

Less Predictable Weather Patterns Could Affect Bike Sales

The beginning of the year was marked by periods of unusually warm and cold weather. Much of the country experienced erratic and unseasonable conditions. Temperatures were unusually cold in much of the West in January, and February as a whole was colder than average across the country. But in the major western mountain ranges, seasonal snowfall was below average.

Winter sports giants such as Quiksilver, which owns Rossignol, and Amer Sports, parent of Salomon, felt the impact of low snowfall acutely in their

winter sales. Salomon blamed uncommonly weak snow conditions for lower sales in the first quarter. Quiksilver reported its worst sales over the winter in decades.

Even worse, the two companies hinted at excessive ski inventory that would trickle into the following season and further disrupt sales.

Weather also contributed to weak bike sales in the first quarter. With unit sales off 10 percent in the quarter, bike companies have some serious catching up to do.

Unlike the snow companies, the bike industry can make up for a poor winter with a good summer.

Forecasts call for a dry, hot summer. A long summer could mean an uptick in bike sales. But early brush fires across the country suggest some trail closures as preventative measures. And in some areas, it may simply be too hot to be outdoors.

Studies have suggested that extreme weather events are likely to become more common as a result of greenhouse gas emissions. Meteorologists

also point to extreme temperatures as possible effects.

While climate change would affect snow companies more than bike companies, our industry also would feel the effects of extreme weather.

We can't control the weather, but we can take responsibility for the carbon emissions we create. The more diligent we are in monitoring and reducing our carbon contribution, the more we may be able to maintain predictable and regular weather patterns—resulting in more predictable and steady sales.

Guest Editorial

Environmentally Conscious Baby Boomers Can Grow the Market

BY THE GLUSKIN TOWNLEY GROUP

According to the latest consumer research, 76.9 million baby boomers between the ages of 43 and 61 are going green. After decades of indifference to the environment, these key customers are now changing their buying habits and want to spend their dollars in ways they perceive as environmentally friendly. But will the bike shop channel be able to take advantage of this trend?

The challenge is twofold: becoming consumer-friendly enough to attract baby boomers and eco-friendly enough to entice those consumers to put their hard-earned discretionary dollars into bicycles and equipment instead of iPods and Escalades.

Right now extraordinary shopping experiences are uncommon, and those that exist are targeted at the shaved-legs-and-Lycra set. Our overall level of customer service is improving, but

still has a long way to go. The research Shimano did with IDEO indicates that most baby boomers don't even want to visit a bike shop. So the first thing smart retailers will do is to continue to improve the shopping experience and offer it to a wider class of customers.

Everyone seems to agree that environmentally active baby boomers represent a huge market potential. With a few exceptions like Pedro's, QBP and Clif Bar and a handful of retailers, the problem comes from those of us that think that because bicycles are good for the environment, we will be able to take advantage of this opportunity without changing the way we do business.

In addition to retailers learning how to deliver an enjoyable shopping experience to baby boomers, products need to be more eco-friendly, because consumers in general are demanding C2C bicycle products—Cradle to Cradle products that will have one useful life

after another. Here are four quick, simple suggestions to kick-start the greening of the bike business:

- Encourage recycling of old bikes by offering trade-in discounts, then donating the old bikes to a local organization like California's Trips for Kids (tripsforkids.org) or New Jersey's Pedals for Progress (p4p.org). Because consumers have demonstrated a willingness to pay a premium for green products, the cost of the donation program can be built into retail pricing without impacting retailer profits, and can be a strong selling point for your business.

- Recycle your tires and tubes, then use the service as a draw for eco-conscious customers. All you need is a bin, a sign in the window and a recycling partner. This can be your local landfill/recycling station, but ultimately needs to be done by manufacturers. Specialized stepped up in 2006 with their Recycle a Tire program, contributing bins

for retailers, water bottles for consumers who donate and turning the results (over two tons to date, according to spokesperson Ariadne Delon Scott) into retailer floor mats. The rest of the tire manufacturers will follow only when retailers demand it. So let's start demanding.

- Green packaging. We've made great strides in the past five years, but a simple count of the number of plastic blister packs on retail shelves shows how far we have to go. Let's go there.

- Manufacturers, distributors and retailers all need to get involved in community recycling and other green programs. And what is a better kick-off to a community program than an organized just-for-fun ride through local neighborhoods?

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SHOP TALK



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