

An NBDA Publication Bicycle Retailer

AND INDUSTRY NEWS

July 1, 2010

Vol. 19, Number 11

Market Slides: 2009 Imports Hit New Lows

BY MATT WIEBE

Bicycles are the answer to dependence on fossil fuels, growing carbon emissions, urban congestion, obesity and a variety of health issues—a perfect storm sure to sweep new bike buyers into shops. So where were the customers last year?

That was the big question as suppliers booked large orders with Asian builders while retail orders slowed. The mismatch between market optimism and

Continued on page 30

Rural Shops Feel Sting of Economy, Forcing Closures

BY JASON NORMAN

The shrinkage of specialty bicycle stores in the U.S. over the last 10 years continued last year. In 2009 roughly 63 stores went out of business.

That is the second lowest decline in the past decade. From 2001 to 2007 IBD store closings in the double digits were the norm. And considering that IBDs were fighting through a grim recession in 2009, that number looks positive.

“I was surprised there weren’t more that went out of business,” said Jay Townley, who produced the U.S. Bicycle

Continued on page 32



Photo courtesy of Raleigh USA

SUCCESS IN SEATTLE

Biking Booms in Seaside City

BY MARC SANI

IT’S CALLED STP—SHORTHAND for the 202-mile Seattle to Portland Bicycle Classic. It’s an annual two-day ride-fest, held each July, and it puts 10,000 cyclists on a string of back roads that links these two Pacific Northwest cities.

And while Seattle often takes a backseat to Portland when the discussion turns to bicycle-friendly cities, cyclists

here point out that it’s STP not PTS.

And this July is no different. Some 10,000 riders—the official cap—will hit the pavement July 17. And if this year’s ride follows years past, cyclists will swallow some 26,000 sandwiches, 35,000 cookies and 11,000 fig bars, plus hundreds of pounds of bananas, oranges and grapes.

Serving up those numbers is the Cas-

Continued on page 22

Importers Drop Pricing As The Euro Plummets

BY MATT WIEBE

VICENZA, Italy—As the euro tumbles against the U.S. dollar, importers of European brands are closely watching exchange rates. While some companies minimize exchange rate fluctuations in their pricing, others are adjusting price sheets accordingly.

“The euro will definitely impact our new pricing that came out on June 1. North American pricing came down 12 percent due to the strengthening of the U.S. dollar,” said Tom Kattus, North America general manager for Campagnolo, which manufactures in Italy and Romania.

Greece’s financial crisis and economic difficulties in other euro zone countries like Ireland, Italy, Portugal and Spain, drove the euro to four-year lows in early June. From a peak value of \$1.60 in July 2008, it fell below \$1.20 last month. And at a time of year when many companies are finalizing pricing, the euro’s fall in value will have an immediate effect.

Mavic expects its revised pricing to drop an average of 10 percent, said Mark Leydecker, Mavic’s managing director. Mavic makes wheels and components in France and Romania, and although Romania is outside the euro zone, Mavic prices Romanian manufactured goods in euros.

But Leydecker points out that as part of a global company with vendors around the world, Mavic factors many variables into pricing.

Continued on page 27

UPGRADE
shifting

AZTEC

UPGRADE
braking

www.deltacycle.com

market reality left suppliers with more than 100,000 unwanted units as 2009 closed.

"It was a challenging year for retail no matter what you sold last year. And with the weather so bad well into June everyone got off to a very slow start," said Steve Meineke, Raleigh USA's president.

Imports dropped to 14.84 million units, the lowest number of bikes imported in 10 years, and 25 percent lower than the 10-year import average of 19.79 million, according to the Department of Commerce.

Cannondale, the last large scale domestic manufacturer, began winding down its Bedford, Pennsylvania, manufacturing plant last year in favor of sourcing its bikes in Asia. This brought total domestic production of all manufacturers to an estimated 89,500 bikes, the lowest figure over the last 10 years and probably the lowest domestic production in the past 100 years.

Total bike exports of domestic and foreign manufactured bikes totaled 150,645 last year, based on U.S. Department of Commerce data.

Adding total imports with estimated domestic production, then subtracting bicycle exports suggests the total market in 2009 was 14.8 million units. That's down 20 percent from an estimated market size of 18.46 million units in 2008.

The Bicycle Product Suppliers Association reported its members' shipments to dealers fell by 9 percent last year.

Utility/City Bikes. Ever since gas crested at \$4 a gallon in summer 2008, suppliers bet that bikes targeting transportation users were the next big thing.

Imports of 700c bikes took off in the second half of 2008 and remained strong in 2009 as suppliers waited for customers looking to park their cars. This optimism left many suppliers with historic levels of unsold bikes last year, and a fair bit of head scratching as to why these customers never materialized.

Transportation bikes did sell, however. The BPSA reports shipments of hybrids to dealers only slowed 3 percent last year to 500,525 units. But sales needed to increase more than 10 percent to keep up with suppliers' forecasts.

At the same time large suppliers adjusted expectations of the transportation market down, small start-up bike

companies focusing on the same market were bullish, launching new ventures.

"We've been devel-

oping the bikes for the last five years but went to Interbike last year and were so encouraged we launched," said Adam McDermott, who co-founded Linus Bikes with Chad Kushner.

The company signed up eight stores at Interbike and now it's up to 40 and growing. McDermott said containers of their simple steel city bikes are mostly sold before they land.

Rob Forbes recently launched Public Bikes, a new bike, accessories and apparel company targeting urban cyclists after spending the last few years tuning his designs.

Other transportation-focused brands have thrived during the recession—Abici, Batavus, Brompton and Swrve clothing, to name a few. Usually tucked into corners at Interbike, or not exhibiting at the Vegas show, some of these brands are European, but a surprising number are homegrown.

Sales volume is small, but interestingly these suppliers are developing a

dealer channel specializing in transportation bikes, with nary a road, mountain or mainstream branded bike in sight.

"I worked in traditional bike shops, but that wasn't the sort of business I wanted," said Josh Cridler, who with Gillian Kitchings own Portland Velocipede in Portland, Maine, a transportation bike retailer.

"Our town infrastructure is quite a bit behind the other Portland, but many people are looking for simple bikes to get around on. Even though we are a new store, our sales are stronger than expected," Cridler said.

U.S. Bicycle Import Landed Average Unit Value

Categories	2009	2008	2007	2006	2005
Kid's sub-20-inch	\$29.25	\$30.11	\$26.07	\$24.43	\$25.30
20-inch	\$39.30	\$42.69	\$35.98	\$38.86	\$37.31
24-inch	\$61.11	\$62.63	\$60.06	\$54.41	\$48.88
26-inch	\$105.36	\$106.65	\$93.39	\$83.99	\$86.91
700c, Other	\$284.36	\$274.09	\$232.90	\$251.99	\$240.13

U.S Bicycle Import Units by Category

Categories	2009	2008	2007	2006	2005
Kid's sub-20-inch	4,682,134	5,095,446	5,426,613	5,513,676	6,036,936
20-inch	4,282,929	5,590,241	5,404,990	4,895,612	5,629,122
24-inch	821,497	1,175,257	1,259,439	1,714,106	1,822,620
26-inch	3,829,805	5,294,668	4,918,550	5,080,160	5,145,094
700c, Other	1,221,288	1,795,972	1,099,461	858,767	981,636
Totals	14,837,653	18,451,584	18,109,053	18,062,321	19,615,408

U.S. Bicycle Import Value by Category (in millions)

Categories	2009	2008	2007	2006	2005
Kid's sub-20-inch	\$136.93	\$153.42	\$141.49	\$134.67	\$152.75
20-inch	\$168.33	\$238.66	\$194.46	\$190.24	\$210.03
24-inch	\$50.20	\$73.60	\$75.63	\$93.26	\$89.10
26-inch	\$403.50	\$564.65	\$459.34	\$426.69	\$447.18
700c, Other	\$334.40	\$334.60	\$256.06	\$212.08	\$235.72
Totals	\$1,093.36	\$1,370.38	\$1,126.99	\$1,061.27	\$1,134.77

Import Unit Market Share by Category

Categories	2009	2008	2007	2006	2005
Kid's sub-20-inch	31.6%	27.6%	30.0%	30.5%	30.8%
20-inch	28.9%	30.3%	29.8%	27.1%	28.7%
24-inch	5.5%	6.4%	7.0%	9.5%	9.3%
26-inch	25.8%	28.7%	27.2%	28.1%	26.2%
700c, Other	8.2%	7.0%	6.1%	4.8%	5.0%

Source: U.S. Department of Commerce

Folding Bikes. When gas prices spiked, sales of all bikes went into a tailspin—except folding bikes. Demand soared, quickly depleting inventories and filling suppliers with optimism. Those heady sales did not continue in 2009. The year ended slightly down, but suppliers estimate 35,000 folding bikes sold through specialty retailers last year.

Folders first catered to the needs of RV, airplane and boat owners, and those markets still exist, but growth is coming from multimodal commuters.

“For people having to drive to catch a train or bus into work, they take a bike along for the last leg between the station and office. And you cannot get a traditional bike into an elevator or most cubicles, so folders make the most sense,” said Andrew Juskaitis, Giant’s global product marketing manager.

Suppliers are still coming to terms with marketing folders to car and train commuters rather than people familiar with cycling.

“Given what we have learned about our customers, it’s clear we have not been marketing ourselves effectively,” said Steve Boyd, Dahon’s director of operations.

Small Custom Builders. Any anxiety Don Walker had when he launched the North American Handmade Bicycle Show five years ago is long gone. Shows imitating Walker’s concept have grown so numerous, even he can’t keep up.

While frame and bike sales from small builders has grown, Walker doesn’t think the number of full-time builders has grown much beyond 50 to 100 builders who make about 50 or so frames a year.

“I think John Slawta at Landshark is probably the top producing one-man shop, and there are probably a few small multi-employee shops doing between 100 and 200 frames a year, but I expect

most one-person shops to average one frame a week,” Walker said.

Getting reliable sales numbers in the mainstream bike market is difficult, but trying to figure out what 200 to 300 custom bike builders sold last year is harder.

Walker, Security Bicycle Accessories’ John Cobb and others servicing small framebuilders estimate about 150 builders are making close to 50 frames a year, with about twice that number making fewer than 20. This puts small builder production around 12,000 units.

The economy had an impact on small custom frame builders last year, but not nearly the 9 percent drop experienced by BPSA members.

“We certainly felt the impact of the down economy, but our customers usually have the money saved and are committed to making a purchase,” said Walker, who also is founder of Don Walker Cycles.

Security’s Cobb also noted that much of the custom bike business is young bike customers interested in single-speed or fixed-gear offerings.

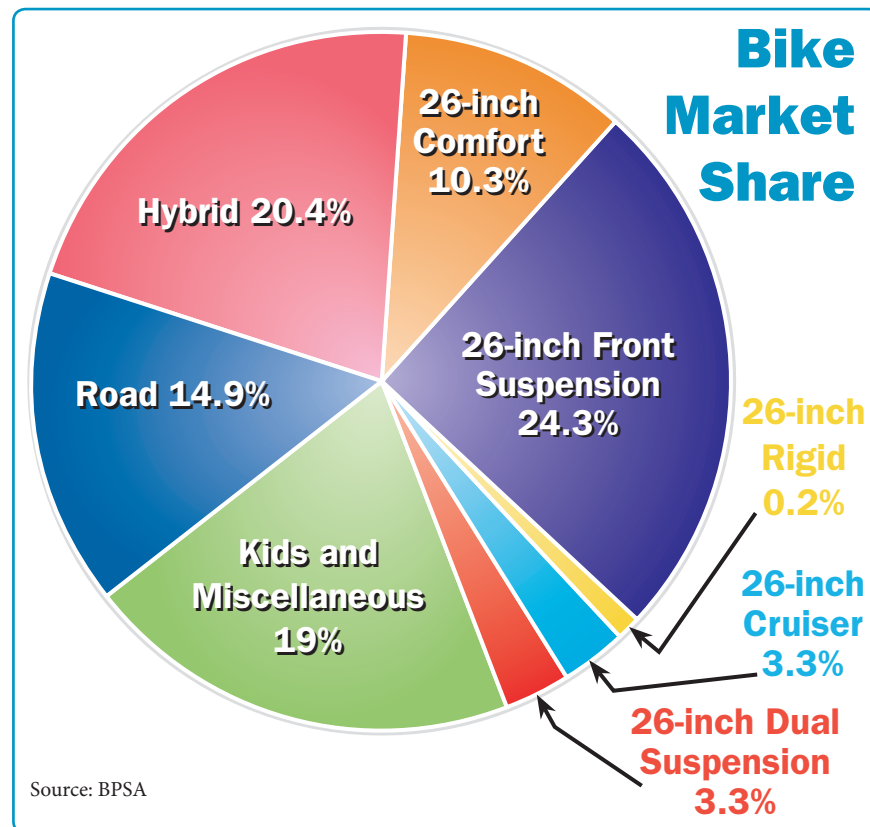
“I think this segment of the market is getting bigger and shows lots of promise even though the general bike market was tough last year,” he added.

Electric Bikes. Last year two huge players, Trek and Sanyo, launched new e-bikes, and America’s largest retailer of electronics, Best Buy, started selling e-bikes at 21 locations.

E-bike suppliers hoped those launches would grow the market for everyone. However, even those high-profile intros could not offset the down economy, and e-bike sales were slightly up or down depending on who you talk to.

Estimates for total units sold last year in the specialty retail channel, including Best Buy, are 50,000 units.

Unlike folding bikes, customers for e-bikes are split between transportation



and recreational bike riders. As new battery technology extends their range and the bikes become more seamless to use, more customers are choosing them for transportation.

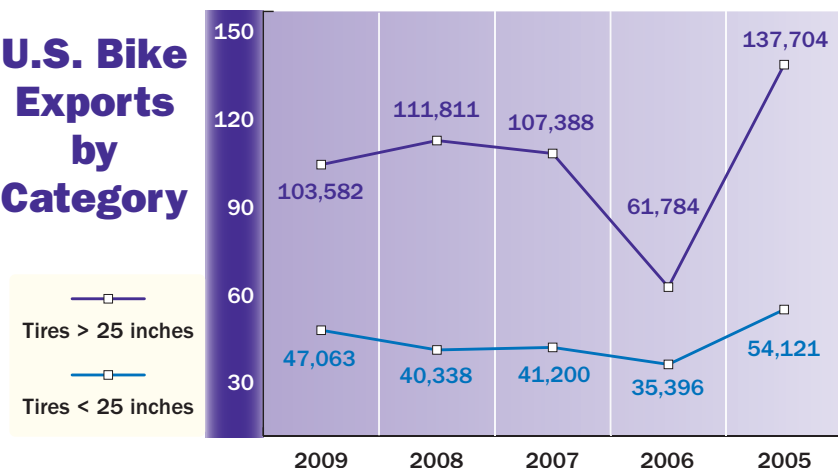
“There is noticeably more interest in the category, but not a lot of new IBDs are diving in. Retailers having the most success with the bikes are family shops selling kids and adult bikes up to \$3,000. They are used to selling to a wide variety of people and e-bikes don’t pose a prob-

lem for them,” said Larry Pizzi, president of Currie Technologies.

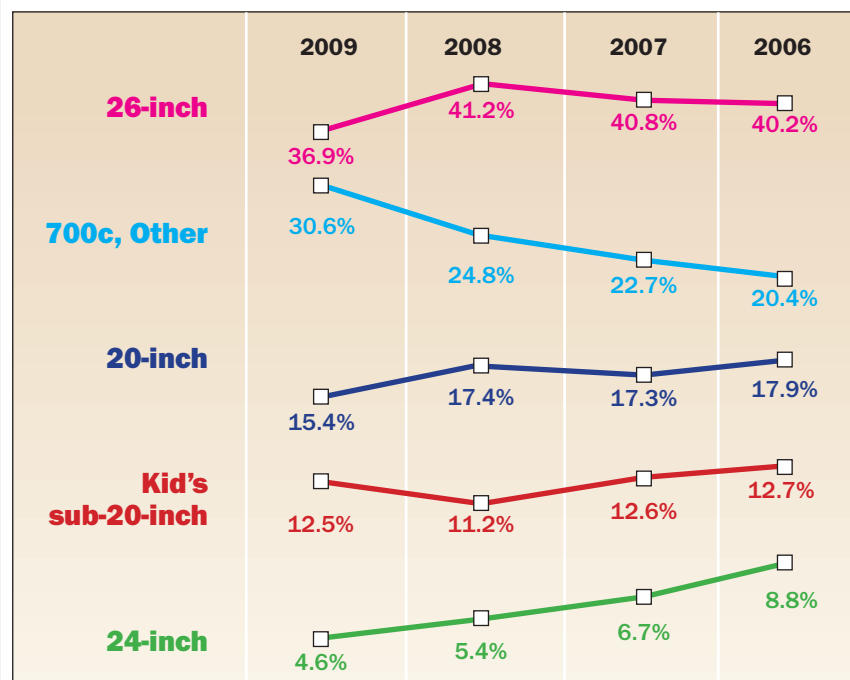
E-bikes still rankle some who don’t understand what is so hard about pedaling, and this resistance toward e-bikes by many bike shops makes further growth in the category difficult.

However, Best Buy is continuing to expand the number of stores that offer e-bikes, and the growth of transportation-oriented bike shops encourages suppliers. **BRAIN**

U.S. Bike Exports by Category



Import Dollar Market Share by Category



Market 2009 Overview Report for the National Bicycle Dealers Association.

Yet in another sense Townley wasn't that surprised. The recession, he said, has forced retailers to develop better operational efficiency. Dealers are paying attention to inventory turns and learning to say "no" to vendors pushing backed up inventory down their throats, Townley said.

While IBD store closings have leveled off, why this is happening and what it actually means is open to interpretation. Townley has studied the issue enough to surmise that many of the stores going out of business are in rural communities.

"If you look at the geography of these declines, it's in the smaller communities that they've closed down," Townley said.

Raleigh USA president Steve Meineke agrees that smaller shops had a rough year in 2009.

"Large bike shops with wide product offerings and deep involvement in local cycling communities were less impacted by the economy than smaller, more specialized dealers," Meineke said. "They were able to keep consumers buying even when the economy shuts down."

What, if any, impact new Wal-Marts have had on local bike shops isn't known. Did Wal-Marts in these rural areas cause the demise of small-town IBDs? Or were rural specialty retailers

going away on their own?

Do the store closures even matter as one looks at the bigger picture?

NBDA executive director Fred Clements thinks the remaining 4,200-plus retailers are picking up the dollar volume. "Same dollars but through fewer stores," Clements said. A rate of decline less than 2 percent isn't bad considering the down economy, he added.

While most distributors keep track of new accounts, most don't know how many are actually new to the business.

"We're growing so we add new accounts every week," said Steve Hawley, president of The Hawley Company in South Carolina. Hawley estimated that out of new accounts added last year only 10 percent were new businesses.

"But if you want my impression without sound stats to back it up, we're definitely seeing more new shops open up than shops closing," Hawley said. "Part of the reason for this is that quite a few smaller niche or urban shops are springing up."

QBP director of sales and customer service Todd Cravens said the company gained quite a few

new stores in 2009 compared with 2008.

"We did have a few more folks go out of business in 2009, but less than what was predicted," Cravens said.

Sporting Goods Still Hurting. The sporting goods channel continues to show a steady decline in bicycle business. The swift number drop for sporting goods (595,000 units sold in 2009 compared with 1.1 million units in 2008) had to do with obtaining more accurate information rather than an actual decline.

"We have overstated their numbers in the past," Townley said.

Townley said he doesn't want to suggest that all sporting goods suppliers are hurting. He said one major supplier to the channel is doing quite well, citing excellent operational efficiency.

Mass merchants sold about 3 million fewer units in 2009, dropping their

market share to 73 percent. And while the IBD channel sold about 200,000 fewer units than in 2008, their market share increased 1 percent.

Meanwhile, estimated average unit retail value held steady at \$500 at specialty retailers. Both mass merchants and sporting goods stores saw average unit values drop to \$78 and \$235, respectively.

Specialty retailers are also capturing more market share in parts and accessories, taking 37 percent while mass merchants and sporting goods account for 25 percent and 23 percent of the pie, respectively.

"People are still fixing up their old bikes," Townley said. And it seems specialty retailers—now more than ever—are consumers' choice for sprucing up bikes that have been gathering dust in the garage.

U.S. Bicycle Market Channels Of Trade Apparent Consumption 2007, 2008 and 2009 Estimated Units and Market Share

Channel	Est. 2007 Units	Est. 2007 Share	Est. 2008 Units	Est. 2008 Share	Est. 2009 Units	Est. 2009 Share
Mass Merchant	13,305	73	13,747	74	10,868	73
Chain Sport Goods	1,276	7	1,115	6	595	4
Bike Shops	3,098	17	3,158	17	2,977	18
Other	547	3	371	3	447	3
Total	18,259	100	18,225	100	14,888	100

Sources: U.S. Department of Commerce Import Statistics for 2007, 2008; and 2009; Gluskin Townley Group
Estimates for 2007, 2008, and 2009, excluding exports.
Note: Bike shop channel includes outdoor specialty.

Bike Shop Channel Estimated 2009 Unit Volume Of Bicycles By Brand

Brand	2009 % Share	2009 Est. Units
01. Trek	22.8	720,000
02. Specialized	10.8	340,000
03. Giant	10.1	320,000
04. Raleigh	5.7	179,000
05. Fuji	4.3	136,000
06. Gary Fisher	3.5	109,000
07. Electra	3.2	100,000
08. Cannondale	2.8	90,000
09. Haro	2.4	75,000
10. Redline	2.1	65,000
Top Tier Brands Sub Total:	71.7	2,134,000
All Other Brands	28.3	843,589
Total Est. Bike Shop+ Consumption:	100	2,977,589

Source: NBDA Survey's and Research Reports; The Gluskin Townley Group, LLC Estimates.

Specialty Bicycle Retail Channel

2007, 2008 and 2009 Estimated Unit Consumption by Product Category

Product Category	2007 Unit Percent	2007 Est. Units	2008 Unit Percent	2008 Est. Units	2009 Unit Percent	2009 Est. Units
Mtn Front Susp	15.5	480,240	24	757,938	24.3	598,089
Mtn Full Susp	8	247,866	4	126,323	3.3	81,608
Mtn No Susp	4.5	139,424	0.5	15,790	0.2	5,837
All Mtn	28	867,530	28.5	900,051	27.8	685,534
Comfort	15	464,748	12	378,969	10.3	254,218
Hybrid/Cross	16.5	511,223	19	378,969	20.4	500,524
Cruiser	6.5	201,391	4	126,323	3.3	82,002
Road/700c	15	464,748	13	410,550	14.9	365,664
BMX/Freestyle	8	247,866	8	252,646	7.7	190,117
Youth 19"	2.5	77,458	4.5	142,113	4.3	106,474
Youth 20"	4	123,933	5	157,904	5.1	124,373
Youth 24"	2	61,066	4	126,323	4.2	103,213
All Youth	16.5	511,223	21.5	678,986	13.6	334,060
Other	2.5	77,458	2	63,162	1.8	43,787
Totals:	100	3,098,322	100	3,158,075	100	2,458,992

Source: Bicycle Product Supplier Association (BPSA) Statistical Reports.

Hybrids Flying High. The only bike category to gain in unit numbers at the IBD in 2009 was hybrid/cross, or as most like to refer to it, “urban” bikes. This category jumped more than 100,000 units in a year’s time, capturing 20 percent of the market.

Full-suspension or not, mountain bikes continue to slide. Retailers sold 215,000 fewer fat tire bikes in 2009.

Also declining in the past several years is road/700c bikes. While retailers sold fewer units of the skinny tired bikes in 2009, the category captured more market share—almost 15 percent to be exact.

“Part of this is that tri is so strong right now,” Townley said. Townley also attributed the category’s solid showing to growth in fixies and single-speed bikes.

Top Brands Still on Top. Trek still owns the IBD channel both in unit volume and representation at retail, followed by Specialized and Giant. But what might raise some eyebrows is Raleigh’s

climb, jumping into the top three as far as number of retailers who carry the brand (See chart below. 2,000 retailers were solicited, 400 retailers responded, according to the NBDA Study).

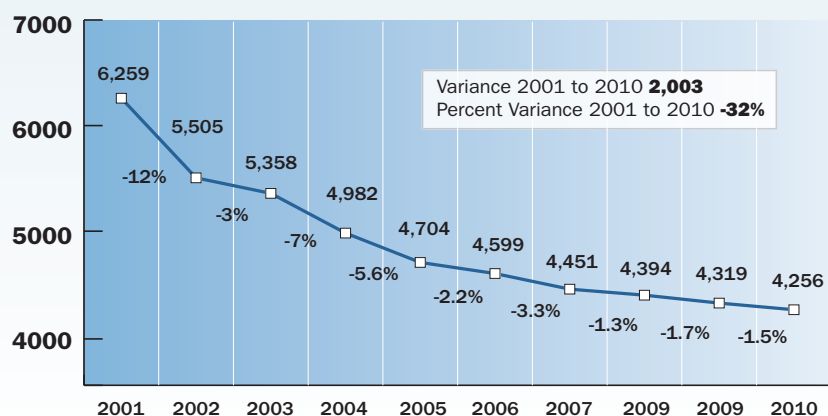
“Raleigh offers good margins,” Townley said, citing one reason why Raleigh is making more inroads at retail.

While Trek, Specialized and Giant still rule the roost, their market share isn’t what it once was. Townley calls it the “end of the 80-20 rule,” where the top 10 to 20 bike brands don’t have the combined 80 percent unit share of the U.S. bicycle market anymore.

Specialty retailers are stocking their shops with more offerings from custom manufacturers. “Dealers are carrying more brands now,” said Townley, citing consumer demand for a more broad range of brands.

Townley said that with no appreciable growth in the market—as is the case currently—he predicts a 60-40 split market share between the top-tier bike brands and all other brands in the not-too-distant future. **BRAIN**

U.S. Specialty Bicycle Retail Locations January 2001 through January 2010



Top 10 Bicycle Brands Carried by Specialty Bike Shops 2006-2009

Rank	2006	2007	2008	2009
1	Trek	Trek	Trek	Trek
2	Giant	Specialized	Giant	Giant
3	Haro	Giant	Specialized	Raleigh
4	Specialized	Haro	Haro	Haro
5	Gary Fisher	Redline	Redline	Specialized
6	Redline	Gary Fisher	Gary Fisher	Gary Fisher
7	Electra	Raleigh	Electra	Redline
8	LeMond	Electra	Cannondale	Cannondale
9	Schwinn	Diamondback	Raleigh	Diamondback
10	Diamondback	LeMond	Sun Bicycles	Electra

Source: NBDA Specialty Bicycle Retailer Study, 2006, 2007, 2008, 2009

TWO NEW INDUSTRY RESEARCH REPORTS NOW AVAILABLE!

2010 U.S. SPECIALTY BICYCLE RETAIL STUDY

An in-depth profile of the retail marketplace in the United States. It covers the 2009 calendar year, and includes projections from retailers including a new and expanded “What’s Hot and What’s Not” section related to product categories.

NBDA Member price \$69.
Non-member price \$399.



U.S. BICYCLE MARKET 2009

A detailed overview of the bicycle market in the United States and worldwide in 2009 which includes information on imports, exports, the cycling population, channels of trade, retailers, sales by product category, top bicycle brands and niche products.

NBDA Member price \$199.
Non-member price \$299.

ORDER ONLINE TODAY
NBDA.com

Cities Grow Ridership While Overall Participation Slips a Tick

BY NICOLE FORMOSA

Cycling participation dipped slightly in the U.S. last year, but pockets of progress, particularly in the country's urban centers, paint a promising picture for future ridership.

According to the National Sporting Goods Association 38.1 million Americans rode at least six days last year,

compared with 38.7 million in 2008, a drop of 1.5 percent.

Bicycle riding fell from sixth on the NSGA's list of top sports to seventh in 2009, coming in behind exercise walking, exercise with equipment, camping, swimming, bowling and workout at a club.

Of all riders, 44.2 percent were female—down from 46.8 percent in 2008. Kids ages 7-17 represented 13.1 million riders, or 34.7 percent of the total pie.

The majority of riders reported a household income of \$50,000 or higher, with more than 28 percent earning more than \$100,000.

Well-educated, affluent, white males continue to be the most common cyclist, and while that is not a problem now, it could be in 10 to 15 years, said Fred Clements, executive director of the National Bicycle Dealers Association.

"It's not necessarily the maleness or the affluence, but the age. At some point that boomer generation that has driven so many consumer markets is just going to be smaller," Clements said.

The industry needs to reach out to the next generation of riders to ensure vitality after the current core group of riders ages out, Clements said.

To be sure, strides have been made in that direction with programs like Safe Routes to School, the National Inter-scholastic Cycling Association, which plans to expand its mountain bike racing curriculum to Colorado, Washington, Wisconsin and Texas in the next year, or grassroots programs like Boulder's Middle Cross.

New retail concepts also aim to get different types of people on the saddle.

Revolution Cycles in Washington, D.C. recently opened City Hub, a low-cost rental and bike share program designed to encourage the use of bikes for short trips for residents and businesses in the suburb of Crystal City, Virginia.

The retail level is where the most im-

pact can be made, Clements said, but also where buy-in among owners can be spotty.

"You either see advocacy as a good use of time and resources or you don't. It's also one of those things really hard to measure—what's the impact? I think most retailers support the concept; fewer of them are actively involved. You'd like to see more," he said.

One bright spot in the industry has been the transition into using bikes as a means of transportation as Ameri-

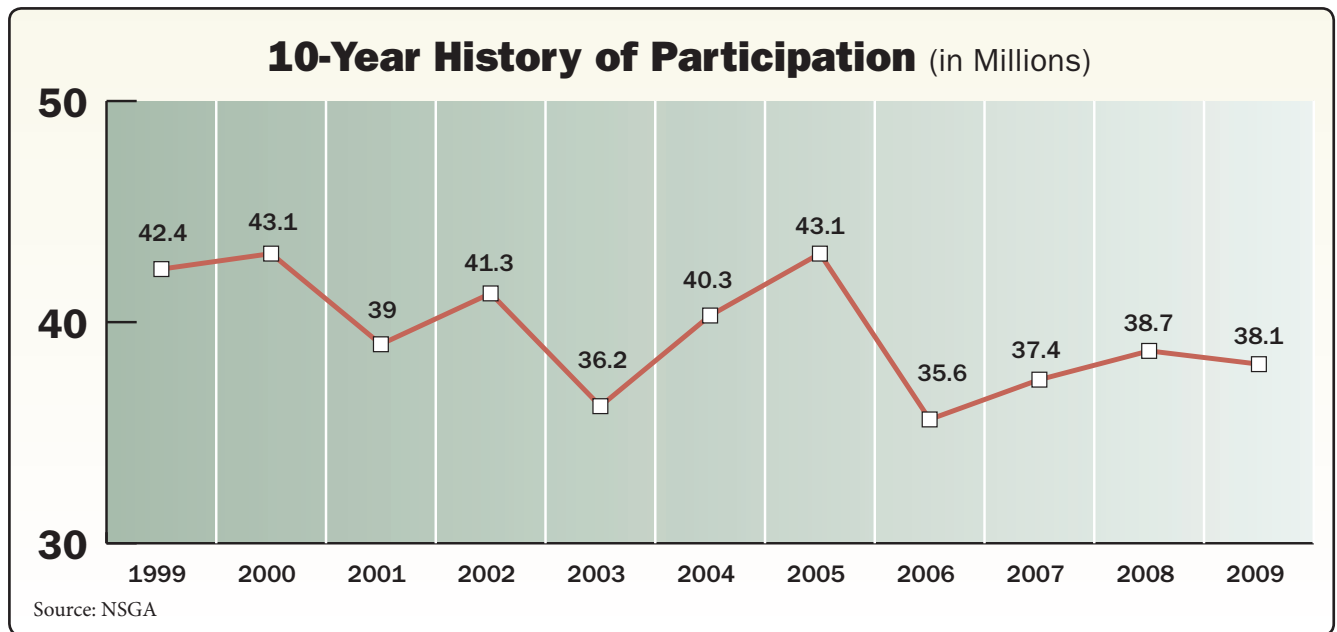
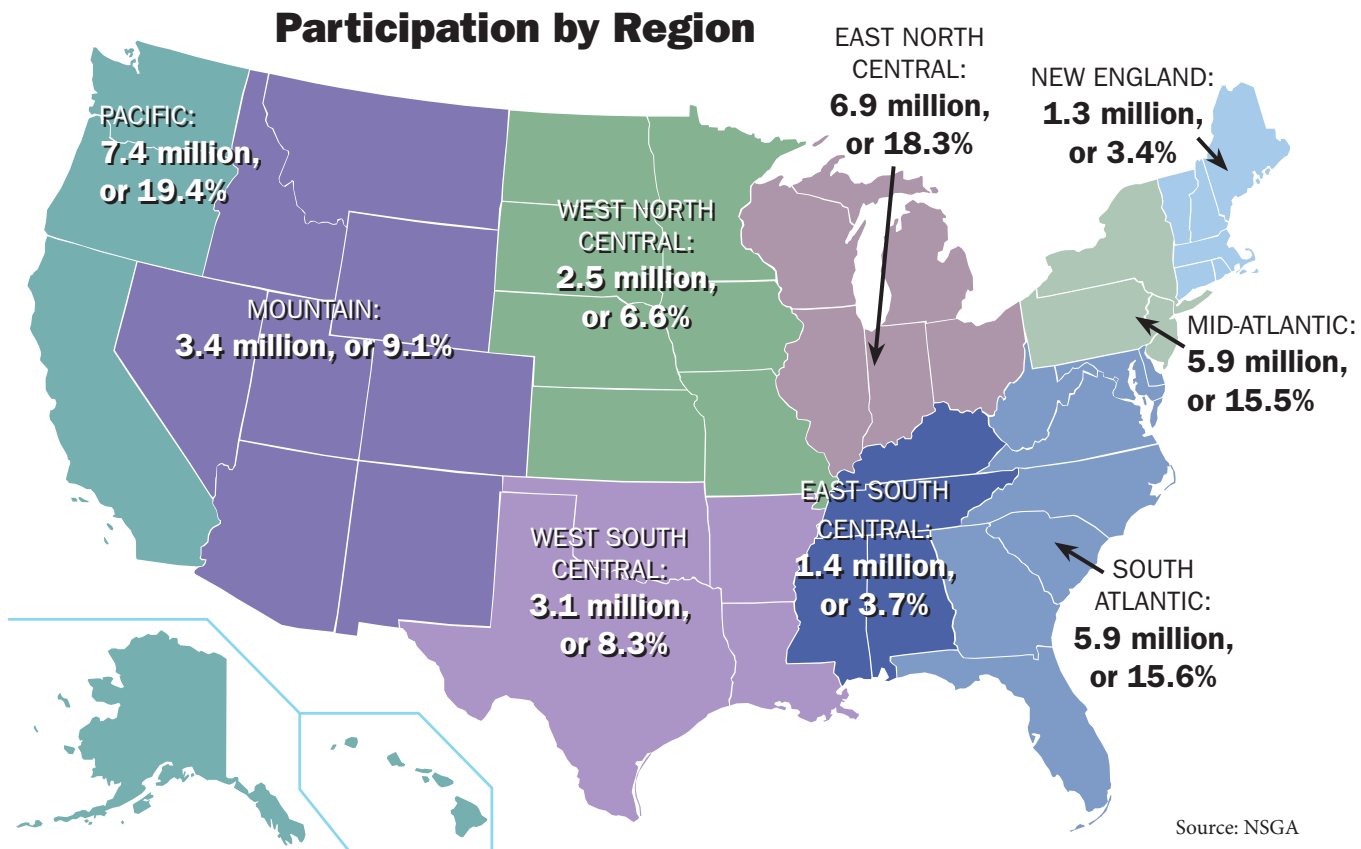
cans look to lessen their dependence on foreign oil and prioritize a healthier lifestyle. This has been particularly successful in urban areas that have invested in cycling infrastructure, said Kate Scheider, research analyst and communications coordinator for Bikes Belong.

"If you look at big cities there have been huge bumps in participation—New York City, Philadelphia, those cities have seen major double-digit increases every year in the number of cyclists," she said.

A recent Transportation Alternatives study found that 236,000 New Yorkers ride bikes every day in the city's five boroughs. That's up 28 percent over 2008, and represents the biggest jump ever since Transportation Alternatives began tracking annual cycling levels in 1992.

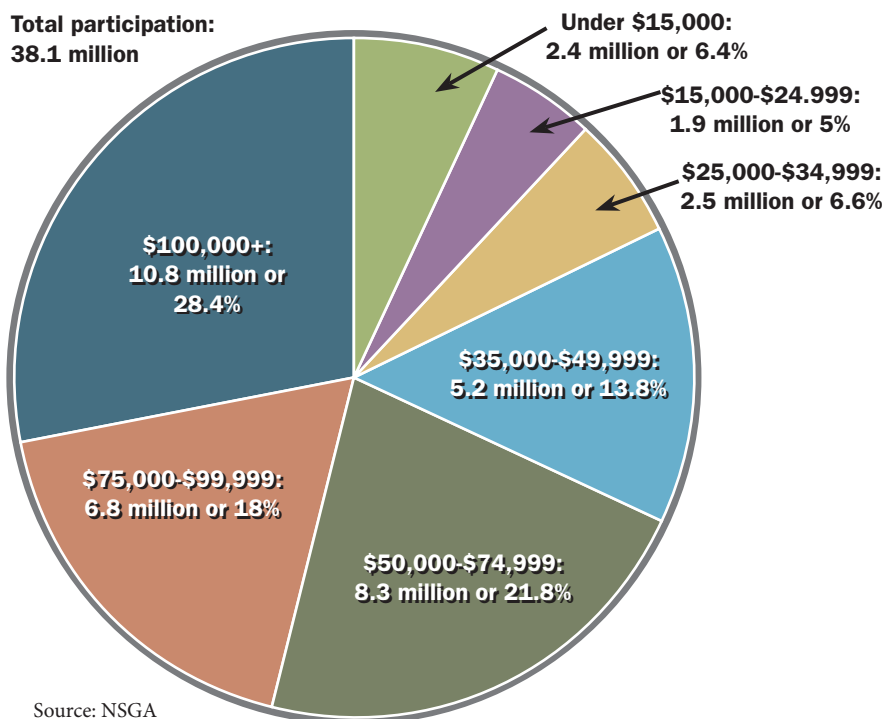
New York City has installed more than 200 miles of bike lanes over the past three years, helping to fuel that growth.

The City of San Francisco's bicycle



Breakdown of Participation by Household Income

Total participation:
38.1 million



Source: NSGA

Ethnic Makeup of Riders

Afro American: 1.477 million, or 3.9%

Hispanic: 1.423 million, or 3.7%

Source: NSGA

count showed an 8.5 percent increase in the number of cyclists there compared to 2008, and a 53.5 percent spike since 2008.

In the perennial cycling hotbed of Portland, Oregon, cycling trips actually decreased by 5 percent in 2009, at the same rate as transit and cars. It was the first decline in the city since 1995, which the city's bureau of transportation attributed to the city's high unemployment rate in 2009 and lower fuel prices compared with 2008.

Nationwide, the Outdoor Foundation found that road/paved surface bicycle riding rose 5.3 percent in 2009 among Americans ages 6 and older, from 38.1 million riders to 40.1 million.

But, the trend toward transportation could be pulling riders away from using bikes recreationally.

Mountain biking saw a sharp decrease last year, falling 17.8 percent from 10.2 million riders in 2008 to 8.4 million in 2009, according to the NSGA.

The Outdoor Foundation reported a nearly 6 percent decrease in fat-tire

riding, from 7.6 million riders in 2008 to 7.1 million last year. BMX riding dropped almost 5 percent to 1.8 million riders in 2009, and has plummeted 43.6 percent since 2000, the Outdoor Foundation said.

The NBDAs Clements said those figures reflect current trends, given what dealers report to be their biggest revenue generators right now: road, hybrid and city bikes and service and repair.

"I would hate to be too negative on mountain biking because it's cool, it's a great market and it brings in a lot of people in the sport that wouldn't necessarily be there," he continued, but it has its own set of battles like trail access.

That segment could also have felt a pinch from the recession as consumers kept a close eye on discretionary spending in 2009.

According to the Outdoor Foundation, just 4.5 percent of active participants said they spent more last year than in 2008 with the majority reporting they spent the same, put off purchases or spent considerably less. **BRAIN**

www.bicycleretailer.com



LEADING THE TRENDS 10

The world's leading trade fair and business platform for bicycles, equipment, clothing, travel and more.

Friedrichshafen, Germany
September 1 – 4, 2010

www.eurobike-show.com

DEMO DAY 10
August 31, 2010

www.eurobike-demoday.com



MESSE
FRIEDRICHSHAFEN