

Bicycle Retailer

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and INDUSTRY NEWS



South Carolina retailer branching out into B2B market.

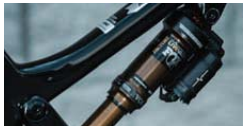
PAGE 20

IN THIS ISSUE

We analyze 2020 stock performance of 31 public companies having exposure to the bike market. Page 8



To deter growing bike theft, France passes law to make bike registration mandatory. Page 13



Patent Watch: Fox developing crank sensor for Live Valve system. Page 20

Changing lives, one bike at a time, the goal of this retailer. Page 30

STATE of RETAIL



Jodie Gates, Partner, Oregon E-Bikes, Hood River, Oregon

Describe your dream bike shop and where it would be located ...

PAGE 10



COVID fuels break-ins, shop cooperation

By Ray Keener

PORTLAND, Ore. — Smash-and-grab thefts from bike shops have risen dramatically during the COVID-19 pandemic. But the phenomenon has led shop owners in several markets to start organizing and cooperating to share information. Some also are working more closely with local law enforcement, with mixed results.

BRAIN reported on a rash of shop break-ins in a March 2020 cover story, reported just before the

pandemic took hold. It was already a problem. But since then, shop owners and law enforcement say the well-publicized nationwide bike shortage and boom in demand has fueled a bigger wave of theft.

"People are more desperate than usual," said Eva Frazier, co-owner of Clever Cycles in Portland, Oregon. The shop has been broken into three times since the pandemic began.

Besides the bike demand, other factors contribute, she said. "During COVID, the streets are really

BREAK-INS page 13

Police bike contracts have limited appeal to many retailers

A long bidding process, delays in payment, and usage concerns have complicated the market.

By Dean Yobbi

SAN DIMAS, Calif. — As a law enforcement bike retailer for 25 years, Aaron Roesler understands the reality of this niche market.

"It's not lucrative," said Roesler, the CEO of American Bike Patrol Services. "There's a running joke that if I had to live off of police department (bike) sales only, I would probably be (living) under the freeway. I think it's more of a relationship."

It's a relationship built more on trust than profit, Roesler said. Winning the contract to provide bikes to law enforcement will not appeal to all retailers, especially high-volume

POLICE BIKES page 12

Take a hike

All signs point to even higher prices for bikes

By Steve Frothingham

WILTON, Conn. — Graduates of whatever microeconomics classes come before the 101 could predict price hikes in 2020, given the supply and demand misbalance.

Through last September the average retail price of bike products was up 22%, compared to the same period last year, according to NPD Group. And this year will likely see retail prices go up another 10-25%, experts say.

Some major suppliers held the line on pricing through the summer, but most implemented wholesale price increases in the fall and some upped them again around the turn of the year.

HIGHER PRICES page 12

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FROM THE COVER

BREAK-INS

quiet. The comedy club upstairs is closed so there's no eyes on the street. And the cops seem to be tied up with other things and are not responsive to our calls after a break-in."

Frazier related the pain of smash-and-grabs. "One time, the crooks really knew what they were doing," she related. "They targeted high-end Gocycle electric bikes. Another rock-through-the-window incident was more random. They took three or four bikes, we called the police and they didn't show for more than an hour. We ended up losing 11 bikes in total."

Some shops have had better luck with police engagement. When Urban Shark in downtown St. Louis had its windows smashed during the George Floyd protests in June, owner Mike Weiss called officer Joe Pierce, who is the bike mechanic for the 50-member police bike response unit.

"Mike said they had lost 14 bikes," Pierce remembered. "We had close to 50 officers on bikes in the area. When we went to the shop, we immediately grabbed back seven of the bikes from looters and within an hour we recovered and brought back all but one bike to the shop."

Shops are organizing locally to minimize the chance of break-ins and get their stolen goods returned. Some are more intentional than others. Tim Wesolowski, co-owner of CatSix in Portland, had two break-ins within a month.

"We sent a note to a handful of shops we're friendly with," Wesolowski said. "We communicated about how people are getting in and how to minimize the 'next time.' We've talked about how to come up

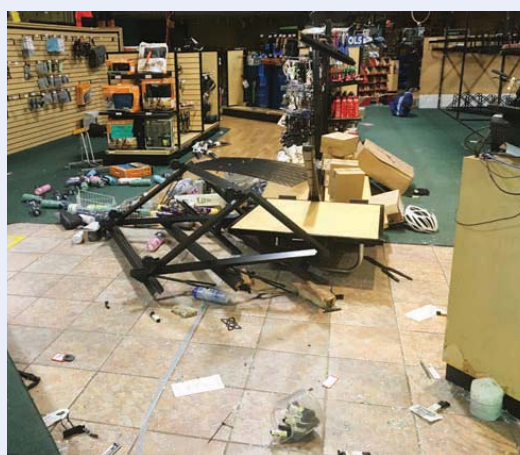
with a better form of communication between shops to get info out a little faster and wider."

Boulder, Colorado, bike shops got organized early in the pandemic when they lobbied state, county and local authorities to have bike shops declared essential businesses. Russ Chandler, owner of Full Cycle, led this effort. "We collected emails from all the local shops and went to the governor with a united front. Boulder is a small and very supportive community, which makes a group effort easier here than in large metro areas."

Three Boulder shops were broken into in December 2020. The police department quickly pursued and apprehended two thieves. Maris Herold, Boulder's police chief, is a former mountain bike racer who owns six bikes.

"There's some evidence to suggest that high-end bikes are ending up in Mexico," Herold said. "We've done surveys of local shops, (asking) 'what can we do better to help prevent break-ins?' I've had a bike stolen myself and I know how much bikes mean to people."

Boulder's community engagement officer Mitch Trujillo detailed the ways in which Boulder PD is supporting shops. "We get with each shop owner to make recommendations on ways to target-harden their shop. We encourage natural surveillance, camera surveillance, and employ techniques in the store that make it harder for the crook to get in and get out,"



Smash-and-grab theft has jumped since the COVID-19 pandemic created bike supply shortage last year.

Trujillo said. "Our officers are using bait bikes, conducting investigations, providing education for securing bikes, and promoting bike registration with the shops and customers."

Ten miles north, in Lyons, Colorado, the situation is quite different. Dave Chase of Redstone Cyclery expressed frustration with law enforcement's response after his two break-ins in 2020. "I rely on the Boulder County Sheriff's office, and they have been totally unresponsive to my continued pleas for an investigation."

Retailer Jim Kersten of Edgebrook Cycle in Chicago used his e-mail list of shops to coordinate communication among area shops. "During the riots this summer, Kozy's got hit twice in a week," recalled Kersten, who also runs the CABDA trade shows, referring to a long-time Chicago

retailer. "We got surveillance video and a list of stolen bikes with serial numbers, put together a post and sent it out. My shop got broken into twice and fortunately there was nothing much to steal."

One resource mentioned by both Wesolowski and Chandler is Bike Index, a non-profit bike registry that's recovered over \$13 million worth of bikes stolen from shops and individuals. Co-founder Bryan Hance called 2020, "...a mother of a year for smash-and-grabs at shops. Once everything locked down in the spring, no one wanted to use public transportation. Then we saw massive step-back by law enforcement stretched thin by protests in Portland. Shops were

broken into three or four nights in a row."

Bike Index is primarily focused on registering and recovering bikes for shops. "We have 50 people across the country getting shop POS systems with serial numbers tied into the Bike Index system," Hance noted. "When shops get robbed, we're immediately sending out intel."

Hance called OfferUp and Craigslist "(Expletive) cesspools. We trace thieves through these apps and we now know the full names and addresses of people who rob shops."

When all else fails, Clever Cycles' Eva Frazier recommends dealers keep their perspective and their sense of humor around smash-and-grabs. "I paid 99 cents to change the ring tone on my phone. Now if there's a break-in, 'Eye of the Tiger' wakes me up in a fighting mood." **BRAIN**

France makes bike registration mandatory to deter theft

By Alex Solo

With around 400,000 bicycles stolen each year, France is one of the worst countries in Europe when it comes to bike theft. Even if 100,000 of the stolen bikes are found by the police authorities, figures show that only 7,000 of them are returned to their owners. To face this huge problem, the French government has passed a law which requires retailers to market all new bikes sold in a store or online. The new law took effect Jan. 1.

On July 1, the law extends to used bikes sold in shops. Owners of bikes sold before these deadlines will also have the opportunity to make them mark if they wish.

All the registrations will be integrated in a national file called "Fichier National Unique des Cycles Identifiés" (Unique National of Identified Cycles in English).



This French retailer is using a micro-percussion machine to engrave the registration number on a frame.

This file will be managed directly by the new Association de Promotion et d'Identification des Cycles (Association for the Promotion and Identification of Cycles) for a period of six years. This group has been founded by the Union Sport & Cycle and the FUB, the French Federation of bicycle users.

The database will contain the personal

data collected during the purchase (first and last name, company name, phone number and email address) and of course a description of the bike (type, make, model, color). Some optional data such as postal address, date of birth of the owner, bike serial number, drive system serial number, or battery serial number for an e-bike, could also be added. All the personal data will be stored until the owner is no longer in possession of the bicycle. The collected information won't be used for any commercial purposes but only for statistics, the government promises.

The information is on a permanent label attached to the frame. If the owner sells the bike in the future, the new owner will be able to update the information.

The French government is launching the identification procedure by officially choosing some approved operators,

which include Bicycode, Auvray Security, and Recobike. With these operators, retailers will be able to proceed to the registration and to enter the owner's data securely in accordance with the system put in place.

The responsibility for this falls on the retailer, as the brands will continue to deliver the bikes normally. Due to the pandemic, it was complicated for the shops to be fully operational starting Jan. 1, so the government granted an extension for the implementation of the system until the end of the first quarter of 2021.

Patrick Guinard, the CEO of Velox, was the co-founder of the APIC and serves as its president. He said that a program that brings together users, manufacturers, retailers and identification operators to jointly fight against the theft of bicycles, is a world first.

"It's a real challenge and I'm convinced that this model will become a standard at a European level in the coming years," Guinard said. **BRAIN**