

Provocateur

Creating Bicycle Friendly Cities

The Bicycle Industry's Greatest Opportunity

THE BICYCLE BUSINESS HAS grown markedly over the past 25 years. First there was the mountain bike boom that started in the mid 1980's and lasted to the mid 1990's. Then we had road bike boom that kicked in after Lance Armstrong's victory in the Tour de France that has lasted for more than seven years.

How is the bicycle industry going to grow in the next 25 years? Product development and marketing are the two traditional ways to spark growth. Developing new ways to manufacture bikes using carbon fiber, constructing lighter wheelsets and improving folding bikes are all going to grow the industry. But we've been doing this for the past 20 years, and the returns on these investments are limited.

There is a much larger growth opportunity, and that is for the industry to create bike a more bicycle friendly world by supporting bicycle advocacy groups. Groups like Transportation Alternatives deserve more industry support. For every \$100 of sales, a typical bicycle company spends \$3.90 on marketing, \$1.60 on product development but only ten cents on bicycle advocacy.

Many troubling trends that make this a good time for the industry to put more resources into advocacy. First is the obesity epidemic. The average weight of kids between the ages of six and 11 has increased by 11 pounds, and the average weight of adults



John Burke, President and CEO, Trek Bicycle Corporation and board member of Bikes Belong

solution: switch short driving trips to bicycling trips. This is achievable; almost 50% of all driving trips are two miles or less in length. Bicycles are much more efficient than cars; in the street space required to move or park just one car, many tens of bicycles can be accommodated.

The efficiency of bicycling is more relevant than ever before because for the first time in the history of humankind more people are now living in cities than in rural areas. Every day, 180,000 people are migrating to cities. Bicycling is the solution to congestion in urban areas. The more bicycling a city has, the more space can be used for parks, sidewalks and other improvements that make cities more livable.

The final major trend that makes this an auspicious time for the industry to begin putting serious money into advocacy is global warming. Vehicles contribute 60-70 % of pollution and carbon, while bicycles are zero-emission vehicles.

Despite these trends, we are still spending all of our money on product and marketing. We need to put more money into creating a bicycle friendly world, and that means supporting bicycling advocacy. Creating a bicycle friendly world is not a pipe dream. In many countries bicycling is already carrying a large portion of the transportation load. In

the Netherlands, bicycling represents 35% of all trips.

London Mayor Livingstone recently said something very wise: "cycling is the fastest, cheapest, most healthy way to get around London, which is why we are investing... cycling has doubled since 2000, and we have already exceeded our targets." More cities need to do with London is doing. We need more politicians who "get it." If bicycling in the U.S. grew from less than one percent of all trips to five percent of all trips then the bicycle industry would grow from a \$6.2 billion per year industry to a \$31 billion industry.

There is a simple truth: if you build bike facilities, people will use them.

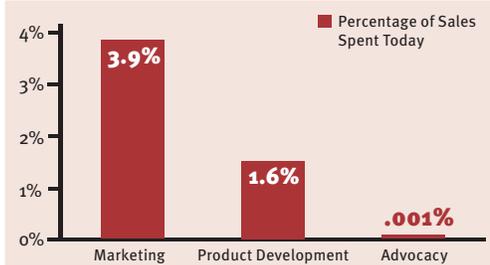
Through Bikes Belong, in the 1990's Trek supported Transportation Alternatives' efforts to make the Hudson River Greenway a reality. What was once a dilapidated waterfront is now the busiest bicycle path in the United States.

This facility and countless others like it would never have been built without the support of advocates, and therefore we need to support advocates. Before 1995, the industry gave \$0 per year. Advocates used to come to me asking for money, but I would shoo them away. Then in 1997, I figured out that it was in the industry's interest to support advocacy. The industry now raises about \$2 million per year to support advocacy groups. The advocacy groups, working with visionary transportation leaders in Congress, like Representative James Oberstar (D-MN) and Earl Blumenauer (D-OR), have leveraged this funding into \$800 million in federal money per year for bicycle facilities. That's a return on investment that any sensible businessperson would take to the bank.

Supporting bicycle advocacy organizations will help create the new generation of bike riders, which is good for the environment, good for public health and good for the bicycle industry. □

John Burke, President and CEO Trek Bicycle Corporation

The Bike Industry's Skewed Priorities



has increased by 24 pounds. This is a global problem. Experts agree that the best way to solve it is through prevention and that means more physical activity. Bicycling burns 500-700 calories per hour.

Traffic congestion worldwide wastes billions of dollars and billions of gallons of fuel. Solving traffic congestion by building more roads is like trying to solve the obesity by loosening our belts. Again a preventative