

Bicycle Retailer

AND INDUSTRY NEWS

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Short supply puts pressure on tire prices

Global demand for rubber, flooding in Malaysia and Thailand deliver blow to OEMs.

Bike manufacturers can expect to pay about 7 to 10 percent more for tires for 2013 bikes as global demand for rubber increases and supply shrinks.

On top of that, product delays are expected because of flooding in Southeast Asia. Heavy rains earlier this year in Malaysia flooded rubber plantations, hampering supply to global manufacturers in all industries. Last month's massive floods in Thailand shut down the Lion Tyres factory for a week. Shipments out of Lion are still backed up several weeks. The combination has ratcheted up production costs by double-digit percentages, said Wilfried Flammger, area sales manager for Continental tires in Germany.

His U.S. counterpart, Brett Hahn, said Conti is raising OEM prices by 6 to 7 percent to help offset those increases. He estimates that will likely translate to a 5 percent price hike to consumers, depending on how price increases are passed through the supply chain.

That is likely to be the only increase until at least next year as Conti is able to avoid in-season pricing changes most years. Because of its size, the company is usually able to absorb the rising price of raw materials across multiple product lines and company divisions.

"We may go two full model years without passing anything along because it causes too many problems," Hahn said. "At some point, there's pushback from every level. A premium road tire now costs \$100. That's getting nutty." —Nicole Formosa



Diego Grasa of Fox Racing Shox checks his email against the panoramic view of Taichung from Ride On's new venue, on the 27th floor of the chic Hotel One.

Downtown move suits Ride On

Ride On organizer Luca Conte expected 160 people to show up to the event Thursday morning, but turnout was nearly 200, with the line to pick up badges stretching into the Hotel One lobby.

"It was a good decision to come down here," Conte said, referring to Ride On's move from the remote Freshfields Resort to downtown Taichung in its 10th year. "This is working very, very well."

Conte said the event will likely stay at Hotel One in the future. It's a 20-minute walk or short

cab ride from the center of Taichung Bike Week, bringing in more walk-in traffic from product managers who may have been hesitant to make the 45-minute haul out to Freshfields in the past. A free Ride On shuttle connects all the events.

"Traffic is excellent," Matt VanEnkevort, head of FSA North America, said between meetings on the hotel's 27th floor. FSA is one of nine Ride On exhibitors. Others are Hayes Bicycle Group, Crankbrothers, Vittoria, Mavic, Gore Ride On cables,

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Bike Week considers earlier date for 2012

After moving the dates ahead in the calendar this year, Taichung Bike Week organizers are considering an even earlier time frame for 2012: the week before the U.S. Thanksgiving holiday.

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Thomas Brandolini of Selle San Marco goes through new saddles with Pacific Cycles' Karen Lin.

New tires, drivetrains target dirt fondo crowd

Road riding off-road—or whatever name you call it—is growing so quickly suppliers are showing tires and drivetrains targeting the segment before bike companies even offer models needing the components.

This is surprising because component makers normally tailor products to bike maker requests. But given the jump in consumer demand for these products, suppliers are betting it won't be long before bike makers will have to respond.

"I would say we field at least one call a day from customers requesting road triple cranks for this type of riding," said Daniel Large, Campagnolo's North American service manager.

Campagnolo has not offered a triple for the past few years because there was no demand for it. But for 2013 the company has three separate drivetrains coming: one 11-speed and two 10-speed versions. Since triple cranks require triple-specific front derailleurs and long-cage rear derailleurs, three separate groups is a substantial commitment.

Dirt fondos and gravel-road randonees are just like their pavement cousins, only they are staged over trails and dirt roads. According to those following the events, participation is ap-

proaching that of road events.

"It's funny: The tire requests we are getting don't fit a lot of bikes out there. But there is definitely more demand for fat road tires now," said Brett Hahn, Continental North American brand manager.

Hahn would like to get rid of the 29er moniker altogether and call 700c tires 700c, but then he is a tire guy. He admits, however, that there is discussion about whether these clearly non-racing, frequently off-road-ridden tires should be marketed as 29ers.

Whatever they are called, Continental has high-volume road tires on the way.

Just how fat are these tires? Some of the first tire models offered by the recently relaunched Clément brand target these riders, coming in 35-, 40- and 50-millimeter widths.

"You mount up a 40- or 50-millimeter-wide tire and add a fender, there are not a lot of bikes being made that can accommodate that," said Donn Kellogg, Clément's president.

"Custom bike builders are making this style of bike, and so are Salsa and Surly, but given the requests I've gotten there must be more bikes out there than you think," he added.

The consensus is that a large number of hardtail 29er riders are participating in dirt fondos and gravel-road touring and these fat road tires are perfect for their bikes.

Campagnolo's Large says he has gotten triple-crank requests from the RAGBRI-type riders who want the bailout gears for long fun rides. But interest in road triples clearly extends beyond this user. —Matt Wiebe

Xpace a carbon up-and-comer



Sherry Chen

A relatively young carbon fiber manufacturer, Xpace, is working hard to keep pace with its more established competitors.

With Taiwanese owners and a factory in Xiamin, China, Xpace produces frames, forks, handlebars and rims, mostly for European brands including De Rosa, Cube, Eddie Merckx and Miche, said Sherry Chen of the sales department.

"Xpace provides all the work, including painting and graphics," she said. A sister company, which supplies the painting, is the biggest graphics factory in Xiamin and is a long-time supplier to such sporting goods brands as Wilson and Price.

The company builds its molds in-house instead of subcontracting them out, helping its customers take their concepts to actual products. "It's easy to draw a bike on paper, but it's not easy to make it happen," Chen said.

Most of the company's production is road frames, but trekking and time trial bikes are becoming increasingly important. It provides fully integrated TT framesets incorporating forks and seatposts.

One of its newest TT framesets is UCI-legal and has undergone wind tunnel testing in San Diego, California, and Dresden, Germany.

Xpace is exhibiting on B2 level of the Evergreen. —Doug McClellan

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Onza looks to regain traction in U.S. market



Onza owner Michel Manz

Component brand Onza dominated the '90s mountain biking scene with a string of innovative products like bar ends, Porcupine tires and clipless pedals. But after company founders Dan Sotelo and David Ajiki sold the brand it quickly became a shadow of its former self.

Part of the problem was the trademark had different owners in many important markets. Today, Onza Bikes in the U.K. makes trials bikes and parts, while the Switzerland-based company Onza produces tires under the Onza name and sells them in 33 countries.

"I own the brand name worldwide for tires and tubes. I have no plan to enlarge the range to bar ends, pedals or other components," said Michel Manz, who founded Onza four years ago.

"When Danny and Dave owned the company the name was registered in various markets and when the company broke up the situation in each market was different," Manz said. Onza is in Room 317 at the Evergreen.

"We do sell our tires in the U.K.; our distributor is Evans Cycle," Manz said. While Onza tires are sold worldwide, so far the company has no presence in North

America, a situation it wants to change.

"We will be at Sea Otter with BMC in the spring to test out the market as well as get a feel for distribution," Manz said.

"Europe is a very different market, but now that we have the line selling there it's time to do something in the U.S.," he added.

Neither tubeless nor 29er tires are that important in the European market, Manz said, but they are important to any push the company makes in North America. Not surprisingly, Onza's first 29er tire, the Canis, is tubeless-ready. The company is working to launch other 29er tires quickly.

Its mountain tires target trail, freeride and downhill riders, with designs emphasizing durability and light weight. Its Ibex downhill tires do not have a doubled-up casing for sidewall strength; instead, Onza places a beefy 40-by-40-tpi ply over the outside of a single-ply casing.

"It ends up being 200 grams lighter than most downhill tires, but the 40-by-40-tpi extra layer makes it really tough," Manz said.

In addition to BMC, Onza supplies OEM tires to Commencal, MTB Cycletech and Louis Garneau. —Matt Wiebe

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Earlier date

That would make next year's event Nov. 13-16, or two weeks earlier than this year's. Bike Week organizers say the proposal is an acknowledgment of the early spec'ing calendar of American brands, which tend to make their decisions weeks ahead of their European counterparts.

"There's no doubt the Americans want it moved up—if they had their way they'd move it up a month," said Erik Kimble, an American who owns Colmax, a Taiwan distributor of international brands. Kimble and show organizers are polling exhibitors and visitors, especially Europeans, about the potential date change.

"The response I've gotten is that most Europeans would say, 'OK, I can live with that,' Kimble said. "It's not ideal, but they can live with it."

Katerina Rejchrtova of Pro-Lite said Bike Week organizers could decide on next year's dates as soon as this afternoon. They want to let the host hotels—the Tempus, Evergreen and Splendor—know as soon as possible.

Rejchrtova, who is a volunteer organizer of the event with Steve Fenton, said she would like to hear from Bike Week exhibitors and attendees whether they support the date change. They can e-mail her at krejchrtova@mac.com.

Fenton said the organizers also are considering scrapping the annual Bike Week dinner, like the one Wednesday night at the Splendor, in favor of nightly cocktail hours where industry members could network in a more casual setting.

Fenton and Rejchrtova said Bike Week could also grow next year, as the Splendor would be able to accommodate an additional 70 to 80 exhibitors. That would increase the number of exhibitors from about 150 this year to as many as 230 in 2012.

Most product managers schedule visits to factories in China or Taiwan before or after Bike Week, and Rejchrtova said the timing change could reduce congestion. The Americans would want to leave Asia for Thanksgiving, leaving more time for others.

"The Americans will arrive earlier, probably, and leave earlier, and the Europeans will arrive later and leave later," she said.

Tyler Anspach, owner of SDG Components, supplier of high-end mountain bike saddles and seatposts, supports earlier dates. He talks spec at Eurobike and Interbike and uses Taichung to hammer out details on pricing, volume and forecasts.

"It can't hurt," Anspach said of the potential earlier dates. "I still think it's a far enough gap from Interbike."

Thomas Brandolini, sales manager for Selle San Marco, said his company would be prepared for earlier dates. He usually has at least some saddle prototypes available for Eurobike in September.

"We try to be ready anyway," Brandolini said. "If they move the deadline, we will try to run a little more." —Doug McClellan



Rick Wilks has joined FSA's North American office in the new position of director of business development. Wilks' role will focus initially on handling OEM sales, a job FSA North America director Matt VanEnkevort has been filling, along with overseeing aftermarket sales. Wilks most recently worked at Nautilus. Before that, he spent seven years in OEM sales at Easton and was managing director at Voodoo Cycles. Wilks is at Ride On this week with FSA.

Hayes widens price options on key products

Hayes Bicycle Group is offering some of its most popular brake and suspension products at lower price points in 2013. The big focus is the high-end Hayes Prime disc brake, which is now available in Sport and Comp models to hit lower OEM price points, said Adam Micklin, Hayes' director of global sales. The 395-gram brake has a flip-flop design, which has made it popular in the U.K., where brakes are set up on opposite sides of the handlebars than in North America.

Hayes is also expanding the Tower series of Manitou 80-, 100- and 120-millimeter 29er suspension forks to include a wider price offering. The fork has a 1.5-inch tapered steer tube, is available with a QR 15 and uses Hayes' patented hex lock system. The Marvel is a new version of the Tower for 26-inch-wheel bikes, and comes in Pro, Expert and Comp levels.

Hayes will also notch down the price of the Dorado DH fork as production is moved from its U.S. headquarters in Mequon, Wisconsin, to the company's factory in Wugu, Taiwan. Cost efficiencies lower the price by \$60 to \$90, Micklin said.

"It's pretty significant," he added.

Hayes will also offer a 650B rim under its SunRingle brand to fulfill renewed demand for that "meet in the middle" wheel size. —Nicole Formosa

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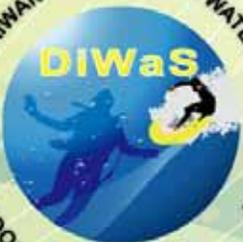

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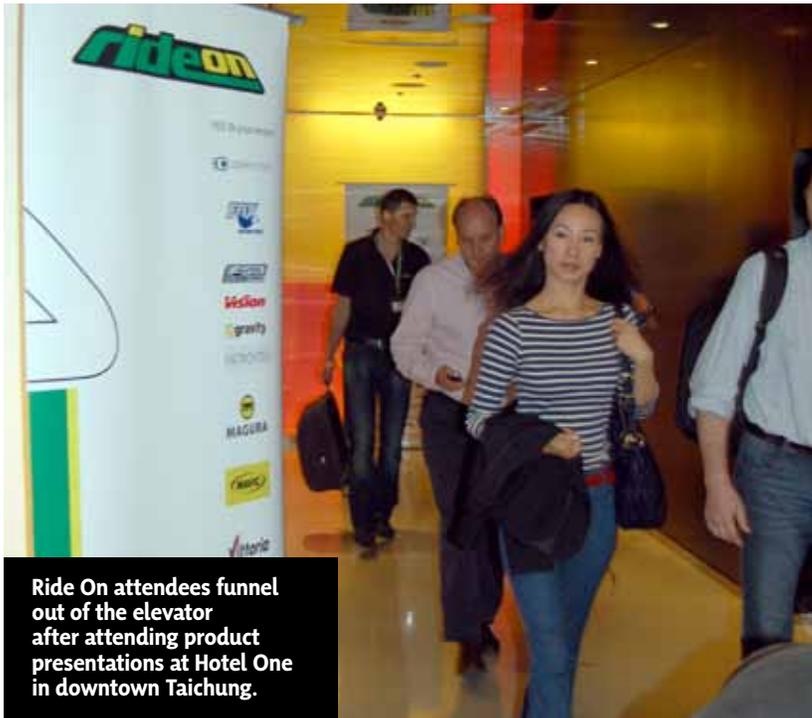
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Ride On



Ride On organizer Luca Conte hands Orange Bikes' Jonathan Sykes and Michael Bonney their badges Thursday afternoon.



Ride On attendees funnel out of the elevator after attending product presentations at Hotel One in downtown Taichung.

Magura, Fizik and Fox Racing Shox.

Not only is Hotel One closer to the Bike Week buzz, but it swanks up the event a bit from a basic conference center to a modern high-rise hotel. Some Ride On exhibitors were looking for a venue that matched the swagger of their brand image, and Hotel One fit that bill, Conte added.

Moving from Freshfields takes away the actual riding portion of Ride On as the outdoor demo no longer exists, but "people here are very busy; there is no time to ride," noted FSA Europe's Claudio Marra, a founding member of Ride On.

Indeed, in past years testing gear

had become less of a focus of Ride On in lieu of formal classroom product presentations.

The hotel also upped exhibitor costs as it required brands to reserve meeting space for presentations as well as hotel suites for closed-door negotiations. At the former location, exhibitors paid less for meeting space. But, the hotel also offers support including catering and nicer accommodations, Conte said. And most would agree, Ride On is a steal compared with the cost of other industry trade shows.

Ride On continues through Saturday. —Nicole Formosa

Rims get a new life as Sportz Hangers



Ramin Fouladpour

Restaurant-bar Uzo is popular with the bike crowd, in part because owner Ramin Fouladpour is an industry veteran, also working for trading company Essanty.

For the Bike Week crowd, Fouladpour is showing a Sportz Hanger made from a section of a 700c rim, spokes and a pair of Schrader valves at Uzo.

"It was a design Jeff Keller did but he never brought it to market. I took the design over because it's really pretty cool," Fouladpour said.

The 700c curve is just perfect to hold a bike jersey nicely, and the pair of Schrader valves in the rim keeps bib straps from sliding off. The paired spokes acting as the hanger's cross piece hold pants.

Fouladpour says he gets four hanger sections out of one 700c rim.

"It's a great marketing or promotional piece for suppliers to give shops. And it's so much nicer than a trophy to give away at an event," he added.

The anodized rim section is easily customized with decals or laser etching for supplier, shop or event logos. The hanger retails for about \$24.99.

For more information about Sportz Hangers, go to sportzhangers.com or stop by Uzo. —Matt Wiebe

