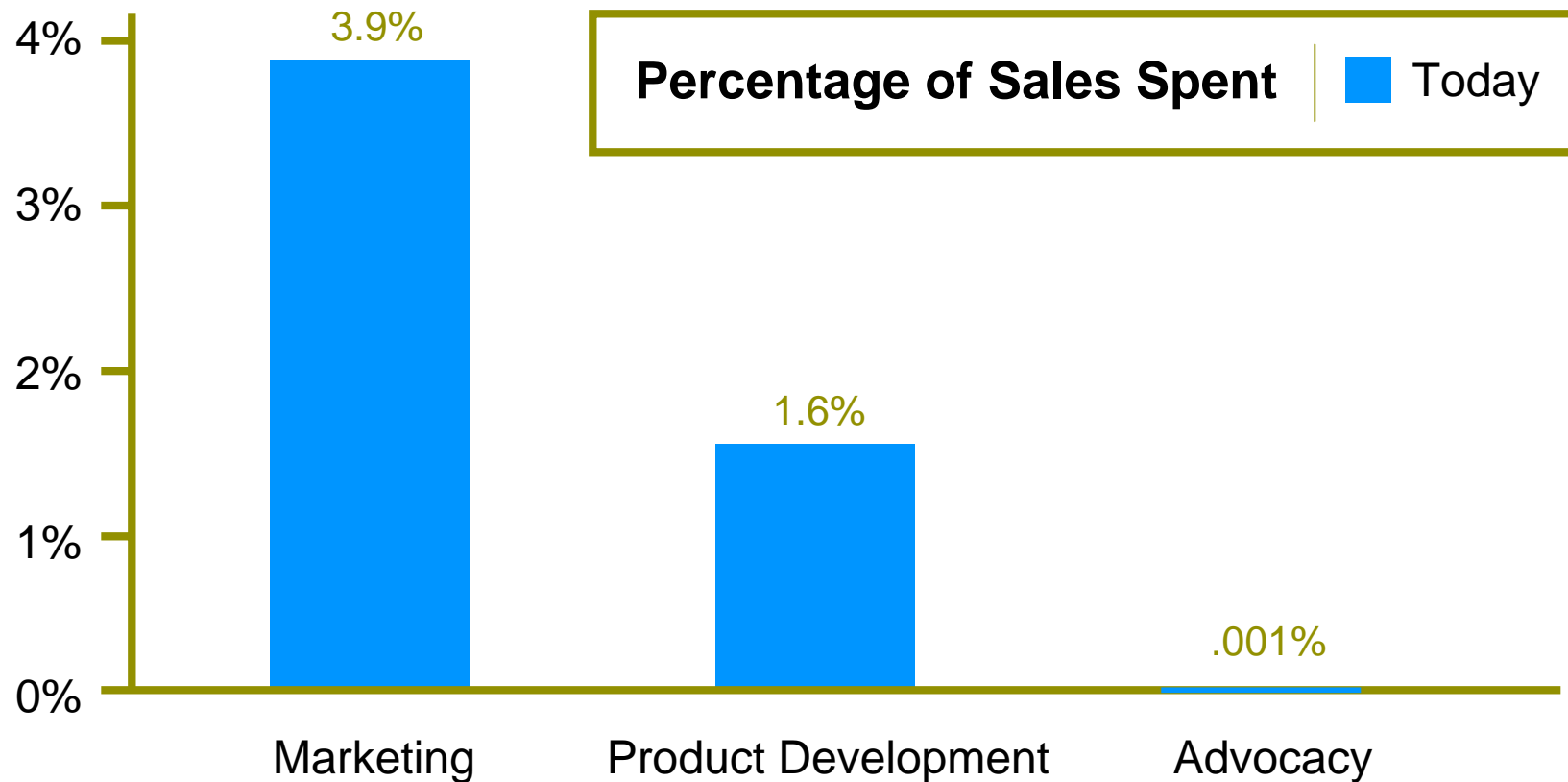
## 2. GET INVOLVED WITH ADVOCATES




### 3. TAKE RESPONSIBILITY FOR YOUR MAJOR / HOME MARKETS



#### 4. RE-DIRECT RESOURCES AWAY FROM TRADITIONAL SPENDING TO ADVOCACY





**A small group of thoughtful people  
could change the world. Indeed, it's  
the only thing that ever has.**

**— *Margaret Mead***