Bike culture thrives in Philly

Philadelphia pulls out all the stops for cycling the first weekend in June.

Police officers block off major roads. Amateur racers descend on the Wall to tackle the famed climb before the pros do. College kids turn the streets of Manayunk into an extended block party. Cycling aficionados set up camp on Lemon Hill cheering for riders with the passion of Italian tifosi.

It may be the closest thing to a European stage race this side of the Continent. And if just a sliver of that passion seeps into the pores of Philadelphia residents, then its retailers stand to reap the rewards.

While the TD Bank Philadelphia International Cycling Championship happens only once a year, everyday cyclists are getting support from the city and its pro cycling mayor as well.

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Bike culture thrives in Philly

As we experienced during our Dealer Tour of Philadelphia in June, Philly’s streets have plenty of pitfalls for urban cyclists—from deep trolley tracks to large potholes to errant car doors. But city officials are consciously taking strides to become more hospitable to cyclists. And those efforts appear to be working.

Jay Rosenblum, owner of Jay’s Pedal Power Bikes, recalled when riding Philly streets was like playing Frogger.

“I remember the days when riding was a sport, between all the cars and trucks,” said Rosenblum, who has been in his Fishtown location for 30 years. “Now there are certain areas and corridors where you see a constant flow of bikes.”

Rosenblum and others credit the Bicycle Coalition of Greater Philadelphia as the moving force behind a growing bike movement in the city. According to the Bicycle Coalition, Philadelphia has, per capita, twice as many bike commuters as any other big city in the country. The organization found that 2.16 percent of the city’s population commuted to work by bike in 2009. That’s up from 1.2 percent that commuted by bike in 2006.

That jump may be due in part to more cycling infrastructure such as the recent installation of dedicated bike lanes on Spruce and Pine streets. While on the Dealer Tour, we rode these dedicated right-side one-way bike lanes, which are gently buffered by painted white lines and designated by bike stencils.

“That was a big concession last year—putting true bike lanes on Pine and Spruce. That’s huge in that it allows timid riders to ride and the fact that there are no parked cars is a safety factor,” said Rosenblum.

Across the Delaware River in the suburbs of New Jersey, other independent retailers such as Action Wheels and Keswick Cycle have thrived. But Keswick co-owner Brian Hackford cited a challenge of operating in such a densely populated area: traffic is so heavy that people rarely drive to neighboring towns. “Places you can drive to in 20 minutes don’t exist,” said Hackford.

The two Keswick locations are 18 miles apart and serve entirely different clienteles. “It’s so dense that people shop in their neighborhoods. They rarely go out to other places,” he said, contrasting that with destination retailers in other markets such as Wheat Ridge Cyclery in Colorado or Bike Barn in Texas that draw customers from miles around.

Hackford said that the model for East Coast retailing works very differently. “There are large stores but not behemoth stores,” said Hackford.

Still, he has bold plans for Keswick to take advantage of the geographical boundaries by opening new locations. But he said with any additional locations, he will strive to live up to the longtime reputation of the store. “When you have a reputation within the community,” he said, “it’s important you don’t forget about that.” —Megan Tompkins

Philadelphia as a cycling city has moved beyond the nod

P eople have been doing it for years. The traders on their way to and from Babylon did it. American settlers did it. Car drivers at the beginning of the last century did it. Early morning runners do it. And cyclists in most cities still do it. But what I noticed when riding on the last day of the BRAIN Dealer Tour in Philadelphia is that, in Philadelphia at least, bike commuters no longer do it.

I’m referring to the nod—you know, that respectful acknowledgement you give someone when they do something a little unusual. But as the unusual becomes the usual, the nod fades. That is where the cycling community is headed in Philadelphia. Cycling is becoming normal.

Honestly, if the Dealer Tour riders had nodded at all the other bike commuters we saw that Friday in Center City, we would have looked like bobble heads. The same was true over the weekend. If you were not wearing Lycra and sporting your favorite team’s or club’s uniform, you looked a little out of touch.

In Philadelphia the first weekend in June is all about cycling. For the 27th year in a row, the largest one day U.S. race—the Philadelphia TD Bank International—took over the city, with helicopters following the breakaways rather than fires or traffic jams.

Philadelphia cyclists have gone beyond the nod thanks to the work of countless advocates and a mayor who really gets it—not so much as a cyclist himself, but as someone who wants our city to be efficient, progressive and green.

We saw Mayor Michael Nutter at the race on Sunday following the end of the Dealer Tour. Mayor Nutter told BRAIN publisher Marc Sani that while taking a lane away from cars on Spruce and Pine and giving it to cyclists was not popular, it was the right thing to do because the streets are to be shared; they are for cyclists, too.

He also explained that he would be closing a car traffic lane that goes north to south to help make cycling safer and more abundant.

So, here’s a nod to Mayor Nutter, the mayor of the most bicycle friendly big city in America.

Patrick Cunnane, Advanced Sports International
Class of 11.

John
875 mountain passes. 
The last one on his 70th birthday.

Albert.
He thinks to himself, almost 10,000 miles this year and how many times did I change gear?

Pola.
On the Mont Ventoux, she won the most important race: the one against herself.

Andrew.
Today he climbed the Alpe d'Huez: 34 seconds faster.

11 Speed. Shift to the Top.

Campagnolo. Tell your story, your passion. Your desire to go faster.


A different world. A different class. Biped in or is yourself.

CADENCE CYCLING & MULTISPORT CENTER
Main Street boutique goes beyond retail

When three-time Olympian and veteran road racer Brian Walton got the call from Jay Snider asking him to become a partner in a new retail venture, Walton jumped at the opportunity.

“I had an Olympic background and I wanted to give that experience to the average consumer,” said Walton, 45, who rode with 7-Eleven, Motorola and Saturn before retiring from racing after the 2000 Sydney Olympics.

The Manayunk boutique on Main Street opened in April 2004. From its early days, Walton and the other partners—five when the business started, now only Snider and Walton—focused on the high-end, offering science-based coaching and training services, bike fits and physiological testing. They expanded with a second store in New York shortly after. Both locations sold mostly custom builds. “We didn’t have a bike under $1,000,” Walton recalled.

Though targeted, that strategy proved somewhat narrow and alienated many customers. “We were so polished, people were like this is too technical for me,” Walton said. That image along with a troubled economy took a toll on the Manhattan store, which closed in 2009.

Snider and Walton have since broadened their approach, becoming a coaching center for pro teams and people learning to ride or interested in dropping a few inches off their waist. Employees lead no-drop group rides on the weekends, and new custom builds are few.

Walton said bringing in Cannondale a few years ago to complement higher-priced Cervélo, Kuota and Wilier bikes was a big move. This year, they brought in Ritte Racing, another brand that offers a more casual take on road.

Still, coaching and training makes up one-third of business with tri-focused coaching growing from 20 to 40 percent of the total over the years. Its fitting services are also popular. Staff does 300 to 400 bike fits a year, Walton said, charging on average $175 a pop.

The shop also has made a name for itself with its indoor classes. “In the winter, I can’t put enough trainers in here,” said Walton, while giving us a tour of the second story loft lined with treadmills and trainers. On the same floor, framed bios on its eight coaches line a wall next to a recovery room with three pairs of compression boots.

HUMAN ZOOM BIKES & BOARDS
Former franchise finds niche in crowded market

There’s no shortage of cyclists in Philadelphia. The flipside is that it’s dotted with numerous bike shops. That combo keeps Stan Tworek and the staff at Human Zoom on their toes.

“It’s really tough. If you don’t find a niche in this area, you won’t last. There are too many stores and choices,” said Tworek, 40, manager and buyer of Human Zoom Bikes & Boards’ Manayunk shop. A second Human Zoom in Ardmore is about seven miles away.

Main Street is like the Jewelers’ Row for bike shops, Tworek said. Just a stone’s throw away, for example, is Cadence Cycling & Multisport Center. In this crowded field, Human Zoom’s sparkle comes from its open-arms approach to customer service and wide gamut of products. The business caters to all levels of cyclists, from those who bring in a Walmart bike for a tuneup to high-end buyers who want sew-ups glued onto their Zipp wheels, and everything in between.

“We can’t afford to exclude anybody,” Tworek said. “Our niche is doing everything.”

Human Zoom counts Trek, Cannondale and Santa Cruz among its main bike lines and its average bike sale ranges between $600 and $700. The Manayunk store added snowboards, boots and apparel early on as a counter business to bike during the slow winter months. That segment can account for up to 90 percent of sales from October through March thanks to steady traffic from college kids. Human Zoom also sells skateboards, and in late May began stocking inline skates for the first time.

“It wasn’t a huge investment, but margins for skates are through the roof,” Tworek said, pointing to a markup of 75 percent. He said street retail on inline skates is full keystone and the staff is fully knowledgeable on how to rotate wheels and grease bearings.

Human Zoom has been around as it’s currently known since 2005. But Michael Bufo and his wife Liz have owned the shops much longer—the Manayunk store since 2000 and the Ardmore location since the mid-90s. Both stores were at one point franchises operated under the Bike Line banner, which in its heyday counted more than 70 stores.

But Bufo determined he wasn’t seeing much return for his franchise fees, and eventually lawyered up to get out of his agreement. He renamed his stores after the dust settled to better reflect his product offerings.

BICYCLE THERAPY
Urban store caters to roadies and commuters

As we enter Bicycle Therapy, owner Lee Rogers changes the iTunes playlist on a sleek computer on the floor for staff and customers to research products. It’s a fitting introduction to Rogers, who traded a gig as a nightclub DJ to open Bicycle Therapy almost 20 years ago.

At age 26, Rogers rented a 600-square-foot downstairs basement and opened up shop in Center City. “I can’t read or write, but I’m good with fixing things,” quipped Rogers, who had previously worked at a number of local bike shops including Via Bikes. “I’d always been into bikes,” he added.

In 2000 he bought a condo directly across the street. “I’d always had my eye on this space,” said Rogers. Formerly a fancy Persian carpet store, the condo had an ugly front. Rogers put up a new façade and renovated the interior in March 2007.

“It transformed the whole block,” said Rogers, of the fresh exterior with two floor-to-ceiling triple-paned glass windows designed to showcase product without enabling theft. “People could drive by and see it was a bike shop—it was hard to miss.”

The 2,400-square-foot retail floor is divided into two sides. It has two separate basements—one used for storing bike boxes and inventory and one for customer bikes in for service. When the storage area overflows in season a dryer-cleaner down the street graciously shares its basement.

Over the years Rogers has reduced inventory and narrowed suppliers. Bicycle Therapy is not a concept store, but nowadays carries primarily Specialized bikes and accessories. He also carries Jamis and Look, to cater to his mainly commuter and road clientele. “Every shop needs to have a euro brand,” said Rogers.

Rogers said bringing in Specialized five years ago has improved sales. “We didn’t have an ‘A’ brand before that and we did just fine, but once we got it, it helped us grow that much more,” he said.

He said the majority of his customers are commuters and that population is forever increasing as cycling becomes a more cool and practical way to get around the city. He said Specialized’s Globe line has been particularly popular with commuters. “It hit the nail on the head for our customers,” said Rogers.

—Megan Tompkins
BICYCLE REVOLUTIONS
Urban shop blends bikes, art and culture

Walk into Bryan VanArsdale’s store on Philly’s Fabric Row and Buda and Lazlo just about knock you over with excitement. The two Vizslas, ages 9 and 3, add the perfect touch to this boutique shop where bikes, art and culture mingle to create a beguiling retail experience.

Bicycle Revolution is a quintessential urban shop—trendy, hip and stocked with unique accessories from Lake House, Bicycle Printings, Chrome, Modrobes, Laplander, Re-Load, Bailey Works, Endura and Bern helmets. A loft, overlooking the sales floor, is VanArsdale’s second home.

There’s an old stove left over from the former tenants, a refrigerator and a kitchen table with a bottle of Jack Daniels and Patron tequila for after-hours entertainment. There’s a comfy couch and a desk for Heather Deronck, his wife, and a small workshop where he checks his email and builds custom wheelsets under the “Fuzzy Built” brand.

VanArsdale grew up on bikes. When he was a kid, his mom would plunk him in a carrier and pedal him around the neighborhood. He’s raced in the U.S. and Europe, spent years as a bike messenger, learned how to wrench from the best mechanics Philly had to offer, and now, at age 37, he has put his passion for bikes and art to the test.

When VanArsdale decided to move into retailing, he took out a $40,000 home equity loan to get into the business. “It was pretty much a shoestring operation,” he recalled.

Now in their fifth year, they recently outgrew their old location nearby and moved into this narrow, shotgun-style storefront about four months ago. The 1,800-square-foot space is a case study in merchandising thanks to Heather’s artful touch.

The neighborhood, once known for its fabric shops, is rapidly gentrifying as a younger, more hip generation moves in. Art galleries, coffee shops, ethnic restaurants and organic food stores have sprung up on South 4th Street, VanArsdale said. As a result, he’s enjoyed steady growth in sales and service.

As for brands, he stocks a limited selection of Fuji, SE, Linus, Masi, Civia and Surly bikes and is focused on that mid-range urban commuter market. “It’s a changing market. We’ve been doing more clothing and accessories, more handcrafted items from smaller manufacturers—more city style, less techy,” he said. —Marc Sani

DANZEISEN & QUIGLEY
Bikes hold their own in sports specialty store

Danzeisen & Quigley is the über store of suburban retailing in the greater Philadelphia metropolitan area. This 31,000-square-foot stadium of sports products is as much a store as a destination. Locals call it D & Q and its reputation draws customers from as far afield as New York City and Delaware. Its current owner, Joe Vitale, has spent the better part of his life here and proudly notes that he moved the lawn in 1968 when he was a kid. What began as Bob Danzeisen’s Ski & Sports in 1961 has morphed into a 21st century “go to” store for bikes, skis, snowboards and swimwear.

The swimwear section is bigger than most bike shops. As for skis, it’s a premium operation with top brands like Atomic, Blizzard, Elan, K2 and Head. And the boot selection is just as wide. But youth rules. Snowboards and snowboard apparel have become D & Q’s wintertime bread and butter.

At one time or another over the last 50 years, D & Q has sold golf clubs, tennis racquets and Rollerblades, Vitale said. But as consumer tastes have changed, so has the store’s focus. Yet bicycles have been a linchpin product almost since the store’s founding. And Vitale is bullish on cycling’s future.

Vitale estimates that 50 percent of his annual revenue comes from snow sports sales and service with cycling making up most of the rest. But before spring gets a head start and as the urge to ski or ride starts to fade, Vitale and his staff begin to make room for the bikes.

Vitale stocks hundreds of Trek, Fuji, Breezer and Scott bikes, plus a few Colnago and Look models. For single-speed and BMX enthusiasts it’s SE and Haro. And then there are some kids’ bikes.

Like other retailers we met on the Dealer Tour, Vitale said his sales sank in May—about 15 percent. When asked why, Vitale shrugged. “I don’t know for sure—the weather, the economy,” he said. What can be said for sure is that incessant rain in April (23 days) and May (17 days) took its toll. Nonetheless sales are springing back, he said.

At age 58, Vitale is as excited today about retailing as he was in 1968 when cutting grass at the original D & Q. And he sums up the challenge that brick-and-mortar stores face in today’s retail environment. “It’s IBDs versus big box retailers versus the Internet.” And to stay in business, it all boils down to one thing, he said, customer service. —Marc Sani

BREAKAWAY BIKES
Retail and training center serves a wide range of customers

Glenn Krotick calls Breakaway’s historic building with high ceilings and exposed brick walls its “jewel.” Breakaway Bikes and Training Center bought the building five years ago. Krotick said it was a risky commitment, after renting for the previous two years, but believes it will be a good property. “One of our long-term goals was buying Center City property,” said Krotick.

The first floor of the 10,000-square-foot building is retail space, with the second story set up as a fit area and indoor training studio with two banks of eight trainers. Breakaway offers cyclists 12-week indoor training courses that follow a progressive training sequence. “We’ve been doing wattage-based training before there were even Computrainers,” said Krotick.

Co-owner Joe Wentzell, who has a degree in exercise physiology from Temple University, conducts performance fits using a combination of proprietary methods and industry standards including Retul 3D motion capture. “Joe is phenomenal with these fits,” said Krotick, a lawyer by training until he went into business with Wentzell.

Although the training business caters to the most committed and serious cyclists, who buy into monthly training packages, Krotick said they approached the retail business with the goal of catering to a variety of customers with bike sales ranging from a $15,000 road bike to a $90 kids’ trike. “We’re a very unusual store,” said Krotick. “You see a lot of stores that are very fancy and very nichey that don’t carry the breadth we do.”

Krotick said the retail business is growing in all areas. But its sales mix has changed as it has moved away from custom frame builds to more complete bikes. This year it brought in Trek, which became available after one of the local Bike Line chain locations went under. Breakaway still carries Giant and Fuji as well as Scott and Felt. “We’re very loyal,” said Krotick. —Megan Tompkins
You focus on riding and we’ll focus on you.

It’s on days like this you really feel out why you ride. Thanks to the outstanding weather protection and temperature management of GORE BIKE WEAR™ clothing you were able to get out in the adverse conditions to test the boundaries of speed and survival. We have 25 years of experience with the high-tech functions of GORE-TEX®, WINDSTOPPER® and GORE® Selected fabrics to bring you clothing and accessories that you can trust. All engineered using intelligent ergonomics and material placement to further enhance your comfort and performance. Now you’re free to train wherever and whenever you choose.

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PHILLY ELECTRIC WHEELS

Owner goes full charge with powered bikes

When Afshin Kaighobady decided to move his store to a new location, he had to sort through a pile of discarded junk, mostly in the basement, to make room for his stock of electric bikes.

Space that once had been a campaign office for Barack Obama, a doctor's office and before that a coffee shop was now home to PHEW!, shorthand for Philly Electric Wheels.

Kaighobady said he's seen the future and it's a battery pack that powers two wheels. His choice of electrics also reflects his concern about the environment. Kaighobady has been involved in several eco-ventures over the years. He's pared his use of power at home to a minimum and fretted over flying to Interbike last year because of the high carbon impact flying has on the atmosphere. This is his first effort at bicycle retailing, he said.

His store is a fully charged electric boutique in downtown Philadelphia. At the intersection of two bus lines and two train lines, it may signal a future trend in urban America.

Despite his focus on electrics, PHEW! is more like an old-time neighborhood shop where kids can pop in and get a tire fixed rather than a cutting-edge dispenser of electric-powered wheels and high-zoot accessories.

It's cluttered, cozy and friendly. A couple of days a week, Kaighobady opens at 7 a.m. to catch early commuters. "There's always someone who's commuting who needs something fixed," said the Iranian-born engineer who came to the United States in the 1970s to go to school.

He's stuffed his store with more than a half-dozen different brands. A narrow path squeezes through them leading to an office and two service bays.

Out front, a dozen used bikes put some cash in the register, reflecting some of the trade-ins he accepts from a mix of elderly, low-income families and young urban professionals in this gentrifying neighborhood.

Still, Kaighobady said he could be Trek's biggest electric dealer. An electric Trek cargo bike ($2,800) stands straight up against the wall. Another half-dozen Trek electrics are tucked into the corner.

He also sells electrics from Currie Technologies, three-wheel electric Torkers from SBS, electric folders from Dahon as well as the eZee brand. As for conversion kits, Bionx is his go-to choice.

"I've sold as many electrics this year already than I sold all last year. The future is here," he said. —Marc Sani

JAY’S PEDAL POWER BIKES

Fishtown shop stands out for its ‘green’ focus

Locals call this section of old Philadelphia “Fishtown,” but there's nothing fishy about Jay's Pedal Power—a store that’s been a part of this historic neighborhood for more than 30 years.

Fishtown was once the center of shad fishing on the nearby Delaware River and, according to local lore, an early English colonist snagged the largest shad ever taken from the river.

Jay and Sharon Rosenblum have been successfully snagging cyclists ever since Jay ditched his job in food management and bought the building that houses their store.

But business has slowed due to the recession. "I've never seen an economy so affected as this one has been," he said. "I've been through at least three others and none have had the effect on me like this."

His current location also may contribute to the sales fall off. Jay's Pedal Power sits on the edge of a rapidly changing district. What once had been a vibrant section of old Philly is showing its age. It sits on a major thoroughfare, Girard Street. Traffic is heavy and the word city planners would use to describe it is “blighted.”

That's changing. Fishtown is gentrifying. Housing prices are rising and there's more local art, entertainment and dining. An influx of artists and young professionals has also moved in. The 58-year-old Rosenblum is bullish on the future.

His 100-year-old building, formerly the Penn Treaty Democratic Club, a saloon for local pols, is part of the “green” area, a section eligible for local, state and federal tax credits for solar power and efficient heating systems. In his basement—stuffed floor to ceiling with inventory—is a solar power monitor that shows whether sunshine is generating enough electricity to cover demand.

Rosenblum installed an array of solar panels on his roof, spending $55,000. But with various tax credits his direct cost was about $25,000 and he will recoup that within four to six years. He's watched his electric bill drop from hundreds of dollars a month to $77 in April and $128 in May.

Still, when it comes to in-store sales and service, Rosenblum is hedging his bets. He also runs an active online store. As we chatted at the front counter, Sharon was busy preparing that day's shipment of parts and accessories for delivery. —Marc Sani

MAIN LINE CYCLES

Entrepreneur works through start-up surprises

Ask Dan Goldberg what compelled him to open a bike shop in September 2009, at the height of the recession, and he'll tell you it was "pure insanity."

Goldberg, the owner of Main Line Cycles, had sold an online training business in the banking industry and was looking for his next venture. From that experience he took home three lessons about starting a business: fill an absolute need, bring in people with market expertise, and forge industry partnerships.

An avid cyclist, he determined that a bike retail store could meet his requirements. He found a good physical location on the Main Line, an old money area with high-end demographics. He hired two store managers with experience in bike fitting and retail sales. And he brought in Specialized as its anchor brand.

"This is big Trek country, but there are really not any Specialized dealers within the area," he said, adding that he's filled in with brands such as Fuji, Niner, Ridley and Serotta.

Goldberg said the area, which has a lot of big healthcare and law firms, was somewhat insulated from the recession.

Nonetheless, Goldberg, who funded the business himself, expected to lose money in the first year and did. His goal is to break even this year and to begin to show a profit in year three. "I realized it was not a huge money maker, but potentially it would do what I needed financially," he said.

Goldberg, who has an MBA from Wharton, expected that he could accurately budget expenses but that he might be off on revenue forecasts. Instead, he found the opposite to be true. He nailed revenue within 5 percent, but miscalculated expenses. "I totally underestimated inventory," said Goldberg, who took delivery of 130 bikes in September before he even opened the doors.

Goldberg said it was tough to get through the first winter after taking that initial shipment.

"We had no war chest built up, but it gave us time to get up and running," he said, adding that he has since secured a bank line of credit and has better cash flow.

His sales this winter started off strong, but April was horrible. Philadelphia set a record with 20 days of rain for the month. "April just totally took a dive," Goldberg said. But he was optimistic for the season after a stellar Memorial Day weekend. —Megan Tompkins
SUPER SEMINARS AT INTERBIKE LAS VEGAS — A MUST SEE FOR ALL DEALERS!

Designed to empower and assist bicycle retailers in becoming stronger and more dynamic businesses, the 2011 Super Seminars will be hosted each day of the Las Vegas Indoor expo, September 14-16, and pre-show on September 13 at the Sands Expo & Convention Center. Open to all Interbike attendees.

Sessions at a Glance

Pre-Show: Tuesday, Sept 13
- Sell Them Something They Didn’t Know They Needed
- Planning a Social Media Strategy for Your Bicycle Business in an Hour a Day
- Creating Financial Success for Your Bicycle Business

Expo Day 1: Wednesday, Sept 14
- Killer Strategies, Tactics & Techniques To Get Tons Of New Customers For Little or No Money!
- Wheel Learning Lessons of Bicycle Retailing or The Seven Laws of Bike Shop Success
- A Step-by-Step Plan to Find, Hire & Train a Team of Metal Cup Salesmen
- All Grown Up: Social Media for Big Kids

Expo Day 2: Thursday, Sept 15
- Some Cyclists Ride Naked. Everyone Else Needs Clothes
- How To Get More Customers Who Will Pay You More Money, More Often
- The 2011 Bike Industry Overview
- The Selling Power of Warranties
- Your Customer Doesn’t Like Here Anymore

Expo Day 3: Thursday, Sept 16
- Growing Service Sales Through Creative Service Writing
- Spending Your Time Where It Matters

Visit nbda.com for complete seminar schedule and session details!

Chris Kogel, owner of the successful Wheel and Sprocket stores in WI will share his business philosophy based on more than 25 years in the bicycle industry. He has distilled his brick and mortar success to six gold medal business lessons:
- 1st Lesson: Sell only your passion;
- 2nd Lesson: Learn the rules of financial discipline by identifying the key indicators and monitoring them;
- 3rd-6th Lessons: “Kenosha Stores Code,” write out the rules to rule with;
- 7th Lesson: Play a lot of the time;

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Thank you! From the staff at ASI.
ACTION WHEELS
Siblings expand from humble basement

A
ction Wheels has come a long way from its early days in a dingy little basement. Patty Woodworth and her brother Jim started selling BMX parts out of their parents’ basement in 1977, when they were just 13 and 14. Tapped into the local BMX race scene, they were having a hard time finding the parts they wanted. “Shops wouldn’t touch BMX,” said Patty Woodworth.

Two years later Jim convinced his parents to sign a lease on a storefront in downtown Woodbury. “We had a cult following. We did business after school and weekends were huge,” she said.

In 1986, Action Wheels moved to its current standalone building in Wenonah, New Jersey and bought out the property over seven years. Woodworth said owning the space has been a huge asset. “To hold your own paper is immense when the economy goes south. Rent and mortgage payments have affected a lot of shops,” she said.

Three years ago, they gutted the 2,800-square-foot space and in eight weeks remodeled the shop as a Specialized concept store. For Woodworth, the most important addition was automatic doors—a huge plus for customers wheeling in bikes or moms with strollers. Sales jumped 20 percent that year.

Woodworth said by concentrating on one brand they reduced duplication. Instead of carrying four models priced at $450 they could carry two models. That allowed them to offer more selection by filling in gaps. “As we focused more, we saw sales go up,” she said.

Jim and Patty both remain involved in the day-to-day business. “A lot of people once they get the business rolling kind of disappear; we’re trying to be more hands-on,” she said.

Woodworth reaches out to the community with shop rides, leading as many as three regular midweek rides and Saturday morning rides targeted at different speeds and abilities. She also organizes a training camp in Europe each spring to get customers fired up for the season.

She’s seen a huge influx of women participating in triathlons and supports two local women who have built a 200-member women’s tri club from the ground up.

While the shop still does some BMX business, Woodworth said it’s nowhere near what it was in its heyday. She said BMX has moved away from a Little League type program at the track to a dirt-jumping scene. “It used to be very family oriented,” said Woodworth. “Now kids want to be able to do it on their own.”

KESWICK CYCLE
Investment manager opts for high fun over high dollars

B
rian Hackford, a former tri enthusiast, traded a high-stress career in portfolio management for a job in bike retail.

It was a welcome change of pace, he said, from waking up at 5 a.m. and turning to his Bloomberg Terminal to see if the Nikkei and DAX had plunged or surged. “In 1999 when the market crashed out I freaked out,” he said.

He grew tired of the long hours and peaks and valleys of the financial industry. So he turned to something more stable, buying a stake in Keswick Cycle, which he co-owns with David Kaplan.

Kaplan, who also owns Mike’s Bikes and Sausalito Cyclery, purchased the business from the family who started it in 2001.

At one time a Schwinn concept store, Keswick Cycle has weathered many changes. The Glenside, Pennsylvania store is the oldest shop in town. It opened in 1933. In those early years, it sold lawn mowers and by the 1970s also doubled as a hobby shop.

But, “it always enjoyed a great reputation in the community,” Hackford said. His grandfather purchased his father’s first bike at Keswick. Hackford’s father drove 50 miles to buy him his first bike there. Keswick has spring-boarded other locals into the industry. Advanced Sports Inc. president Pat Cunnane got his start at the Glenside store when he was 11.

And while the days of making easy money in the bike industry are over, Hackford remains upbeat on future growth. He said the market remains fairly open with many lines that aren’t tied up. Keswick carries Cannondale, Cervélo, Raleigh and Specialized. “There’s no big player in this market, not as far as IBD,” Hackford said, hinting at his desire to become that dominant player.

Hackford, who captivated our Dealer Tour group with his vivacious storytelling, is setting the course. Five years ago he opened a second store in Cherry Hill, New Jersey and a third is set to open this summer. His goal is to surround the Philadelphia area with stores east, north and west of the city and eventually cross into neighboring Delaware.

“It’s a scary time to be in the bike industry but also a great time,” he said. “There’s opportunity.” —Lynette Carpiet

PEDDLER’S SHOP
Continuity key to success for Jersey retailer

C
hris Foster, 51, literally grew up in Peddler’s Shop in Deptford, a southern suburb of Philadelphia.

Foster began working at Peddler’s while earning his business degree in 1983. He befriended its previous owner, eventually entering a long-term plan to buy the business from him while also receiving school credit for running day-to-day operations. Foster took full ownership in 1984.

The transition was so smooth that Foster is eyeing a similar exit strategy. General manager Shawn Laundra, who started working for Foster at age 14, is next in line. “Shawn will end up buying it from me,” Foster said, adding that he’s not quite ready to retire just yet.

Peddler’s history—it dates back to the bike boom days in 1968—and proximity to the Deptford Mall, the largest in South Jersey, has been a boon. Foster moved into the current storefront—inside a strip mall next to Subway, Dunkin Donuts, Staples and a Chinese restaurant—in 1986.

“This area is a shopping hub,” Foster said. Consumers come from as far as 30 miles to browse the area’s bountiful strip malls, bars, restaurants and stores.

Foster stocks models from Trek, Fuji and Felt; middle-of-the-road hybrids and road bikes are his strongest categories. “We don’t look to appeal to the high-end. Margin has become too tight on that stuff,” Foster said. And most customers, he said, come in looking for a particular size, not a brand.

Slat walls near the cash register are filled with BMX rims, bars and tires—two of his mechanics speak the language, a key to being successful in the category.

Foster does a fair amount of accessory sales, but lately, it’s car racks that are flying out the door. “In terms of a single item we do the most of in sales, the Saris Bones 3 and Bones 2,” he said, due perhaps to the nearby Jersey shore, a popular riding area for families in the summer.

Despite an unusually wet spring, he’s within $100 of last year’s sales and on target to reach a 9 percent sales growth goal for 2011. “We’ve made up a lot of ground over the past two weekends,” he said in early June.

His biggest challenge, however, isn’t the weather; it’s keeping personnel. The bike business isn’t year-round in New Jersey so staffing fluctuates between summer and winter. —Lynette Carpiet
TECHNOLOGIES INSPIRED BY NATURE

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Riding from shop to shop still best way to visit dealers

I was very much looking forward to doing the BRAIN Dealer Tour of Philadelphia. The day before, I arrive at the hotel in Center City. At this point, I am becoming very apprehensive about the ride. How are we possibly going to organize this ride through the streets of Philly? More so, how are we going to ride to New Jersey?

Well, the first day arrives and it’s 98 degrees and extremely humid. Way too tropical for June 1. But the routes were so well organized and the support van was always there when we needed it with cold water and dry towels. We even managed to find some shade along the way. Riding from shop to shop is the best way to visit dealers. They were all happy to see that we arrived safely. The dealers in New Jersey could not believe we rode over the Ben Franklin Bridge through a rough patch of the garden state. Many were happy to hop on their bikes to lead us to the next shop.

As a vendor, it is great to hear what is working for the dealers, what is not and what their needs are for the future. It was also wonderful to see the diversity of shops in the Philly area. I truly enjoyed hearing about their business and how many of them got started. The common theme was a true passion for cycling.

What a great experience: the riding, the camaraderie, and the fact that riding your bike and visiting dealers is not a bad day at the office. Even if it is 98 degrees! I just wish I had gotten my Philly cheesesteak “with,” which means with onions.

Cindy Woods, Gore Bike Wear, W.L. Gore & Associates

Tour serves as reminder of why we are in the bike biz

The Philadelphia Dealer Tour was, in a word, perfect. For me, it was a chance to reconnect with all of the things I love about cycling and the bicycle industry.

It was social. What better way to take your mind away from the grind of daily life than riding your bike with a group of interesting, passionate people? It was a break from the iPhone, the ubiquitous emails, the never-ending stream of minutiae, follow-up and details that just seem to bring you down no matter how many times you tell yourself, “Hey, we're in the best business in the world. We sell bikes. We make people happy.”

It was fresh air and exercise. Considering I used to race bikes for a living, and my office was out on the road (concept stolen from Steve Hegg who used to say, “Just another beautiful day at the office” even if it was raining), I still can’t wrap my head around the fact that I’m indoors on my butt as much as I am. I mean, I do it but, man, do I miss the sunshine.

It was freedom, speed and competition—all of the things I love about riding bikes and always will. At the Dealer Tour, I was flying down some great twisty descents. I was sitting on Tom Kattus’ wheel on Kelly Drive for 5 miles at 25 mph into a headwind wishing I had the legs to come around. And, while I was suffering, I was also grinning. Bike riding can do that.

Most of all, it reminded me that I belong to something good. We sell bikes. We make people happy. We are in the best business in the world.

Karen Bliss, Advanced Sports International

Philly retailers bring unique passions into their stores

Since Interbike is the industry’s annual gathering, I’m used to retailers coming to us. They travel from all over North America and around the world to Las Vegas to meet with their vendors, their partners and their peers. As a firm believer in the value of face-to-face interaction, I relish the opportunity to return the favor and visit with shop owners in their places of business.

One of my favorite things to do when I meet another cyclist for the first time is to ask them how they got into biking. Similarly, I’m captivated by the stories of how bike shop owners came to the business.

Just on this trip, we met a wide variety of business owners and managers that impart their own unique passions, personalities, skills and knowledge of their local communities on their shops. We met a former pro cyclist embarking on his next venture in life; an immigrant who discovered electric bikes while shopping for a new car; a former lawyer and avid cyclist who recently opened his first shop; and a longtime shop owner who claims to have been going to Interbike for longer than the show’s been around.

I’d like to thank the retailers who welcomed us into their stores and shared their stories. The success of my job depends on the success of retailers like these. I’d also like to thank Pat Cunnane and the rest of the ASI team for their warm hospitality. Philadelphia is a great city, a great bike town and is home to some great bike culture. And they make a pretty decent cheesesteak, too.

Rich Kelly, Interbike

Shops remain optimistic despite unusually wet spring

RAIN Dealer Tour No. 2 for Campagnolo is in the books. As part of our outreach to create more awareness for Campagnolo with IBDs and end consumers, we’ve combined our Revolution 11 Tour with BRAIN’s Dealer Tour. This tour took us to the East Coast to visit dealers in Philadelphia and included a jaunt over the Benjamin Franklin Bridge into New Jersey for a day. Though it was hot and humid the first day, for the most part we were blessed with good weather.

We were joined by co-sponsors Advanced Sports, Inc. (ASI), Interbike and Gore Bike Wear. We arrived in Philly to the incredible hospitality of the ASI crew. They showed up with their fully outfitted Sprinter van chockfull of Kestrel and Fuji bikes for us to ride, food, water and Gatorade to keep us going.

ASI’s Roy Hough gave us a quick synopsis of what to expect, and we were on our way. We visited 12 shops, and though they are coming off of a very tough winter and extremely wet spring, they were in good spirits and ready for summer business. The shop staffs and owners welcomed us with open arms, showed us their shops and gave us insight into their businesses.

It was a great week, in a great city, with great people who are all in this business because they love it. Pat Cunnane and his staff at ASI (based in Philadelphia) went above and beyond as hosts.

Thank you ASI, and thanks to all the shop owners and their staff who welcomed us into their stores and shared their stories with us. We wish you much success.

Tom Kattus, Campagnolo North America
Our crew endured hot and humid temps the first day of BRAIN’s Dealer Tour as we visited shops around Philly’s Main Line. The second day we ventured outside of the city, riding across the Delaware River to tour retailers in neighboring New Jersey, racking up 40 miles along the way and capping off the day with a visit to Advanced Sports International’s headquarters in Philadelphia. The final day we traded in Kestrel and Fuji road bikes for SE singlespeeds as we explored downtown Philly and its quirky mix of boutique and city bike-focused shops. Check out the Dealer Tour video at: bicycleretailer.com/videos.html
What did we do before smart phones? The group catches up on a little email during our lunch stop.

SE Bikes’ Todd Lyons was pulling wheelies in traffic all day long.

We put our off-road skills to the test riding on Forbidden Drive, a gravel road which follows the Wissahickon Creek.

ASI’s Cunnane and Roy Hough fix the first flat of the trip.

A cobblestone display at Action Wheels, one of the longest standing shops with BMX roots in New Jersey.
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