Covering the news each day—as it happens

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CYCLE Bicycle Retailer AND DUSTRY NEWS

Heard on the Street

The annual Velo Party—and for those of you unfamiliar with Velo, think saddles. Velo makes, will make, or has made saddles for every bicycle company in the industry. Pick one: Trek, Specialized, Giant, Scott, Electra, Raleigh and the list goes on and on. And at every Taipei Cycle Show, Stella Yu, the company's founder, tosses a party that attracts several hundred guests, and the list reads like a who's who of the industry. This year was no different. And the food? What can we say? Dried mullet caviar. Bean curd roll and iellyfish. And for the more discriminating palate there's wok-fried cuttlefish followed by steamed glutinous rice with salty egg yolk. But nothing beats the sea bass. Trust us. It's excellent.

Is Western Civilization truly in decline, as some pundits like to say? Sort of, maybe, perhaps. Depends upon whom you talk to. But there's no question Taiwanese manufacturers are turning all eyes toward a potpourri of Asian nations, whether it's China-the 9,000-pound gorilla—Malaysia, Singapore, Laos, Vietnam or the Philippines, just to name a few. That's where the future lies. The U.S. and Europe continue as vital markets for Taiwan manufacturers, but those markets lack the potential growth found in Southeast Asia. World markets are shifting and Taiwanese manufacturers have their eyes on the ball. Ask anyone.

And that's a perfect lead-in to China. As most OEMs will tell you, getting some key products—mostly entrylevel stuff—from Shimano this year is worse than squeezing blood from a stone, particularly Tourney-level parts. Demand in China is eating up supplies faster than Danica Patrick

Taiwan exporters predict stable year

nthony Lo was optimistic about Taiwan's export business on the eve of Taipei Cycle, Asia's largest trade show. Speaking to a standing-roomonly crowd of international journalists during a Tuesday afternoon press conference in Taipei, Lo, chairman of the Taiwan Bicycle Exporters' Association

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Photographers jockey for position to snap photos of Anthony Lo, TBEA chairman and CEO of Giant Manufacturing, Y.C. Chao, CEO and president of TAITRA, and Ralph Wiegman, head of IF International Forum Design, during a standing-room-only press conference Tuesday afternoon.

Show honors inaugural design award recipients

epresentatives from 74 brands shook hands and posed for pictures with Taiwanese industry leaders as they happily accepted recognition Tuesday afternoon for winning one of Taipei Cycle's first-ever Design and Innovations Awards.

The winners were selected by a panel of five judges out of 207 entries from 16 countries



Xpedo pedals forward with simpler approach

pedo, house brand of pedal manufacturer Wellgo, went back to the drawing board last year and returned to the market with a simplified product line and marketing approach.

It renamed its products to catch attention from more consumers. Instead of branding pedals with a nondescript mix of numbers and letters, it now uses names like Faceoff, Thrust and Traverse. Packaging has been simplified. Now it's three different colors for three different price levels. And categories have been redefined.

For road and mountain, Xpedo offers a single cleat platform, sticking with the tried and true. For mountain, it's SPD-compatible; for road, Look Keo.

On the road side, Xpedo introduced the Thrust NXS, a 220-gram chromoly spindle pedal with an NEP injection-molded body—a new concoction of plastic materials comparable to the weight of carbon fiber. The NXL version weighs slightly more.

"Both of these pedals have done really well in the U.S. and Asian markets," said Ken Yamakoshi, Xpedo global brand manager.

The new Traverse city line offers a range of magnesium-body commuter-friendly pedals in black, white and red. Xpedo has also come out with a downhill-specific pedal for the first time, breaking out that category from under the mountain bike umbrella.

At 290 grams per pair, the Hurtle 22 is Xpedo's first sub-300 gram platform pedal. Xpedo is also selling a new road shoe exclusively in Asia. The full range of products is set up in Booth J0517. *—Nicole Formosa*



Xpedo's Jennifer Chen shows the new Look Keo-compatible road pedal, the Thrust NXS.



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Happening Today

Show hours: 9 a.m. to 6 p.m.

9 a.m. to 5 p.m.: LEV Test and Drive. Nangang Exhibition Hall. Cargo Ramp, 4F.

10 a.m.: Taipei Cycle opening ceremony, reportedly with an appearance by Taiwan's newly elected President Ma Ying-jeou. Nangang Exhibition Hall Room 401.

10 a.m. to 4 p.m.:TES E-scooter test ride. Exhibition Hall. South Side, 1F.

11 a.m.: Award ceremony for the 16th International Bicycle Design Competition. Room 402.

2 to 4:30 p.m.: New product launch with innovations from King Roof Industrial, Harmonic Innovation Technology, Focus Bikes and Sliding Bike Development. Room 404.

2 to 2:50 p.m.: Cycling Extreme Performance by the Chinese Taipei Extreme Sports Association. Outside the north and south side of exhibition hall.

2:30 to 4:30 p.m.: 2012 International Bicycle Trend Forum. Topic is the global bicycle industrial strategy development. Speakers include executives from Specialized, Shimano and Accell Group. Room 402.

6 to 8 p.m.: Taiwan Cycle Night and Taipei Cycle 25th anniversary celebration. The Canton Restaurant. Nangang Exhibition Hall, level 3F.

Taiwan exporters predict stable year

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and CEO of Giant Manufacturing, said he expects 2012 to be a stable year for Taiwanese manufacturers with Europe's brutally cold winter and debt crisis in the rearview mirror.

Emerging markets are steadily gaining importance, he said.

"Taiwan and China grow a lot. The number is still small, but the quality grows and I believe this year will grow more. This is a very good trend," Lo said as photographers snapped pictures of him speaking at the podium inside a conference room at the Taiwan World Trade Center Exhibition Hall.

Taiwan manufacturers exported 4.3 million bikes last year, down 13.7 percent from the year before. At the same time, revenue was up 10.7 percent to \$1.66 billion. Exports of parts and accessories rose almost 19 percent with a value of \$780 million last year. European markets typically import about two-thirds of Taiwan's products, while the U.S. takes in about 20 percent.

Potential in fast-growing markets

such as China is expected to be one topic of discussion this week during Taipei Cycle, especially in the context of the Economic Cooperation Framework Agreement, a trade pact that eliminated duties on frames and parts shipped from Taiwan to mainland China at the start of the year.

The economic situation in Europe is also likely to spur chatter, particularly since it's such an important market for Taiwanese producers. At the end of last year, many Taiwan manufacturers said they wouldn't have a real pulse on how this year might shape up in Europe until after the Chinese New Year in mid-January.

Taipei Cycle starts today at the Nangang Exhibition Hall and the Taiwan World Trade Center Exhibition Hall downtown, where about 150 exhibitors are set up alongside the Taipei International Sporting Goods Show (TAISPO). The show runs through Saturday and is expected to attract 1,092 exhibitors in 3,288 booths. —Nicole Formosa



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SRAM.COM/GRIPSHIFT

Velo hosted dinner and drinks for nearly 500 VIP guests Tuesday evening at the Hyatt Plaza hotel in downtown Taipei in what's become the best seen and be-seen event on the eve of the Taipei Cycle show. Guests noshed on traditional Taiwanese cuisine in a 10-course meal, clinked wine glasses with Velo president Stella Yu and her brother Wellgo president John Chen and tapped their feet to performances from local Taiwanese musicians and dancers.

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The colorfully clothed cover rock band Hot Shot got the crowd moving with renditions of pop songs from western artists like Justin Bieber.



Velo shows off its screenprinting capabilities with a family photo plastered on the back of one of its comfort saddles. That's Stella and John in the middle.







A group of performers from Tainan start the evening with their Flying Ribbon Dance.



Wellgo's John Chen raises a glass.



Velo's Ann Chen demonstrates the Sonic grip with a built-in bell to alert pedestrians and other riders with the push of a button.



A couple guests from KTM tap into their inner rock stars to help Hot Shot in one of the evening's rousing renditions.

Heard on the Street

Continued from cover

can wreck a car at Daytona. One trading company executive, listening to a conversation about Shimano's delivery issues, just stood and shook his head counting the dollars lost when he could have been selling bicycles.

But help is on the way. Word on the street is that SRAM will soon break ground—if it hasn't already—on a new factory somewhere near Kunshan, in the same region where Shimano has a factory. Giant, the world's largest bicycle manufacturer, also has a major facility in Kunshan pumping out bikes by the many thousands. And Giant is known for "suggesting" that its suppliers think in terms of "just-in-time" inventory delivery. Hence, Giant prefers that key suppliers be within 100 kilometers. It's reasonable to suggest that SRAM will be close enough to Giant to get its drivetrains and other components to the factory just in time. And that can't hurt Giant when it comes to dealing with Shimano.

Despite chatter about burgeoning markets in Asia, when Trek announced its pullout from Eurobike to entertain its German dealers at a multi-day Trek fest combined with a consumer day, Stefan Reisinger, Eurobike's project director, didn't lose a minute's sleep. Within seconds of Trek's announcement hitting the Web, he was buried in phone calls and emails. With hundreds of companies on a waiting list and dozens more wanting to expand their booths, Reisinger had no problem filling the space. The winners? Giant, whose booth had been slotted behind Trek (even though it makes most of Trek's bikes), scooted far forward in the massive hall. Velo and its Prologo brand, as well as a few others, got some additional elbowroom. But as one wag told Reisinger he could've put the space up on eBay and sold it to the highest bidder.

First design award winners recognized

continued from cover

based on innovation, quality, material, function, security, universal design and corporate identification. Awards were given for bicycles, components, clothing and equipment and accessories. Winners included Brompton Bicycles for its new tool kit (on display at Booth N1303), Dahon, KMC, JD Components, Jagwire, Bobike, Tern and Winora. Of the winning products, 58 were made in Taiwan.

Five products were chosen as gold award winners: the SCT Tire by Kenda; Flow by Fairly Bike Manufacturing; Obo ARX by Giant Manufacturing; Kool Knight Chain by KMC; and the SABS Frequency Brakes by Ke Chiuan Technology. Those products will be honored this morning during Taipei Cycle's opening ceremony and showcased on the first and fourth floors of the Nangang Exhibition Hall during the show.

This was the first year for the design competition at Taipei Cycle. It was hosted by Taipei Cycle organizer TAITRA-the Taiwan External Trade Development Counciland the Taiwan Bicycle

Exporters' Association and carried out

"We hope this event will give the Taiwanese industry added strength and energy to make it even more competitive in the future."

-Y.C. Chao, CEO and president, TAITRA

island's reputation as an innovationoriented manufacturing base, an everimportant distinction as high-volume, low-quality production shifts to lowercost countries.

"We hope this event will give the Taiwanese industry added strength and energy to make it even more competitive in the future," said Y.C. Chao, CEO and president of TAITRA. -Nicole Formosa

branch office of Germany's IF International Forum Design. The goal of the competition is to inspire manufacturers to build more refined, structurally sound, aesthetically sophisticated products and to further the

by the Taiwan

Jagwire's Jerry Huang accepts a Design and Innovations Award from TAITRA CEO and president Y.C. Chao during a ceremony Tuesday afternoon recognizing

the competition's 74 winners.



Got news from Taipei Cycle? Email or call our on-site reporting staff in Taipei:

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