



## Heard On The Street

### Beer fever runs high

Eurobike's second day of exhibition madness started with booming thunder, a light cool rain and many thousands of visitors pouring into the convention center. By day's end, the atmosphere had turned muggy and the vast halls at the Messe swarmed with hot bodies—literally. A Fuji employee quipped that at one point during the day he felt like fainting.



**Adam Micklin (left), global sales director for Hayes, and Darren Campbell, vice president and general manager at Hayes, celebrate Hayes' new European distribution center.**

So what better way to cap a hard day pounding packed hallways than to quaff an ice-cold brew courtesy of Hayes. After all, the Hayes crew had just set up their new European distribution center, booth traffic had been good and Adam Micklin, the company's new (sort of) global sales director, was pleased with the day's order book. A party was in order to celebrate the company's new direction. As the official host, Micklin went to pull a few rounds from a newly delivered twin-spigot aluminum refrigerator attached by a length of hose to a keg. No tap for the boys at Hayes. Unfortunately, the box needs electricity before it can dispense the joy juice. Micklin's minions began a hard target search for an extension cord. Just try to find that at a European trade show on a moment's notice as beer lust begins to sweep the crowd. What to do? And then

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# Bicycle Retailer AND INDUSTRY NEWS

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## Automakers test waters in the e-bike category

**S**mart, a rectangular booth tucked away amid much more elaborate setups in one of Eurobike's large trade halls, was a hive of activity Thursday morning as photographers jockeyed for optimal shooting position and a television crew conducted interviews.

The buzz was over the debut of the auto brand's much anticipated electric bicycle, a sleek white frame accented with green accessories and clearly spec'd with quality in mind. A Gates carbon belt drive replaces a traditional chain and the bike is outfitted with Ergon pedals and grips, Magura MT4 brakes, Continental city tires and a Truvativ Stylo seatpost. The rear-hub 250-watt motor and frame-integrated battery is a proprietary design developed by Bionix for Smart.

The bike culminates about two years' work by Karl Nicolai, of Berlin's Grace e-bikes, who was hired by Smart to develop its first electric bicycle. The brand, synonymous with the zippy two-door city car owned by Daimler, will sell the bikes at about 600 of its automotive dealers in Europe and North America for around 2,900 euros starting next year. With its following of environmentally conscious



**Bernard De Longueville with the Solexity pedal-assist bike**

urban dwellers, Smart's entry into the e-bike market could be exactly the kick the category needs to gain traction in lagging markets like the U.S., Nicolai said.

"Somebody needs to kick off the ball. If it's not one of the major automotive brands, then who can do it?" he said.

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## Taiwan exports to Europe fall in 2011

**E**xports of bicycles from Taiwan to Europe fell 20 percent in volume and 5 percent in value during the first seven months of the year, but Taiwan executives believe the

drop-off will right itself by the time the books close on 2011. This according to Tony Lo, president of the Taiwan Bicycle Exporters Association and CEO of Giant Manufacturing.

"Last year exports grew a lot. This inventory is adjusting, so it's normal. Also the weather situation—there's been a lot of rain in the Europe and the UK. I believe it's temporary," Lo said at Eurobike on Thursday.

Lo said he exports 2011 will end on par with last year's levels. In 2010, Taiwan's bicycle exports rose to \$1.5 billion, up 20 percent from 2009's \$1.25

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some wag points out, "Just move the box next to the power outlet." Life's lesson: If you can't get juice to the box, then take the box to the juice.

### Chamois sales heat up

Anyone looking for a chamois supplier need only walk into Hall B-5 at Eurobike and look around. It seems like a dozen companies, mostly Italian, are selling chamois. Of course, each claims to be the best at turning a sweat-soaked crotch into a comfort zone. And the majority, like Dual



Cesare Privitera of Romborosso Design introduces Dr. Pad at Dual Press, an Italian chamois maker.

Press, a chamois supplier from Montebelluna, sew high-quality pads using excellent fabrics and multi-density foam that's laser cut and pre-shaped for easy stitching. But no one can boast working for Dr. Pad. Cesare Privitera from Romborosso Design, a branding and communication company, was more than pleased to introduce Dr. Pad, whose handiwork has been neatly stitched into shorts for such brands as Hincapie, Louis Garneau, Trek, Castelli and Northwave. Of course, Privitera points out, most companies require specific proprietary designs, and those are secret.

### Labor unrest watched

Suppliers are keeping a sharp eye on production costs in China, particularly in Shenzhen just north of Hong Kong. Executives said strikes have hit bicycle factories in the region over the last several weeks. Chris Speyer, BPSA president, while unable to provide specific details, said fork builder RST and VP Components and others have had to deal with growing labor unrest. Producers worry that as inflation heats up in China, a growing middle class demands higher wages, and the yuan continues to appreciate, the days of cheap labor may come to an end sooner rather than later. Already some major suppliers are considering or have already begun moving production into members of the Association of Southeast Asian Nations, or ASEAN for short. So those of you who had a rough time in geography class, those 10 Southeast Asian countries are Indonesia, Malaysia, the Philippines, Singapore, Thailand, Brunei, Myanmar, Cambodia, Laos and Vietnam.

—Marc Sani

# Vector, Edge 200 power up traffic at Garmin booth

A powerhouse in mobile navigation for car and marine applications as well as handhelds, Garmin is relatively new to the fitness segment—a category it has only been in for five or so years, said Andy Silver, Garmin's European product manager for fitness.

But with its deeper expansion into cycling with the introduction of its Vector power meter and Edge 200, the company is clearly planting a deep stake in the bike market. Both drew people to its booth Wednesday at Eurobike, where retailers and journalists could touch and feel the products for the first time.

"Our view is that training with power is on the verge of exploding," said Silver, referring to the company's recent entry into the power meter market. "There's a general awareness now on how important power wattage is in terms of training."

Garmin's move into the category is not surprising given its acquisition last fall of MetriGear, which developed the pedal spindle-based technology. Silver said Garmin aims to break down barriers that have long existed in the category including high price, complex technology and ease of use.

The Vector is a pedal-based system that measures the force applied to a pedal and the rotation or cadence through sensors inside the pedal spindle. It then transmits this data in the form of power wattage to any ANT+ compatible computer, individually, for left and right pedals. The pedals are pre-calibrated at the factory and setup is easy, Silver said. Users only need to know how to change a pedal. No mechanical expertise is required.

"It's also user serviceable," Silver said, adding that the battery—no bigger than a watch battery—swaps easily.

The pedals are Look Keo compatible. Silver said Garmin worked closely with Exustar on the Garmin-branded pedal.

"It's a complex product, so we wanted to have control over the development process," Silver said. "That's the reason we went with a single pedal manufacturer. But in the future, we'll look at other pedal platforms. For now we want to focus on the Garmin-branded pedal."

A prototype was on display at the booth and Silver said production models will become available in March. Retail price will be \$1,495.

"We fully expect that people using our Edge 500, Edge 800 and Forerunner 310XT



Garmin's Andy Silver holds the Edge 200 while standing in front of a bike outfitted with the Vector pedal spindle-based power meter.



will embrace it since it will only require a software update on those computers," Silver said, adding that globally, close to 1 million consumers own one of those products.

And while its Edge 500 and Edge 800 bike computers have proved popular, Garmin's new Edge 200 aims to bring navigation to the masses with its \$149 price point. The Edge 200 measures speed, distance, time, total ascend and calories, but forgoes higher-end features like heart rate, cadence, power output and on-board maps. The unit does have a GPS sensor, which eliminates the need for a separate wheel magnet or sensor to track speed and distance.

It also has what Silver calls a breadcrumb trail map, allowing riders to record, download and share their rides. It also lets users race a specific mapped ride against a pace.

"It makes GPS tangible, affordable and understandable," said Silver. "The focus is on the fun aspect of navigation."

And at \$200 less than its 500 model, Silver said it will appeal to entry-level and recreational cyclists. It becomes available at the end of September.

—Lynette Carpiet



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# Taiwan

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million value. Taiwan manufacturers shipped 5 million units in 2010, up from 4.3 million units the year before. Europe is Taiwan's largest export market, and Germany is the island's largest market in the EU, taking in about 15 percent of all exports. Germany imported 2.6 million units in 2009. The U.S. is the second largest market for Taiwan. Together the two markets make up 74 percent of all exports.

"It was a very good year last year because market conditions improved," Lo said. "For this year, we remain cautiously optimistic."

—Nicole Formosa



A contingent of executives from Taiwan's manufacturing industry pose after a press conference Thursday at Eurobike.



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# Abus looking to secure share of U.S. lock market



Fritz Bohl and Axel Rosler with the Steel-O-Chain Iven and the Bordo Big

**A**bus has the lock market locked down in Europe and is hoping to do the same in the U.S.

While American retailers may not be familiar with the German brand, it occupies one of the larger booths at Eurobike, where it's showing not only its locks, but also bike bags and helmets. But in the U.S., it's focusing on bike locks, a category that marketing manager Axel Rosler and general manager Fritz Bohl say is not sexy but could be highly profitable.

"Dealers can make money by appealing to different consumers with a wide range of locks, but they think locks are uncool so they don't sell them," Rosler said. "Outside of urban cities like New York, San Francisco, Chicago, and others, the category isn't fully tapped."

For 2012, Abus has expanded its line of foldable U-locks with two new models: the Bordo Granit X-Plus 6500 and the Bordo Big. The Bordo Granit X-Plus has 5.5-millimeter steel bars with soft coating to prevent damage to a bike's paintwork. With its bars, links, case and supporting parts made of hardened steel, it's quite hefty but easily mountable to a bike. It comes in red, black or white.

"People want the convenience of a foldable lock but they want them to be stronger and more flexible so they don't scratch the surface of their bike," Rosler said.

The Bordo Big, meanwhile, is a foldable lock that can secure up to two bikes. It's the longest model in Abus' Bordo product family with a full length of 120 centimeters. It's also available in red, white and a classic black.

The Bordo locks range in price from \$80 to \$180 and offer keystone margins, Rosler said. All the locks are made in Germany.

To make its locks more aesthetically pleasing, Abus also is launching the new Steel-O-Chain Iven for \$80 to \$90, depending on the chain length. It has a synthetic fiber sleeve that doesn't absorb humidity or water.

Last but not least is the new Key Combo lock that offers two ways to open it. "If a customer forgets the combo, they can reset the combo with the key," said Rosler, adding that aside from retailers, this lock is ideal for rental businesses that equip bikes with locks.

Abus recently established a U.S. office to provide more marketing, dealer and distributor support. Hawley, J&B and KHS distribute its locks in the U.S.

The family-owned company, named after founder August Bremicker und Sohne, got its start making padlocks in 1924. Aside from bike locks, it also makes security products for other markets including motorcycle, marine, industrial, airports and home use.

—Lynette Carpiet

## E-bikes

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"If there's going to be a breakthrough it needs a big company that kicks."

Sales of pedal-assist bicycles in Europe have been robust, more than tripling from 200,000 units in 2007 to 700,000 last year. But markets like the U.S. and Canada have been slower to catch on as many



Designer Karl Nicolai poses with the Smart e-bike.

bikes shops resist stocking and servicing the bikes and consumers cling to cars for their daily commutes.

Another auto company looking to break that mold is Belgium's D'leteren Sport, the 7 billion euro distributor of Volkswagen, Audi, Skoda, Seat, Porsche, Bentley, Lamborghini, Bugatti and Yamaha across Belgium and majority owner of Avis Europe and Belron, the world's leader in vehicle glass repair and replacement.

Under a new spinoff called Power To Wheels, the company is releasing the Solexity, a 25 kph pedelec playing off the classic design of the Solex, an icon of postwar France dubbed "the bicycle that runs itself." Solex sold more than 8 million units during its 40-plus-year life between 1946 and 1988. D'leteren Sports revived the brand with its e.solex electric scooter. The Velosolex foldable bike followed, and now comes the Solexity. The bikes debuted at Eurobike this week and will be sold in IBDs and e-mobility shops globally for 1,995 euros.

"We started with Solex four years ago," said Bernard De Longueville, general manager of D'leteren Sports. "We found it a necessity. A 200-years-old company realizes the car industry is not necessarily forever."

Automotive companies dabbling in the bike industry is nothing new, Longueville said, with such brands as Cooper, Peugeot and Porsche branding bikes as a marketing strategy. Certainly during the mountain bike boom of the 1990s, license deals put bikes on the market that shared names with popular car companies.

"It's a little bit of greenwashing," Longueville admitted. But he added, "if it can help get product accepted by a bigger number of people, why not?"

—Nicole Formosa



**The Craft booth was abuzz as Leopard Trek's Fränk Schleck signed autographs and took photos with fans.**



**BMC owner Andy Rihs and 2011 Tour de France winner Cadel Evans speak about Evans' history-making victory during a press conference Thursday.**



**Airbrushing seemed to be a theme Thursday on everything from naked bodies to bikes.**



**Rare sight at Eurobike: A vintage Corvette sits outside the Zeppelin Hangar restaurant.**



**The second day got off to a soggy start, but the rain stopped by midafternoon.**



**Show-goers take a load off and get a free 10-minute massage.**