

The Bicycle Industry: Local Provider. Global Partner?

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Summary.

In some countries the bicycle industry is emerging as a powerful ally in pro-cycling actions. In too many countries however the bicycle industry is aloof from the strivings of bicycle advocates. The bicycle industry has internal struggles which polarise around a number of issues and examples include anti-dumping actions by EU countries against Asian producers, fragmentation of bicycle styles. etc.

While we have glaring examples of bicycle use being given overtly hostile treatment the really depressing aspect for advocates is that so little potentially very powerful action is seen from the bicycle industry.

Several nations do have industry actions which are building significant alliances and partnerships with advocacy organisations with the two fold benefit of furthering campaign aims while also building the commercial sector. A number of examples are given.

It is at the third or global level that the real power which can be generated by coalitions of major industry companies and national industry and advocacy bodies might be realised. To achieve progress it will be necessary for enough companies to incorporate a degree of non-commercial thinking into the prevailing culture of commercial competition for much bigger objectives.

Two conditions seem to be essential for gathering industry participation into advocacy actions. The first is what might be called the 'grand plan' scenario, in one word, infrastructure.

The second is presence of a 'champion' who also exercises powerful influence within the prevailing power structures which determine allocations of resources.

In conclusion, four actions are suggested.

1. The bicycle industry as advocacy ally, but too limited.

In some countries the bicycle industry is emerging as a powerful ally in pro-cycling actions. In too many countries however the bicycle industry is aloof from the strivings of bicycle advocates. Overall, the bicycle industry has internal struggles which polarise around a number of issues and these presently can include:

- 1.1 anti-dumping actions by EU countries against Asian producers
- 1.2 commercialism turning bicycles into commodities
- 1.3 fragmentation of bicycle styles
- 1.4 reliance on fashion-driven technology
- 1.5 failure to grasp the environmental, ecological, health and tourism benefits of bicycle use.

Each of these examples demonstrates a high level of distraction from more global and advocacy oriented matters.

1.1 Anti-dumping actions.

The anti-dumping action on complete bikes which embroiled EU countries against Chinese producers ran hot in 1999 and has cost the industry dearly, and also extra costs to consumers (Note 1) especially when a further European Bicycle Manufacturers' Association (EBMA) action on frames and forks against China and Taiwan was withdrawn in early 2000. BIKE Europe magazine (Jan/Feb 2000) (Note 2) reports the legal costs alone amounted to about US\$400,000 but if time and

effort factors are added that could be three times as much. What might that sort of money have done by way of benefits for cycling if turned over to highly organised promotional actions?

1.2 Commercialism and a commodity.

Glossy cycling magazines usually provide an image of bicycles and related products in the more exotic, higher priced and specialised sector, aimed at enthusiasts. Generally there is little glamorous promotion of basic general purpose machines which form the bulk of production, including children's bicycles.

In the USA more than 65% of all sales (and this figure is growing, with a similar story in most other 'western' countries) usually at the lower quality end of the market.

This split varies by country and trading structure. For instance in some European countries a quite basic utilitarian style of bicycle predominates, no matter what point of sale (POS) delivery system is used.

The constant pressure to hold down price and produce volume tends to push the bicycle into a commodity type situation where price generally prevails over brand, style or quality.

Typically the specialist retail channel tends to deplore this situation and raise arguments about quality of riding experience, durability, value-for-money, and 'expert' pre and post sale support. In reality the majority of buyers, at least if outside a strong and very visible bicycle using culture will select on price before other considerations.

1.3 Fragmentation.

The early eighties brought salvation to the industry, after the BMX boom, via the now ubiquitous 'mountain bike' (MTB). In most 'western' countries where utility is much less important than fashion and image and where marketing constantly seems product differentiation ('Buy my brand D, not his brand G!') the market place is the test bed for an endless variety of 'new' forms, materials, colours and configurations.

This pressure does have positive outcomes however, provided it is not the main game. Over the last twenty years or so advances in materials technology e.g. composite metal matrix (CMM), alloys, carbon fibre, plastics, titanium, injection mouldings, magnesium etc., linked to sophisticated production methods e.g. CNC milling, coupled with Computer Aided Design-based Research & Development as in frame and component designing, and concepts imported from other technologies e.g. hydraulic suspension and brake systems, disk brakes, auto and electric gear changing (Note 3), microchip sensing systems etc., has introduced a huge range of truly innovative equipment.

Specialisation in tyre technology, saddle manufacture, gear changing devices, folding bicycle design, etc., have added value and 'zing' to higher end modern bicycles.

The quest for super light weight and high strength machines is perhaps nearing the physical limit of design and construction but form is still testing and teasing many creative minds.

1.4 Fashion-driven technology.

As noted above, fashion plays a constant part in diversity of styles. Paint colours are a very visible expression of fashion but so too are shapes and techno wizardry. Generally while bicycles are less a transport mode (utilitarian) and more a discretionary purchase (fashion and recreation etc) designers and marketers will pursue a fashion oriented approach, although the entry of the MTB to the Indian market (Note 4) has seen advertising gloss added to an otherwise basic product. The MTB novelty factor provides a new 'spin' for the marketing people.

1.5 Failure to grasp the environmental & other benefits.

This industry reflects a lack of understanding about environmental issues and not least in the form of product packaging.

It is doubtful whether anyone has calculated the quantity (and cost, both to obtain but also dispose) of cardboard, plastics and other transit packaging for the 110 million or so bicycles produced each

year. Nor of similar materials used in delivery the vast array of parts and assessors (bubble and shrink wrap, printing inks etc) across the world. Disposal of these materials at POS or by consumers, if little recycling is involved, is an uncomfortable negative side to the 'green machine'.

In wider terms although there are examples which show some industry players are alert to the health benefits of bicycle use, little is done to carry this important and effective message to governments and health professionals in a concerted and coherent manner.

What is done tends to be a 'feel good' approach in a more general product oriented format rather than tough minded, well researched and persuasively delivered advocacy and promotion.

(One notable exception in the past couple of years has been the product research and production by Shimano (Note e.g. auto gear changing, accompanied by consumer magazine advertising pitched at easy riding and a fun lifestyle. A more general interest by more companies has been a growing awareness of the importance of 'comfort' in terms of machines and accessories, but this is still a sort of internalised view.)

A similar situation applies to the wider issues associated with environmental factors e.g. reduction of short car trips, reduction of the need for increasing automobile-oriented infrastructure etc., all of which offer significant cost benefit trade-off negotiating opportunities. Cycling tourism is another undervalued development although highly visible projects such as the European Cycling Network, the UK 5000 mile Network developed by Sustrans and officially launched this very week, the extensive La Route Verte project in Canada (Note 6), and rail trails in the USA (Note 7) and Australia (Note 8) all provide an ideal hook for stronger industry involvement. An exception to the general lack of focus can be found in the USA Bikes Belong Coalition (BBC) (Note 9) which is quickly establishing a form of 'best practice' for an industry based advocacy and promotion enterprise, at least on a national basis.

While we have glaring examples of bicycle use being given overtly hostile treatment, for instance in some cities in China where roads are being closed to bicycle traffic in favour of automobiles, by the government of Spain which recently enacted draconian laws against cycling, the really depressing aspect for advocates is that so little clear and potentially very powerful action is seen from the bicycle industry.

This gloomy view it is not however the whole picture. For in spite of all of the above having been said, there are a number of exemplary demonstrations of action, at various levels and on different regional and national fronts. Some examples can be given to illustrate this fact.

2. Examples of positive action.

Several nations have industry actions which are building significant alliances and partnerships with advocacy organisations with the two fold benefit of furthering campaign aims while also building the commercial sector.

2.1 Just across the Channel can be found the story of the UK Cyclists' Public Affairs Group (CPAG) (Note 10) during the last two decades. An intriguing aspect was the way in which the national wholesaler association (the BA) (Note 11) supplied both data and money which served to bolster the advocacy case and provided appropriate lobbying support when meetings included Members of Parliament.

2.2 Nearer to our Conference location can be found examples where Dutch and German bicycle industry associations have worked in partnerships with user groups and government agencies to progress various campaigns. The industry in Europe can boast some innovative and very active involvement in programs which have sought to stimulate greater involvement of the retail sector in lobbying governments and working with campaign groups. It seems that the Bicycle Friendly Cities

program and the pan European cycle touring network provide an essential focus for local and wider association actions.

2.3 Mention has already been made of the Bikes Belong Coalition in the USA (Note 12), which working closely with the National Centre for Bicycling & Walking (formerly the BFA), has gathered significant direct support from a number of major bicycle industry companies. BBC has joined the lobby to Congress over the Transport Equity Act for the 21st Century (TEA-21) but is directly channelling money into infrastructure projects such as \$US10,000 into Marin County (CA) Bicycle Coalition for its 'North-South Bicycle Freeway' project, and similarly to other bicycle pathway developments.

2.4 Australia's new (Feb 1999) national strategy 'Australia Cycling', which includes the bicycle industry associations (BITA and RCTA; Note 13) as partners is another example of support being possible through the agency of joint action.

2.5 In New Zealand an effort is now in train to establish a national strategy for cycling, and there seems to be some industry support for this approach by government and campaign groups.

3. Consider the levels of possible action.

3.1 The first layer or level at which shared action can occur is probably the easiest to organise because the objectives and opportunities are near to hand and more obvious and easily understood, and support can be quite readily mobilised without high cost. The feedback loop is also smaller and faster.

In many countries this can be understood in terms of 'local government', a township, a city within a metropolitan area, and in this sense there are many examples of bicycle retailers in close supporting roles with bicycle user groups and connections with local government.

3.2 At the second, national level, we are seeing more developments but still with too limited direct 'mass' involvement of the manufacturing and distribution sector of the industry. Leadership is almost invariably limited to individuals within companies acting as champions for actions which fall outside what most would consider the proper scope of business activity. Examples have already been given of particular projects and developments at this level.

3.3 It is however at the third or global level that the real power which can be generated by coalitions of major industry companies and national industry and advocacy bodies might be realised. To achieve progress on this scale it will be necessary for enough companies to incorporate a degree of non-commercial thinking into the prevailing culture of commercial competition for much bigger objectives. Such a proposal might be considered by many as little more than idle daydreaming. But if other industrial enterprises can organise themselves on this scale, why is it not also possible for the bicycle industry, which has a product very well placed to deal with a range of travel, transport, tourism, environmental and health opportunities with reliance on increasingly scarce resources such as oil and clean living space.

What might have been the outcome if an international bicycle industry deputation to the Spanish Government had counteracted and led to the defeat of recent anti-cycling legislation. We could use face-to-face high level industry enabled diplomacy to influence such decisions, and encourage positive results which would be a win for all parties.

4. Where is the global action?

We do have a growing array of national, regional and local alliances. Missing is a capacity for global bicycle industry actions which could deliver far-reaching benefits for all cycling.

Before concluding with a summary of proposed specific actions there are two other points which should be made in any discussion about the ideas which are the topic of this presentation.

It is worth noting that two conditions seem to be essential for gathering industry participation into advocacy actions and both are usually apparent in situations where companies and businesses, at any level, become involved outside narrow commercial activity.

4.1 The first is what might be called the 'grand plan' scenario or vision and can be summed up in one word - **infrastructure**. Some examples have already been mentioned:

- the Sustrans UK Network;
- 'Enhancements' funding within ISTEA/TEA-21 which is pouring hundreds of millions of dollars into tracks, trails and other facilities in towns and cities across the USA;
- rail trails in Canada (and La Route Verte), Australia, EU, UK, New Zealand and elsewhere; etc..

These highly visible developments can be rallying icons which overcome the sceptical or natural conservatism of industry and commerce, or are brought forward as prizes to be won if there is sufficient support and influence brought to bear, usually on national political systems.

4.2 The second and closely related factor is the presence of a **champion** who provides both encouragement to supporting organisations and individuals, and exercised powerful influence within the prevailing power structures which determine allocations of resources. Most typically these champions operate with the systems of national government, and people like US Congressman Earl Blumenaur and Representative James Oberstar come to mind. The UK National Strategy of the early nineties owed much to a Member of Parliament. There are of course other champions although they might be reticent to be called such, like Mr John Grimshaw of Sustrans and even Mr Ton Welleman, Project Manager of the Dutch Bicycle Master Plan. What the bicycle industry urgently needs are strong champions from within its own ranks who can see the vision and take hold of the opportunities to form strong alliances and carry the promotion of bicycle use way beyond the confines of the technology of the machine and associated commercial activity.

5. Concluding comments.

The essential thesis of this paper is not new nor even novel. It was first expounded in a paper by the writer titled 'Globalisation of Bicycle Advocacy: Coalition with Industry', presented at the Conference Velo Mondiale, Montreal, September 1992, and again in 'Advocacy for Bicycling Cities. A Bicycling World. Assembling Global Allies for a Global Task!', Velo City Conference Nottingham UK 1993.

While there have been several very encouraging and heartening developments since then which indicate this message is starting to be heeded, most of the actions proposed at the conclusion of the Nottingham paper are still unfulfilled.

Perhaps the attempt to formulate an action plan in 1993 was not just ambitious but also somewhat naive. A modified version of those points is offered and listed below as the summation of this presentation.

5.1 Call on major companies in the global bicycle industry to consider the benefits of shared action through collaboration between major stake holders - industry, bicycle advocacy organisations, and selected supportive national governments.

5.2 As a first step to stronger national and international action to promote bicycle use, find ways and means of establishing a working party of internationally acknowledged bicycle industry leaders and representatives from key advocacy organisations, who will be able to initiate and coordinate moves toward global pro cycling action.

5.3 Ask this working party to prepare a statement of objectives for global bicycle advocacy and promotion.

5.4 Develop a capacity for action on a global basis through a framework which includes representatives of the bicycle industry, advocacy agencies and other specialist cycling interests and to include all or some of the following:

- Establish a facility for rapid and high level action to meet and defeat, or sufficiently deflect, serious hostile events or actions which threaten bicycle use at a national level.
- Develop a capacity for sustained promotional actions which take positive messages to the highest levels of national government and other key lead agencies which influence policy and infrastructure delivery.

Notes.

1. <http://www.bikenews.org/1998/18.htm> (story in Bike News about anti dumping, and costs to consumers)
2. BIKE Europe magazine (Jan/Feb 2000) www.bike-eu.com (check News Archive)
3. auto gear changing electric power assisted bicycles e.g. www.electric-bikes.com/
<http://www.yamaha-motor.co.jp/pas/oem/index-e.html> and other websites
4. Advertisements occasionally in Japan Cycle Press email <cycletyo@zb3.so-net.ne.jp>
5. Sustrans www.sustrans.org.uk/
6. La Route Verte project www.velo.qc.ca/route_vert & also Great Bicycle Trails - Nebraska www.great-trails.com/cbtrail.shtml
7. Rails to Trails Conservancy USA www.railtrails.org
8. RAILTRAILS Australia Inc. www.railtrails.org.au
9. Bikes Belong Coalition USA www.bikesbelong.org
10. CPAG via CTC www.ctc.org.uk/ctc.html, also reference the UK National Cycle Strategy www.open.gov.uk/dot/ncs/ncs.htm
11. The Bicycle Association Starley House, Eaton Road, Coventry, CV1 2FH UK (no Web site)
12. TEA-21 www.TEA21.org/
13. Bicycle Industry Australia (BITA, RCTA) www.bikeoz.com