

Retail Spotlight

Shop Builds Goodwill with Used Bikes

BY RAY KEENER

Check the National Bicycle Dealers Association revenue stats for nationwide sales of used bicycles. The number is nowhere to be found. Even rentals at 2 percent of sales overshadow them.

With the economy dictating frugality, used bikes are looking more appealing. But taking trade-ins or displaying used bikes seems to be unwieldy. So how can you be in the used bike business without the hassle? Steven Phyle of Tonka Cycle and Ski in Minnetonka, Minnesota, holds a used bike sale once a year.

“It’s more of a grassroots effort than a big revenue generator,” Phyle said. “We charge \$5 to help sell a bike for under \$100, \$10 for over \$100, and for a bike over \$200, we charge 10 percent of the

selling price. And 98 percent of the bikes are under \$100.”

In late June, Tonka’s parking lot was filled with used bikes and shoppers. “This year we had about 400 bikes, and about 300 of them sold,” said Phyle.

On the same weekend, Phyle marked down all new bikes 10 percent and all accessories 15 percent. “Folks will put their old bike in the used

bike sale and buy a new bike with the proceeds,” Phyle said.

Ultimately the used bike sale is about building relationships and goodwill.

“There’s a strong message about our business: We’re not just here to sell you a new bike, we’re here to get you on a bike no matter what you can afford. And you’re way better off buying a used Giant than a new Wal-Mart bike,” he said.



Tonka’s annual used bike sale in June is a repeat success.