

Trade Show Profits Is a Tricky Path in Funding Advocacy

Bikes Belong's board of directors is taking a reasoned approach figuring out its long-term relationship with the industry and Interbike, as its goal to put more people on bicycles more often takes on national importance.

For Bikes Belong, the question is how to accomplish its mission in a way that unifies the industry. Owning a trade show may be one way. SnowSports Industries of America (SIA) offers an oft-cited model. One benefit SIA touts is its low cost for booth space—about \$10 to \$12 a square foot or \$1,200 for a 10-by-10 booth.

When discussing trade show costs with suppliers, they tend to harp on one point: Booth space. Ironically, booth space typically runs 25 percent or less of a company's total trade show budget.

As for labor and drayage, no matter where Bikes Belong was to headquarter its show, suppliers will have to pay those costs. Would they be less, more or about the same? It's impossible to say.

As for space costs, Interbike last year sold 3,073 booths at \$1,880 each, netting a cool \$5.8 million. (They also gave away a lot of space to advocacy groups.) Interbike didn't keep all that money.

The Sands got a slice, as did taxes, salaries, benefits, office space, marketing, etc. Still, no one at Interbike is complaining, particularly since it also derives revenue from GES, sponsorships and advertising.

However, if Bikes Belong were to launch a show and sell the same number of booths at \$1,200, its take would be \$3.7 million with a relatively similar cost structure. Its show might save the industry \$2 million in booth costs.

The question is, what would they do with the savings? Some on the board think companies would pump those

savings back into advocacy efforts. And some would. However, it's a leap of faith to conclude that companies would gladly invest space-cost savings into advocacy. This industry is too competitive for such guaranteed altruism.

How much Bikes Belong would pump into its coffers is hard to estimate. If they could duplicate Interbike's success, they might put a tidy \$1.5 to \$2 million in the bank. Not nearly enough for a "Got Milk" campaign, but enough to fund a variety of programs. But Bikes Belong is a long way from duplicating Interbike's success and there lies the rub.

Guest Editorial

Greater Funding for Bikes Belong Could Grow Industry Sales

BY RAY KEENER

The Bikes Belong board held an important discussion last month. The board is considering two options: agreeing to support Interbike in exchange for funding, or starting an industry-run trade show to benefit Bikes Belong.

It's a huge decision, and it won't be made in a day. As a Bikes Belong member, I'll support whatever decision they make. As the guy who tried to make the industry show work last time (if you don't remember BIO, ask someone with grey hair), let me tell you, things are really different now than in the mid-90s.

The hardest question for me to answer back then: "You BIO guys have no track record of accomplishing anything. How can you ask me to change my trade show loyalties based on future promises of progress?"

Bikes Belong, on the other hand, has a decade of progress to show us.

Let's start with the headline in today's Boulder, Colorado, morning paper: "Bike To Work Day Draws Record Number." Participation increased 28 percent over last year, as over 5,000 people rode their bikes to work. One enthusiastic participant said, "This is like Amsterdam!"

Not really. The Dutch ride to work as a habit, not as a fun break from driving their SUVs. Still, the steady stream of riders I observed was inspiring.

Is it just a Boulder phenomenon? Not anymore. If you haven't noticed, America is going green again. No longer the province of radical hippie tree-huggers, recycling and changing out light bulbs and buying a Prius have all gone mainstream. Even Republicans are doing it!

An element of going green is the desire to save fossil fuel and find alternate transportation. The catch: Commuting by bike is a lot more challenging to most

folks than buying new light bulbs.

The main stumbling block is riding in traffic. Riding out of Boulder on the Creek Path yesterday morning, and back in on the street in the afternoon, I can vouch that the once-a-year cyclists much prefer the paths.

And thanks to TEA-LU federal transportation funding, and Bikes Belong grants to grassroots groups to help obtain it, paths are being built in cities that may have never considered them.

Another Bikes Belong-sponsored program, the League of American Bicyclists' Bicycle Friendly Communities, is encouraging municipalities across America to learn from the examples set by Boulder, Portland and Davis.

A perfect example: Last month, 200 community leaders from Lexington, Kentucky, chartered a plane and flew to Boulder to check out our facilities and talk to city staff about what Boulder has

built. This visit may not bear fruit for a decade, but the seeds are planted.

Which is what Bikes Belong does. Plant the seeds of change. We owe a huge debt to the Mike Greehans, the Leslie Bohms and the John Burkes, who got Bikes Belong rolling and still work hard to make it successful.

We need to keep Bikes Belong growing to make the industry grow. There's no question that greater funding will result in more bike paths, more bike-friendly communities and more bikes sold.

A trade show would be one means to generate more revenue. I hope whatever decision Bikes Belong makes and funding mechanisms they choose to pursue, that we'll all keep the end goal in sight: Be more like Amsterdam.

Ray Keener is the president of Growth Cycle.

SHOP TALK



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