**As bike use rises, so do retail sales in thriving market**

By Steve Frothingham

In Vancouver, bike shops are like coffee shops: There's one on every corner.”

So said Vancouver retailing veteran Michael Theil, owner of the three-store chain Bicycle Sports Pacific. His comment was validated as the BRAIN Vancouver Dealer Tour pedaled from shop to shop around the city over three days in June. Sometimes we didn't need our bikes: We could walk a few steps between shops.

Despite the retail density, most shops appeared to be thriving; many owners and managers reported that their biggest challenge was often getting and keeping employees in the booming economy (see related story on page DT2).

The health of bike retailing in the third-largest metro area in Canada stems from several factors, but most notably from a massive investment in bike infrastructure by the city, nearby municipalities and the provincial government over the past six years or so (see related story on pages DT2-3). The fast-growing population, dominated by folks who value healthy outdoor lifestyles, is largely in full support of the investment. Bike use is up, and so are bike sales.

Vancouver’s North Shore, and other nearby riding destinations like Squamish and Whistler, are renowned for their hard-core mountain biking, and retailers near those hot spots continue to sell big-dollar mid- and longer-travel bikes and related gear. We visited some of those shops in North Vancouver, near the North Shore riding area, on our second day (see related story on page DT3). But in the city, the market has been revitalized by sales of more utilitarian bikes for commuting, transportation and family riding.

While there are retailers that specialize in trendy upper-end city bikes, like Denman Bike Shop, much of the market revolves around less-expensive but very practical machines. That’s because many residents take a utilitarian approach to their biking. With some of the most expensive housing in Canada, few can afford a car, or a place to park it. Bikes just make sense.

“In Vancouver, your first car is a bike. And your second car is … another bike,” quipped Josh Williams, owner of Kissing Crows Cyclery, a shop we visited on the third day of our tour.

The expensive real estate market also keeps shop sizes to a minimum — there are few destination stores in the city, although there are some in the fast-growing outlying communities like Surrey. Vancouver lacks a major expressway through or around the city — that’s good news for the biking community — and the city has distinct neighborhoods often separated by waterways. It’s relatively hard to get around even if you have a car, so Vancouverites like their bike shops small and nearby, because they will likely be riding to the store. BRAIN
Vancouver in the fast lane on expanding infrastructure

By Toby Hill

Soon after being elected in 2008, Mayor Gregor Robertson set a goal for Vancouver to become the greenest city in the world by 2020. That included getting people out of cars and making the majority of trips in the city by foot, bicycle or public transit by the same date.

Seems that 2020 arrived a bit early: Recent panel survey data showed that Vancouverites are making 50 percent of their daily trips by walk/bike/transit, according to Dale Bracewell, manager of the Active Transportation branch in the city's Engineering Department.

"So we're five years ahead of where we thought we'd need to be. And specifically for cycling, we're at 100,000 people biking a day. In 2008, we were at 50,000 people biking a day," he said.

The surge in daily cycling is no doubt fueled by Vancouver's robust rollout of cycling infrastructure in recent years, including protected bike lanes downtown and on key bridges feeding commuters into the city's core.

Erin O'Melinn, executive director of Vancouver metro area advocacy group Hub Cycling, said the two protected lanes downtown on Hornby and Dunsmuir Streets — separated from motor traffic by concrete medians, planters, bicycle parking corrals and vehicle parking lanes — have been a major boon to cycling in the city.

"They were not an easy win, but they've made a huge difference. It allows people to access a lot of workplaces and a lot of destinations, shopping and attractions feeling very safe," she said.

Overall, the city now boasts a 270-kilometer network of bikeways and greenways. And with the support of both a cycling-friendly City Council majority and mayor who were just re-elected to their third consecutive terms in November 2014, advocates and transportation planners are nowhere near done working to expand Vancouver's cycling infrastructure.

Founded in 1998, Hub (formerly the Vancouver Area Cycling Coalition) works to improve cycling conditions by consulting not only with Vancouver's city government, but 20 other municipalities in the metro region. It also works with regional transportation authority TransLink, which oversees public transit and infrastructure outside of cities' jurisdictions, as well as the provincial government, which is responsible for highways, bridges and some pieces of infrastructure that connect to those.

Early cycling infrastructure in Vancouver included residential bike routes paralleling arterial streets where cyclists were not separated from motor traffic, but bike symbols were painted on roads and traffic-calming measures were taken with a goal of holding speeds down to 30 kilometers per hour.

"That allowed people to travel across the city feeling fairly comfortable," Hub's O'Melinn said. "Then once this current council came in [in 2008], they realized they had reached a plateau, and that in order to get more people biking they needed to access destinations with the most people, and that was job centers downtown in particular. Most people did not feel comfortable riding downtown even where there were some painted lanes. So they really took a lot of political capital and put it toward this.

"There was a lot of resistance from the general public as well as business, and we helped support the 'yes' side," she added.

One of the most vocal opponents of the separated lanes was the Downtown Vancouver Business Improvement Association, whose members were largely concerned about the loss of on-street parking. But parking has not been an issue as the city has made alternative parking available on nearby streets, said DVBIA president and CEO Charles Gauthier, and the association has moderated its stance on the downtown lanes.

"At the end of the day, our change of position is that it's part of our five-year strategic plan for 2012-2017 that we want to ensure downtown is accessible by all modes of transportation. And if the separated lanes increase the ability of people of all ages and abilities to get into downtown, then I think we can check that box off in terms of making downtown accessible for most," Gauthier said.

Protected cycling lanes added to bridges crossing False Creek have made getting into downtown far less intimidating, and the city's current capital plan calls for further improvements on the spans and some of their corresponding intersections.

"If we can really improve the ability to cross False Creek and connect the other side of False Creek [from downtown] — our Broadway corridor, which is our second-highest employment district in the province other than our own downtown — and make those active transportation links work, we're covering all our bases to grow our downtown metro core and Broadway area," said Bracewell, the city's active transportation manager.

A WRENCHEING PROBLEM

Fierce demand for mechanics highlights need for training programs.

By Toby Hill

If there was a common refrain among almost every shop owner visited on the Vancouver Dealer Tour, it was that reliable mechanics are extremely hard to find, and even more difficult to keep long term in such a competitive retail market.

And without any formal training programs or certifications offered through trade or professional associations in Canada, shops are largely left to develop their own talent in their service shops.

Bike Doctor owner Paul Bogaert has hired graduates of local grass-roots mechanic programs in the past, but sometimes found them lacking essential skills and experience. "We'd hire them, and they were needing a lot more time before they were reliable and we could just let them work on bikes," he said. "It's a nice idea, and with an in-depth enough training program it would work. But you would have to go through different levels like I know they do in Europe in programs like Cytech."

The U.K.'s industry training and accreditation program for bicycle technicians, Cytech is one of several curricula that the Canadian Independent Bicycle Retailers Association (CIBRA) is looking at to model its own nationwide training program.

"Where I suppose the problem is, is rate of pay. It's hard to have a dedicated career in something that doesn't pay well," said Obsession: Bikes owner James Wilson, who is leading CIBRA's committee researching mechanic training. "A person who could be a great mechanic might be interested in being an electrician, plumber, tradesman or auto mechanic. Yet we don't even have a certification program that backs up what we do. When you go to another trade you're issued a ticket, and there's a lot of work out there that you don't have to go through different levels. But at least in a trade you have to do something to get something."

"So I think there's an opportunity to start something that would at least encourage people to get into other trades as well as bike mechanics," Wilson said.

"Because I think it's important for the country, I think it's important for bike mechanics, it's also important for the bike industry," CIBRA president and CEO Charles Brace well said. "I think with the right model, it could work. You may not be able to do it if you have to do it all at once, but if you start small and you get feedback and you fine-tune it, and then you gradually move to the next level."

"The industry is going to have to work on the training of mechanics," said Vancouver Dealer Tour co-founder Bill Gauthier. "There are some people that are interested in it, but there are a lot of roadblocks. We would love to see the government help with this at the federal level, because it's not just the bike industry, it goes into everything.
North Shore trails’ evolution helps ensure their survival

By Val Vanderpool

NORTH VANCOUVER, British Columbia — Around the time riders in Marin County, Calif., were outfitting old cruisers with oversized tires and raking down dirt paths on Mount Tam, Vancouverites were building trails for biking Mount Seymour on the city’s North Shore.

“Like the Marin boys, we were taking beach cruisers and retrofitting them to ride on trails,” said Chaz Romalis, a North Shore trail pioneer and owner of Cove Bikes and Cove Bike Shop in North Vancouver. “We had no idea what was going on in Marin, we were just having fun.”

Romalis and others also experimented with welding aluminum in the junkyard, which spawned the birth of some of B.C.’s iconic mountain bike brands. “It all kind of just escalated,” Romalis said. “The bikes got better and we started building ladder bridges, and the trails just kept getting gnarlier.”

Fast forward to the 1990s, when freeride was born and popularized by riders like “Dangerous” Dan Cowan and the “North Shore Extreme” (NSX) video series filmed by legendary trail builder Todd “Digger” Fiander.

Digger’s movies helped put the North Shore trails on the map, and the popularity spread, first to Whistler and then globally. “North Shore” came to invoke in the minds of many not only a type of trail, but a culture of riding. Impossibly narrow, elevated bridges constructed of raw cedar limbs with the bark still intact became the symbol of the North Shore style.

In reality, only a few could actually ride many of the original wood features on the North Shore. “It was pretty scary, no matter how many times you rode it,” Romalis said.

 Builders continued to push the limits and that ticket is literally your entry to that business. But we as an industry don’t offer that.”

Wilson believes such a certification program would have a number of benefits for Canada’s bike retailers, including increased consumer confidence in service, more consistent pricing for repair work, and the ability to raise mechanics’ standard of living.

“If we can normalize the product across the board, in this case the repair of bicycles, the business of bicycles is creating a good, trustworthy product, and the consumer trusts us and understands it’s going to cost X to repair their bike, not X minus $30,” he said.

Outside of CIBRA’s effort — which is still in the very early research and planning stages, according to Wilson — Vancouver’s retailers can draw on other resources for mechanical talent.

Steed Cycles owner Kim Steed, who has seven wrenches on staff during the high selling season, recently hired a young mechanic who completed instruction at Bikeroom, a North Vancouver mechanic school launched three years ago by racer and longtime mechanic Jeffery Bryson.

“He’s an amazing mechanic,” Steed said of his new hire. “He learned how to build wheels, how to do a lot of the critical mechanical stuff and what needs to be done in a shop. Because what I explain to my mechanics is that it’s one thing to be able to do repairs, but it’s another thing to be able to charge $70 an hour labor to do repairs. You have to be able to stand behind it 100 percent.”

Bikeroom’s Bryson formerly worked as services coordinator for Mountain Equipment Co-op, developing MEC’s training program and opening their bike shops when the outdoor retailer began selling bikes seven years ago. In that role, he attended several bike schools in the U.S. Although he admires those programs, Bryson decided to take a different approach after seeing the course materials his brother received in a trade program for repairing heavy-duty equipment.

“Teaching how things work versus how to do it is the way to go. All the bike schools I went to, and even how I was teaching at MEC, it was, ‘This is how you do it, A to B’ So Bikeroom came from that: teaching the principle, not the procedure,” he said. “So if you understand how a disc brake works, you know how they all work. Then we get the mechanics to service as many as they can.”

Bicycle Sports Pacific owner Mike Theil has had good fortune attracting foreign-trained mechanics looking to immigrate to Canada, including a master mechanic and a location service manager both trained by Cytech. As a Cannondale dealer, he appreciates the investment Cycling Sports Group has made in the Guru Training Academy for bike fit, but he wishes there was more supplier-provided training on the repair side of the business.

“I would like the vendors to help retailers have certified mechanics. That would even the playing field and clean up the business,” he said.

“Basically the parallel I see is that the vendors are doing fit training. We’re training people to do bike fits, but we’re not training people to assemble bikes. We’re not certifying them to service bikes, which frankly to me seems kind of important,” he said.
Reckless Bikes
(Fir Street location)
Employees: 35 across three locations; about 12 at Fir Street location
Sales floor space: 1,000 square feet (Fir Street)
Years in business: 30
Emphasis: Transportation/commuter, rentals
Main brands: Brodie, Devinci, Marin, Raleigh, Linus, Rek-Tek
Owner: Paul Dragan

Reckless Bikes owner Paul Dragan likens his store to a corner gas station. Not a modern convenience store/food court/gas station, but an old-timey full-service garage where neighbors might stop by to chew the fat “and maybe borrow a hammer to fix their washing machine or something.”

“We want to engage with the community. The community needs us,” Dragan said.

Reckless’ tiny Fir Street store has that feel. It can’t help but feel cozy — the 1,000 square feet of space is “too big in the winter and much too small in the summer,” Dragan said.

The warm community feeling was endangered — but in the end probably bolstered — last year when a former shop employee and tenant shot Dragan outside a coffee shop near his Yaletown neighborhood location. Dragan nearly died at the scene and Vancouver was shocked by the atypical incident. The alleged assailant was arrested nearby after a police chase and is now awaiting trial.

Dragan said local residents should continue to feel safe. “It wasn’t as if it was a random shooting, He was coming for me in particular,” he said.

Dragan lost part of one lung from the shooting and said he feels about 60 percent recovered; he still tires easily. He said the community’s outpouring of support was “humbled and very touching.”

Reckless started out as a hub for the burgeoning mountain bike scene in the late 1980s and ‘90s. Many Vancouver-area mountain bike brands, like Syncros, Rocky Mountain and Brodie, had a close relationship with the store one way or another. The founders of Syncros, for example, worked at the store, and Reckless was Brodie Bikes’ first dealer. The store was also on the cutting edge with its own titanium bike frame, sold under the Rek-Tek brand starting in 1990.

But with Vancouver’s rapid acceptance and encouragement of bike transportation, Reckless has evolved to a focus on utility and urban bikes. The 7-speed upright bike is the store’s bread and butter. Dragan operates a separate location nearby, called Reckless Electric, that sells and services e-bikes exclusively.

The Rek-Tek brand lives on in the form of a simple multi-purpose frame that can be built up as anything from a touring bike to a fixie.

While the quick service turnaround gets derailed, Dragan said local residents should continue to feel safe. “It wasn’t as if it was a random shooting, He was coming for me in particular,” he said.

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Fir Street store

Every inch of space is maximized on Obsession: Bikes’ 1,400-square-foot retail sales floor.

Obsession: Bikes
Employees: 21
Sales floor space: 1,400 square feet; 16,000 total square footage including storage, service and overflow mechanic bays
Years in business: 10 as Obsession: Bikes; opened as The Bike Cellar in 1992
Emphasis: Mountain, road, commuter
Main brands: Trek, Specialized, Scott, Pivot, Electra
Owner: James Wilson

Housed in an old bank building in North Vancouver, Obsession: Bikes sells no fewer than 900 bikes a year on the shop’s relatively small sales floor. Its average bike sale is about CA$2,000 ($1,614), and owner James Wilson said revenue has grown every year since he bought the business in 2000.

“Our aim is to sell a family a lifetime of bikes,” Wilson said. “That mission keeps us in line. When we’re dealing with a customer service issue, we stray back to our goal of selling a lifetime of bikes so it leads to near continuous growth of the business.”

A three-tiered rack system maximizes sales floor space, with the top levels filled with backup sizes. The shop’s huge basement serves as storage for repair and backstock bikes, and five additional service bays occupy an adjoining room.

Obsession runs its seven service bays year-round, with a focus on getting repair jobs done in a timely manner. Service makes up about 20 percent of the shop’s revenue.

Wilson said dedicating more space for storing repair bikes and finding out what the customer’s expectation is for turnaround time are keys to providing good service and earning consumer trust.

“When are you riding again? That’s one of the best questions you can ask in this business,” Wilson said. “You can sort responses constantly, and you overbook sometimes, but we try to get things done right and on time.”

Besides being able to find good mechanics, Wilson’s biggest challenge when it comes to repairs is getting parts on time from centralized distributors.

“When can it take three to seven days to get parts, that’s when the quick service turnaround gets derailed,” he said. “I think we need more smaller warehouses because getting parts is a challenge, and sitting on enough parts to service 7-, 8-, 9- and 10-speed drivetrains is tough, especially for smaller shops.”

Even though Obsession sits on about CA$200,000 worth of repair parts, Wilson said waiting on delivery can still slow things down.

“As an industry, we have to get the level of trust up with the consumer by getting jobs done on time and done right,” he said. “So we need to pay people better and start charging for the work we do.”

“Selling bikes is easy,” Wilson added. “Keeping them running? That’s a job.”
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Paul Bogaert is passionate about bike transportation, and has been since before it was cool. In his early years of retailing at Bike Doctor, he got involved in local bike advocacy and offered transportation bikes even when Vancouver’s market for that kind of bike didn’t yet exist.

His passion and a long-term approach have paid off. The store is now thriving as Vancouver leaders and residents have adopted bike transportation with a passion of their own.

“The business has evolved. It’s become a very big thing to bike commute now. For a long time, you couldn’t support that market on its own very easily, but now it’s changing and it’s awesome. We have a lot of people coming in to the store who are telling us they haven’t been on a bike in like 27 years. It’s exciting to help these people get a chance to get cycling or cycling more,” he said.

The store’s neighborhood is crowded with bike retailers — you can see at least three from the sidewalk in front of Bogaert’s store, including an MEC location directly across the street. There are several more around the corner.

“It gets harder and harder. Online sales are growing and it seems like everyone and his dog wants to open a bike shop in Vancouver these days,” Bogaert said.

Bike Doctor still loves to sell commuter and transportation bikes, but the store also offers higher-end drop-bar bikes and some pricey city bikes. But Bogaert said he sometimes discourages customers from buying a too-expensive transportation bike. “It would just be a theft target, and then you wouldn’t use it to go to the restaurant or bar because you are afraid it will get stolen. Everyone should have a bike they can use for short trips without worrying about it being locked up outside.”

Like many Vancouver shops, Bike Doctor is having a hard time hiring and keeping qualified employees. In recent months Bogaert has lost three employees to other shops. Meanwhile he has redesigned the store website to offer more information for riders and to add some e-commerce. He has hired an employee who spends half her time taking care of site content and social media.

For those unfamiliar with Mountain Equipment Co-op, especially Americans, the shorthand description is: “It’s Canada’s REI.”

Indeed the operations are similar. Both are multi-store co-ops that offer products for hiking, camping and outdoor sports, including bikes. Each rewards co-op members with an annual bonus. Like REI’s Novara bike brand, MEC has its own house brand, simply called MEC.

There are differences, however. For one, MEC didn’t begin offering bikes until about seven years ago, while REI has had them for decades. MEC also seems to attract a higher-end cycling clientele than REI. The North Vancouver store we visited had Stages and Garmin power meters on display, as well as Castelli, Pearl Izumi and Race Face clothing.

The two co-ops have another thing in common: Ghost. REI made waves this year when it became the Acell-owned brand’s exclusive U.S. retailer. Now we might know where the Seattle co-op got the idea, because MEC has been Ghost’s exclusive Canadian retailer for four years now. And if those in the U.S. industry are curious about how well REI might do with the German bike brand, they can look to MEC’s success.

Tim McDermott, MEC’s bicycle product manager, said Ghost “has been a home run for us.”

McDermott worked at Rocky Mountain Bicycles for 13 years before joining MEC. He said the MEC-brand bike program has evolved.

“When we started the MEC brand it had to be everything, because it was the only brand we had across all our stores. But now with Ghost and Ridley, the MEC brand has evolved to fill in the gaps left open,” he said.

Those gaps include urban bikes, sport road bikes and kids’ bikes, including a new line of road bikes for youngsters.

As with REI in the U.S., some traditional specialty bike shop owners don’t have a lot of nice things to say about MEC’s business model. One Vancouver dealer referred to the stores as “MEC-mart.” As with REI’s dividend, some dealers see MEC’s annual member credit as a delayed discount, allowing the co-op to get around some brands’ minimum advertised price policies (which MEC is careful to honor, McDermott said).
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Mighty Riders

Employees: 7
Sales floor space: 1,400 square feet
Years in business: 17
Emphasis: Road, cyclocross, custom builds, service
Main brands: BMC, Argon 18, Look, Brodie, Salsa, Surly
Owner: Ed Luciano

The majority of Mighty Riders’ customers are dedicated cyclists who spend at least six hours per week in the saddle. Since opening as a service shop in 1998 in a 200-square-foot space “about the size of a nice bathroom,” owner Ed Luciano has also made a name for Mighty Riders as a go-to shop for Vancouver’s racers. “We’ve been heavily involved in the race scene, providing neutral support for events,” said Luciano, who has worked in the industry since the late 1980s. "We only sell 50 or 60 race bikes a year, but in terms of service and sales, a lot of bike racers come in here."

On the Rivet

Employees: 5
Sales floor space: 900 square feet
Years in business: 7
Emphasis: Apparel and accessories
Main brands: Giro, Chrome, Mission Workshop, Gore, Parker Dusseau
Owner: Ed Luciano

Mighty Riders owner Ed Luciano had bounced around the idea of opening a women’s cycling apparel store for some time, so when the space next door became available, he pulled the trigger. He opened clothing boutique On the Rivet in 2008.

Luciano also brought men’s products into the mix. On the Rivet stocks a wide selection of shoes, helmets, casual and technical apparel, bags and accessories — everything Mighty Riders doesn’t sell next door.

Mighty Riders specializes in service and custom drop-bar builds for avid cyclists and racers. “Adventure” bikes have come on strong lately.

DEALER TOUR VANCOUVER

Mighty Riders is now located a few blocks away from its original digs in a 1,400-square-foot shop with a no-frills vibe. It’s a niche shop that deals mostly in drop-bar bikes and, increasingly, the growing category of “adventure” models. Luciano said sales of Salsa’s Fargo and the off-road drop-bar Surly Straggler have grown over the past year. “We’re mostly asphalt-oriented, but because we carry SURLY and Surly we have to do some of the weirdo stuff like fat bikes and plus bikes,” Luciano said. “That’s about as much as we get into dirt besides cyclocross and expedition type of stuff, a category that’s going off."

But Luciano has a soft spot for steel, and aluminum is the least represented material in the store. Steel touring models from local brand Brodie make up about 40 to 50 percent of Mighty Riders’ bike sales, while Argon 18 and Cinelli road options satisfy the carbon lovers.

Custom builds make up anywhere from 30 to 40 percent of the shop’s bike sales, despite Luciano’s efforts to lower that number. “I’ve been trying to minimize it, but it just won’t go away!” he said. “Especially when the Canadian dollar goes shitty, there is no point ordering complete bikes out of the States when I get hit with 13 percent duty and other fees.”

But custom builds have also become the norm because Luciano takes a fit-first approach to bike sales. Customers rarely walk in to buy a bike off the floor, he said. “We might talk vaguely about material and cost, but we don’t talk specifically about models until a fit is done,” Luciano said. “This place looks like a pig flat because we’re always tearing shit down to put it back together to make sure it fits the customer. You should see the pile of handlebars every year we have in a box that have to go somewhere. It’s an eternal problem.”

“Everyone is talking about women’s cycling, and it’s funny to me because I’ve been a cyclist for so long and it’s just cycling,” McCarthy said. “Everyone’s just trying to get a piece of the pie. But the pie has always been there — it’s just that nobody served it.”

Besides availability and product consistency, McCarthy said another challenge is balancing the shopping habits of men and women. “Women are more likely to buy casual stuff on a whim. Men come in with a focus,” said McCarthy. “You need to have four different things for women to choose one. It’s a big investment.”

Even though On the Rivet sells a lot of its women’s apparel off the sale rack to keep it moving, the store still averages about CA$350 ($283.90) per square foot in sales. And sales are growing. “That’s a big number,” said Luciano. “My grand plan is for Mighty Riders and On the Rivet to trade places to give the soft goods room to breathe.”
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Established in 1981, Cove Bike Shop (originally Deep Cove Bike Shop) has become synonymous with Vancouver’s North Shore mountain biking scene. Owner Chaz Romalis was 18 years old back then, and had already logged a lot of time riding off road aboard multispeed Schwinn cruisers he and friends built up with drum brakes and motorcycle parts.

“My parents were on my case about not doing anything with my life, so I started Deep Cove to get them off my back,” he said, laughing. “We were only open from 12 to 5 five days a week. In the mornings we went water skiing, and in the afternoon we’d go ride bikes. It was a pretty casual lifestyle, but then it got serious quick because we were the only [mountain bike] shop around.”

Deep Cove was ground zero for the explosion of the North Shore freeride scene in the 1990s and early 2000s, and the shop designed the first purpose-built bikes for Shore riding under the Cove Bikes brand, which launched in 1992 with the Hummer titanium hardtail.

“That gave us the good name for virtually unbreakable bikes. We were pretty much the first guys to build frames with long, sloping toptubes and short stems. That was sort of the leading edge for the Shore, and now everyone’s doing it,” Romalis said.

He moved the shop out of Deep Cove 12 years ago to a more accessible location on North Vancouver’s Main Street. When the motorcycle shop next door on the corner became vacant a year and a half ago, Romalis jumped on it, turning the ground floor into his bike sales floor and service shop, and the upstairs into an apparel section.

And with longtime general manager Sasha Tomchenko minding the new store and moving lots of Kona and higher-end Devinci mountain bikes, Romalis still gets in his trail time like back in the day.

“We’ve really got the place running like a clock, so almost every weekday I can take off for five or six hours and ride my heart out, then come back and check in on the shop,” he said. “I just like coming here and seeing all the guys and talking to customers. But I do get a lot of riding in. That’s why I got into this.”

With the help of several partners, including Wry, owner Paul Anderson expanded his Calgary, Alberta, store Way Past Fast, which opened in 2003, to Vancouver in 2006 under the Speed Theory name. Anderson later bought out the other stakeholders, and rebranded the Calgary store as Speed Theory.

The shift toward the road category dominating Speed Theory Vancouver’s sales was a natural progression. Wry speculates that it’s due to the fact that triathletes don’t tend to change their tri bike very often.

“The repeat business we get is for road bikes because people upgrade those every couple of years,” he said. “We’ve got customers who have one tri bike but they’ve got four road bikes.

Due to real estate constraints, Speed Theory stocks mostly high-end models. The shop’s buyer, Erin Lee, said Speed Theory’s location in a high-rent neighborhood has resulted in a quality-over-quantity approach.

“When you look at the amount of space we have and figuring out dollars per square foot, it’s hard to sell that $800 bike,” she said. “There are a lot of shops that already do that.”

Although its product mix has changed over the years, Speed Theory still caters to the multisport crowd. It offers bike fits and stocks wetsuits and other swim accessories, but doesn’t dabble in the run category. Service is an important part of the shop’s business, with the repair shop located right inside the front door.

Speed Theory also sponsors two large tri clubs, to which it offers a merchandise discount, free clinics and in-store spin classes in winter months.

The shop’s reputation for being friendly also attracts repeat customers, and a large number of women.

“I think we are quite approachable,” Lee said. “People aren’t intimidated and we encourage people to come in and just chat about bikes.”

When Speed Theory first opened, its main focus was triathlon. But as the Vancouver market has evolved, so has the shop’s product mix.

“We used to be 70 percent tri and 30 percent road. Now it’s flipped,” said manager Mike Wry. “When we first opened, the concept of a multisport shop was still new.”

The Cove Bikes frame brand dates back to 1992.

Kona accounts for more than half of the shop’s bike sales.
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The first “DRY” LUBE, the best WET and WAX lubes, the first CERAMIC lubes, now the first “1-STEP” lube.

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The best & most innovative cleaning products including: E-SHIFT for electronic shifting, SPEED DEGREASER for no-residue rotor and drivetrain cleaning, MULTI-DEGREASER for sensitive parts, CITRUS DEGREASER for heavy grunge, BIKE WASH for overall cleaning and SHOWROOM POLISH for a water-repelling shine.

The first NO-DRIP CHAIN LUBER, the first Micro-fiber GEAR FLOSS, The first GRUNGE BRUSH, the best CHAIN CLEANER.

The first RUST-BUSTING PENETRANT that uses a freezing technology, the first SUSPENSION SPRAY with fluoropolymers, the best BRAKE FLUIDS and best SUSPENSION OILS.

For full in-depth product detail, be sure to visit our new website: www.FinishLineUSA.com
Bicycle Sports Pacific owner Michael Theil has been operating in downtown Vancouver for 27 years — 22 in his current location at the nexus of several bike lanes, including the highly trafficked Burrard Street Bridge. Over time, he has fanned out to four separate storefronts on his block to include not only his main sales floor, but also a high-end road studio, bike rental business and busy service shop.

Like Cove Bike Shop owner Chaz Romalis, Steed Cycles’ Kim Steed is closely tied to the North Shore mountain biking scene. A downhill and trials rider, Steed was featured in the first three installments of famed trail builder/filmer Todd “Digger” Fiander’s “North Shore Extreme” video series, which would inspire imitators worldwide both in trail building and freeriding.

In 1997, as the North Shore shot to international reknown, Steed Cycles opened as a mountain-only shop, with an emphasis on downhill and freeride. Steed, 24 at the time, funded his new venture with a credit card that he overdrafted by about $3,000.

Growing his profits proved challenging, however, so in 2005 Steed downsized from his 3,000-square-foot building to a 2,000-square-foot space five blocks away. "It was time to get lean and mean," he recalled.

Over the past 10 years, his sales have doubled.

Although the shop was 100 percent MTB in its early days, Steed has diversified his product mix, focusing on the midrange and higher end of the road and mountain markets while also stocking hybrids, commuters and kids’ bikes.

His customer base has also become increasingly female, with sales currently split about 50/50 between men and women. Since Steed has found that women are more willing than men to spend on high-end mountain bike clothing, he has arranged his apparel section so that women’s clothing and bikes are right next to each other.

And just like the North Shore’s riding scene has evolved in recent years from “hucker” trails to more climbing and flow trails, Steed has seen his mountain bike sales shift away from long-travel downhill rigs and toward 5- and 6-inch-travel trail bikes.

A lot of people are aging. The guys who in their 20s were doing the big huck drops are more into the climbing.

I’m absolutely blown away by the number of people who have gone from being strictly downhillers, shuttling every ride, getting into road biking, cross-country and doing cross-country and enduro races — even cyclocross racing. It’s exciting to see people opening their minds to different aspects of cycling," he said.

"It makes the industry and the sport much more enjoyable," Steed added. "When I started I was 24, and what was really cool to me at the time was downhill. And I realized as I got older there was a wider range of riding. I was able to bring that interest to the business itself. You can’t pigeonhole yourself into one category of cycling. In our area that would really limit the range of business you can have."
**Denman Bike Shop**

- **Employees**: 16 across two stores
- **Sales floor space**: 700 square feet at Denman store; 1,500 square feet plus 2,000 square feet of storage at Main Street store
- **Years in business**: 16
- **Emphasis**: Urban/transit
- **Main brands**: Linus, Electra, Opus
- **Owner**: Justis Morginn, Julie Bischoff

Julie Bischoff went into Denman Bike Shop looking for a bike and walked out head-over-heels in love.

“I like to say that first I bought the bike, then I bought the owner,” she said.

That was nine years ago, and since then, owner Justis Morginn and Bischoff have become partners in life and business.

“It was a turning point when Julie came in,” said Morginn, who opened Denman Bike Shop in 1999. “We had one basket and she said, ‘You’re going to have to get more baskets.’ So I got one more.

“As you can see, she’s had a big effect on the business,” he added, pointing to the array of baskets and accessories lining the store’s colorful walls.

Denman Bike Shop serves Vancouver’s urban market, with women and couples making up a large portion of its customer base. It sells bikes from Linus, Electra, Opus and several other brands, as well as a growing number of Evo e-bikes and conversion kits from BionX. Service makes up about 25 percent of its business, while accessory sales are the shop’s bread and butter. Sales generated by Denman’s online store account for 10 percent of its revenue.

Morginn and Bischoff opened a second store two years ago just off Vancouver’s 10th Avenue bikeway. The shop is housed in a 110-year-old building with a basement that provides much-needed storage. A larger retail sales floor has allowed Morginn and Bischoff to expand the shop’s selection.

Bischoff said that listening to customers’ needs helped them decide which categories to add.

“We used to be famous for our cruiser bikes that got a lot of people into riding,” said Bischoff, a former trapeze artist whose family has owned bike shops in England since 1904.

“Now all those customers are coming back and want something lighter and faster. So we started looking for other brands that had upright aluminum city bikes with hand brakes and good colors.”

Although his two stores are located in neighborhoods littered with bike shops, Morginn said that when it comes to competition, it’s not other retailers that worry him.

“Our competition is a rectangle, it really is,” he said. “It isn’t other bike shops; it’s a computer or an iPad. If there’s a mouse in the house, they’re going to click before they brick.”

**Kissing Crows Cyclery**

- **Employees**: 4
- **Sales floor space**: 1,000 square feet
- **Years in business**: 4
- **Emphasis**: Neighborhood shop, with focus on service and repairs
- **Main brands**: All-City, Spot, Handsome Cycles
- **Owner**: Josh Williams

For Josh Williams, owning a bike shop was the dream that was supposed to happen when he was 65. But he felt compelled to start much earlier.

Williams studied microbiology at school but was uninspired by the work. “I found it soul-sucking and mindless. I found myself moonlighting at bike shops to keep sane,” Williams said.

He was traveling to NAHBS with a friend who prodded him about his interest in opening a bike shop.

“He asked, ‘Why not just do it now?’ The clouds parted and I saw gold,” Williams said.

Williams opened the small neighborhood shop in 2011. While searching for a location, the store took on its own name. “There were crows fighting over scraps in front of this spot, so we were referring to it as the place of the kissing crows,” said Williams.

Given his background as a mechanic, Kissing Crows Cyclery naturally emphasizes service, which accounts for about half its business. “We have enough hands on deck to do drop repairs, with four days’ maximum turnaround,” Williams said.

Sales make up 25 to 30 percent of business, mostly from casual city bikes. The rest of the business is fitting.

“We’re a full-service shop. As long as it’s pedal driven, we’re into it,” said Williams, noting that he is seeing more people trying to get out of the car, and a number of families using Xtracycle cargo bikes to get around.

Williams said the shop is successful, though he has been surprised. “I thought more people would be like me just dying to customize, but people are more sensible with money,” Williams said.

That conservative financial approach has been challenging of late since the Canadian dollar has slipped.

“Our lines are all American,” said Williams. “The cost is now 20 to 30 percent more. A bike that was CA$3,000 is now CA$3,900. That’s a huge difference.”

“It’s meant that higher-end Spot that we love and sold well, with a customer willing to buy at CA$2,350, is not willing to buy at CA$2,800. It’s definitely changed our buying.”

**DEALER TOUR VANCOUVER**

Denman Bike Shop's second store is located just off Vancouver’s 10th Street bikeway.

All of Kissing Crows' bike lines are American, which has made the recent slide of the Canadian dollar tough on business.
“We’re living in a whole new world, and I go to Interbike to figure it all out.”

Tom Henry, Co-Owner and General Manager, Landry’s Bicycles, Natick, MA

I will have dozens of important conversations over three days – conversations that are critical to where I will place my bets in the coming months. What’s hot? What’s the biggest change for you? What has surprised you so far this year? I could walk around Interbike doing nothing but asking those questions and the trip would be worth attending for me.

I am really searching for industry consensus on where things are going. Not a published consensus, but the kind of vibrant, buzzing conversation that only unfolds when all the bees come home to the hive. Only when everyone comes together can you see all the different angles of perception and begin to form a picture that will affect your planning.

For me, the things I learn on the show floor are critical and go straight into my off season planning. That’s the most interesting part for me – that alone is the reason I attend.
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Tom Henry, Co-Owner and General Manager
Landry’s Bicycles, Natick, MA
Dealer Tour videographer Chris McKillican keeps Steed Cycles owner Kim Steed in focus.

Graffiti art brightens the service area at Steed Cycles in North Vancouver.

Denman Bikes details services offered and their corresponding prices.

Supporting sponsor Sugoi provided custom Dealer Tour Vancouver jerseys.

Cove Bike Shop proudly displays the Mountain Bike Hall of Fame statues for shop owner Chaz Romalis and co-founder Ashley Walker.

Obsession: Bikes is located in a 104-year-old former bank building on a picturesque corner in North Vancouver.
Discarded parts become art at road and tri specialty shop Speed Theory.

Tour attendees were treated to plenty of waterfront views on the way back from the North Vancouver shop visits on the second day.

Top banana: Retailer Bike Doctor offers these Banana Guards for riders looking to keep their snack fresh and un-mushed.

The BRAIN staff flew into British Columbia early to go mountain biking in Squamish with Dealer Tour sponsors and industry friends including Cycling Sports Group’s Bill Rudell.

Gary Schreiber, manager of custom operations for Sugoi, was impossible to miss among the Dealer Tour pack as he took high-viz to the next level in his company’s wares.

Left to right: Dorel Sports’ Michael DeLeon, Sugoi’s Nat Tschoban and Dimitar Karabov (high-fiving) and Sombrio’s Ashley Turk unwind at the industry reception following the final day of Dealer Tour. Sugoi and PeopleForBikes co-sponsored the party.
Tour reveals opportunities for growing the industry

I recently had the pleasure of participating in Bicycle Retailer’s Dealer Tour in Vancouver. As well as being one of the most beautiful cities in the world, Vancouver has a fantastic cycling culture supported by a network of bicycle lanes and trails allowing for safe and easy riding. With support from such great cycling advocates as Hub Cycling and the British Columbia Cycling Coalition, it’s easy to see how this city has transformed itself into the cycling-friendly city it is today.

As we traveled throughout the city we were fortunate to meet a wide variety of retailers — each with their own unique style, position and aspiration for their business and cycling. I am a believer that retail remains the hardest job in the world. We as brands and manufacturers must earn our dealers’ business every day by being easy to do business with and having an understanding of how our actions can help or complicate their day as retailers. As it is with every dealer visit, the consumer always comes first and they don’t come on a schedule.

As I started the tour I was uncertain what I might take away from the event. As the event concluded with a dealer reception and I boarded a dreadful red eye back east, I reflected on several takeaways:

- Vancouver has made incredible progress in its cycling culture by harnessing the voice of the people and using the support of great groups such as Hub and BCCC to support that. How do we use this model to expand more rapidly in the U.S.?
- Retailers continue to face complexity, not only from market conditions, but also in managing the service and support levels brands provide. How can we better partner on the tools to support retailers through technical and product training, expedited parts shipments, marketing and merchandising support, and assistance on how retailers support their local communities?
- There’s growing opportunity for casual riders, recreation and fitness riders, women’s cycling and other categories, but we need to better understand how to provide to the right products and services to win these consumers.

It was a great tour and reinforcement that we still have so much opportunity to grow the cycling business.

Thanks to everyone at Bicycle Retailer and PeopleForBikes for supporting the tour.

Dave Manchester
Senior vice president of sales and marketing North America, sales and operations planning Cycling Sports Group

Infrastructure, advocacy keep shops rolling strong

This edition of the BRAIN Dealer Tour proved to be something of a unique experience. Other than being the first international edition of the event, we were also treated to miles and miles of fantastic bicycling facilities. This interconnected network of protected bike lanes, paths and other cycling infrastructure not only ensured that our trips across the city to each shop were a smooth ride, but also that bicycle retailers are flourishing from the increased bike traffic that is bringing riders right to their shops.

Even though we visited a wide variety of shops ranging from high-end road to mountain-specific and everything in between, all have benefited in some form or another from the growing network of bicycling infrastructure. Through the work of Vancouver’s metro area advocacy organization, Hub Cycling, and their efforts to help connect every corner of the city for cyclists, bicycling facilities will continue to flourish all over the city for many years to come.

Looking specifically at the advocacy efforts of the shops we visited, all seemed to share another resounding truth between them: Making every bike ride better is essential to their business. Whether this is done through donating bikes and helmets to other local groups in need or voicing their opinion in the local community when bicycling issues come to the forefront, these retailers understood that their advocacy efforts are crucial for bicycling in their back yard.

Through the combination of the increase in cycling infrastructure and the advocacy efforts of retailers — coupled with the amazing bicycling culture that has been cultivated over the years in Vancouver — it’s safe to say that these shops will be able to keep their customers happy for miles and miles to come.

Mitch Morison
Retail program coordinator PeopleForBikes

Dedication to service creates customer bonds for retailers

The Dealer Tour finally went international, and it was amazing! Vancouver is truly a city built for cycling. The number of protected lanes and multi-use paths gives cities like Portland and Seattle a run for their money. The most incredible part was riding through the city during rush hour. The stream of commuters heading to and from work on their bikes seemed like it never ended — just one continuous line of bikes going through the city.

To support the large number of cyclists was an even more impressive number of shops. One thing was certain at every shop in Vancouver: Service was key. Every shop we went to, whether they were selling $10,000 dream rides or $300 commuter bikes, put a focus on service knowing that it was the key to building a lifelong customer.

A majority of the shops we went to either showed basic maintenance techniques like cleaning and lubing the chain and how to make small mechanical adjustments when the customer picked up a new bike, or offered monthly maintenance classes. These classes provide the retailer a perfect opportunity to not only get the customer back in the shop, but also help build a relationship and create a lifelong customer who will always come back for essential consumables like lube, degreaser, cleaner, nutritionals and tubes. These shops knew that spending a few minutes with a new customer can build a strong bond and that offering to continue their education through classes would keep them coming back for more.

From the perspective of someone in the maintenance category, it was great to see so many shops focusing on service and teaching. As a cyclist, I found Vancouver an amazing city to ride in and explore. I cannot wait to go back.

Derek Goltz
Marketing manager Finish Line Technologies Inc.

Hometown apparel brands look to promote local IBDS

The Sugoi and Sombrio teams were thrilled that Bicycle Retailer chose our hometown of Vancouver for the Dealer Tour this spring. We intimately know what the city and its surrounding areas have to offer cyclists of all styles — from the hard-core roadies, the Shore’s mountain culture and everyday devoted commuters to recreational seawall cyclists. It’s the reason we choose to make Vancouver our home and company headquarters for both brands. Even more so, it helps shape the apparel we create. It is the wide-ranging playground of B.C. that provides the perfect environment for Sugoi and Sombrio to perfect our products — the only thing that stands between an athlete and the elements.

We were even more thrilled to show off the amazing IBD shops that make up the varied landscape of Vancouver’s cycling marketplace. We understand that they are the backbone of our cycling culture and the gateway to growth in our market.

We took away some valuable insight on how we can help create customer satisfaction in store with useful merchandising tools that are attractive and include effective product information and strong branding that promotes us as a Vancouver brand. Also, as a brand, we can offer event support to dealers hosting events within their communities. This enables them to develop more visibility and establish themselves as the “go to” shop for services, product advice, value-added promotions and local trail intel.

Our goal is to partner where we can with retailer initiatives and events, as well as promote these events through our channels.

Jaime Williams
Director of marketing Sugoi and Sombrio
High Powered Business Education for Bicycle Dealers • Interbike 2015
Mandalay Bay Convention Center • Las Vegas • September 15 - 17

Pre-Show Seminars
Tuesday, September 15
10 a.m. to 11 a.m.
How Technology Is Transforming Retail As We Know It
Jim Dion, Dionco Inc.

11:30 a.m. to 1 p.m.
Delivering Exceptional Customer Service While “Having a Great Day Everyday”
Steve Beck, The Brandt Group, Ltd.

1:30 p.m. to 2:30 p.m.
Do You Have A Digital Shoplifting Problem?
Jim Dion, Dionco Inc.

3 p.m. to 4 p.m.
When the Carrot Doesn’t Work
Lori Richman, Quality Bicycle Products

4:30 p.m. to 5:30 p.m.
The Importance of Capturing Customer Information
Charlie Cooper, PeopleForBikes

Day 1
Wednesday, September 16
9:30 a.m. to 10:30 a.m.
You Can Compete!
Bob Phibbs, The Retail Doctor

2 p.m. to 3:30 p.m.
Removing the 8 Obstacles to Apparel Success
Dan Mann, The Mann Group

11 a.m. to 12 p.m.
Retail Design Review: Designing the Customer Experience
Alison Medina, design:retail magazine

12:30 p.m. to 1:30 p.m.
Visual Merchandising for Sales
Bob Phibbs, The Retail Doctor

4 p.m. to 5:30 p.m.
Uncovering The BRAIN Retail Remodel: Now Bikes & Fitness
Holly Wiese, 3 Dots Design and Mercedes Ross, Merchandizing Werx

Day 2
Thursday, September 17
8:30 a.m. to 9:30 a.m.
Death by Discounting
Donny Perry, SBCU Program Manager

10 a.m. to 11 a.m.
The Five Areas of Retail Excellence
Chris Kegel, Wheel and Sprocket

11:30 a.m. to 12:30 p.m.
Leading Out Retail: The Future of Bike Shops
Donny Perry, SBCU Program Manager

1 p.m. to 2 p.m.
Creating Real Value in Your Bike Shop
Jeff Koenig, Big Poppi Bicycle

2:30 p.m. to 4 p.m.
Creative Practices for Service Department Management
Brett Flemming, Efficient Velo Tools

4:30 p.m. to 5:30 p.m.
Secrets from the NBDA Profitability Project Revealed
A panel of bicycle retailers devoted to improvement

Visit NBDA.com for more details.

The 2015 Super Seminars Plus at Interbike Las Vegas are part of Interbike University.