Fake out: Counterfeit crackdown | **Slick packaging:** Rule spurs lube overhaul | **Pain is an 11:** Product intros vex dealers

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photo courtesy of Pelotonia

CHARITY RIDES LEAD THE PACK

Events' growth outpaces many athletic fundraisers.

By Doug McClellan

RYE, NY—While the biggest charity "thons" were flat or slightly down in 2012, most dedicated to cycling saw healthy increases.

"When we look at the results, the really strong results are in the cycling area," said David Hessekiel, president of the Cause Marketing Forum. The forum publishes the annual Run Walk Ride 30, which tracks the top 30 charity athletic fundraisers.

Pelotonia was the fastest-growing big program in America on a percentage basis. It raised $16.9 million in 2012, up nearly 29 percent from

Continues on page 14

Industry nonprofits chart a new course

Building on fundraising momentum, groups such as Bikes Belong plan strategic shifts this year.

By Doug McClellan

BOULDER, CO—2013 is shaping up to be a year of significant change at the industry's top nonprofit organizations.

Bikes Belong is shifting its focus from securing federal funding to state and local advocacy work. With the shift could even come a change in the organization's name, executive director Tim Blumenthal said.

"You may not hear the name 'Bikes Belong' much going forward," he said. "It's conceivable that we will rename the foundation the 'People for Bikes Foundation,' and it's even conceivable that we will rename the coalition the 'People for Bikes Coalition.' "

The Bikes Belong Coalition is the primary organization, while the Bikes Belong Foundation focuses on bicycle safety and children's bicycle projects.

The Bikes Belong board was expected to discuss the renaming at a meeting after this issue went to press.

Whether or not it adopts a new name, Bikes Belong is shifting its focus, and its decisions affect other nonprofits.

The changes come at a relatively good time for nonprofits. A review of financial statements for more than 50 cycling nonprofit associations shows that most posted modest to significant revenue increases between 2009 and 2011, the latest available figures.

That tracks national trends. According to a survey by the Nonprofit Research Collaborative, nearly six in 10

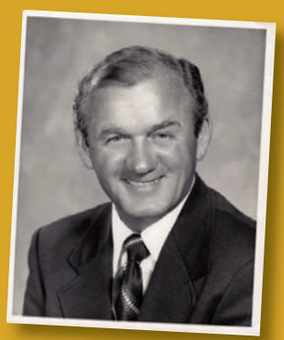
Continues on page 18

IN MEMORIAM

Al Fritz

Industry icon and father of the Sting-Ray

1924-2013



See page 36

In this **Issue**

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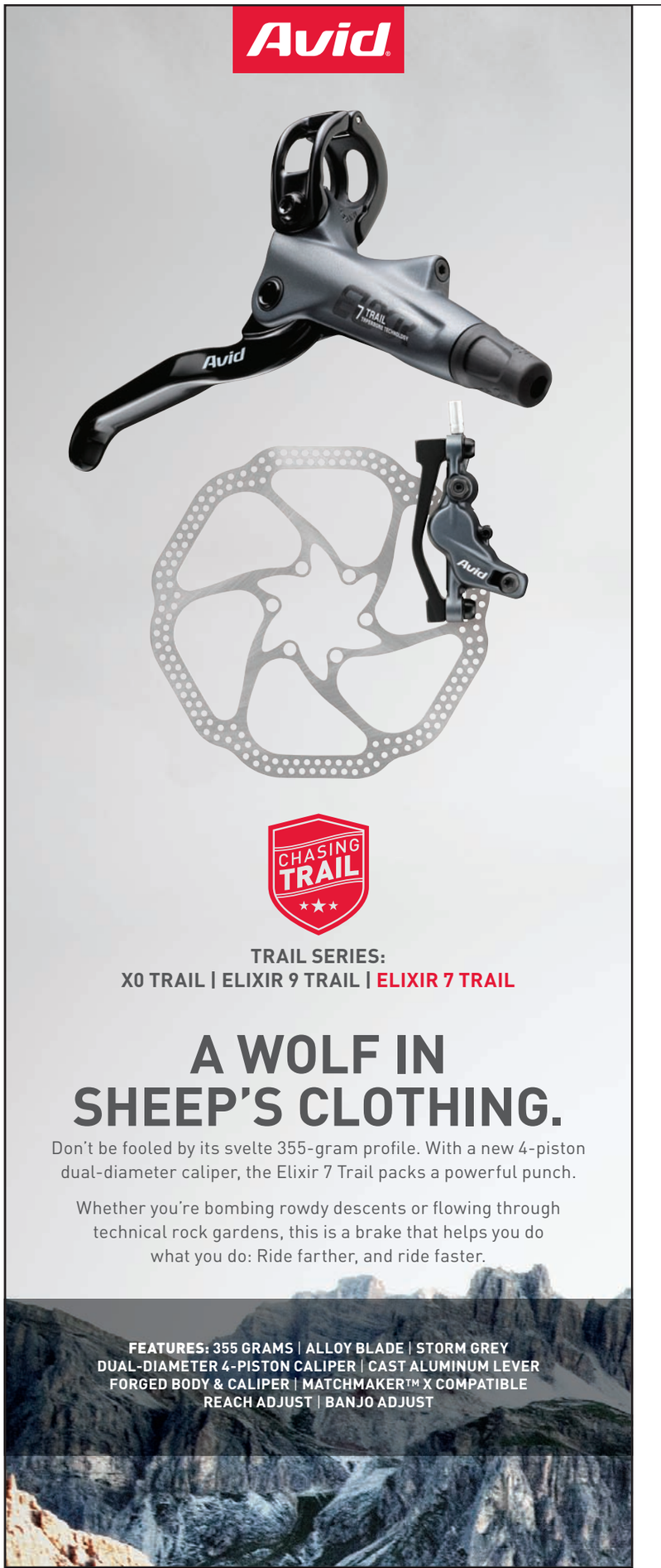

Catrike manufacturing simplifies complex product

By Steve Frothingham

ORLANDO, FL—A passion for engineering—originally for car engineering—inspired Paulo Camasmie to start a company manufacturing some of the most mechanically complex products on the bike market—three-wheeled recumbents.

Long before establishing Catrike, now a fast-growing recumbent manufacturer, Camasmie was intrigued by the machines' design and the promise of comfort and fun.

Living in his native Brazil after completing engineering school and an internship with Chrysler, the more he researched the bike market the more he was convinced that recumbents presented an opportunity to live his dream of running a company built around his designing and manufacturing.

It all started with what he called "an epiphany" in his garage in Sao Paulo, when he looked at a Diamondback balloon tire cruiser and thought about how he had always liked bikes, but never liked the discomfort of riding them.

"I told my wife, 'We should move to U.S. and make comfort bikes—let's go for it.' Then I started researching, and the more I learned about recumbents the more I thought, 'This is the bike for the future.' "

Camasmie focused on the style of 'bents with two-front wheels, sometimes called "tadpoles."

"You look at these tadpoles, you know they look like a little car with the two wheels in front. They have the same kind of steering dynamics and a drivetrain like a car, and I just thought, 'I could have fun with that.' And the barrier of entry was not too bad—I didn't need a million-dollar machine to get started."

Camasmie spent two years researching the market, making trips to California to meet with dealers and others in the market. With no professional experience with bikes, he took a mechanic's class at Barnett Bicycle Institute to familiarize himself with bike components. Then he put together a small amount of capital—just $40,000 to start—and moved his wife and young kids to Florida to set up shop.

He started with just 1,000 square feet of rented space, a drill press and a welder. He hired a welder to build prototypes before teaching himself to weld. (That first welder, though, is still working for the company.)

The first prototypes were chromoly, but Camasmie decided they were too heavy, so he switched to aluminum and taught himself how to weld and work with that material. The first year, 2000, the new company sold 76 trikes.

One of Catrike's "tadpole"-style recumbents

A few years later, he showed a new design at Interbike. The Catrike Speed had a space-frame aluminum frame, weighed about 30 pounds and could be sold for about $2,000 retail. That model changed everything for Catrike. The company signed up 60 new dealers when it showed the new model at Interbike in 2003.

Growth equals new challenges

While Camasmie had been applying his creativity and engineering skills to product development, the company's manufacturing system was less evolved. When sales skyrocketed in the early 2000s, the orders piled up. The company moved into a 6,000-square-foot space in Winter Garden, Florida, and Camasmie hired a production manager and sales manager and had six people in the production department—and a lead time of six months.

Some advised Camasmie to take production to Asia, but he resisted.

"Even my mom said, 'Go to Asia, go to Taiwan,' " Camasmie said. "I know the bike industry is there; I've been there many times. But it was purely idealism: I wanted to stay here. I moved to the U.S. and I wanted to contribute. I never saw the point in going to Taiwan."

Catrike founder Paulo Camasmie cuts the ceremonial ribbon to open the company's new 15,000-square-foot factory in Orlando, Florida.

General manager Mark Egeland (left) runs the day-to-day factory operations for Camasmie.

A friend told Camasmie that if he wanted to fix his manufacturing woes, it was time to apply his engineering creativity and skills to figuring out how to efficiently run a factory.

So Camasmie re-educated himself, studying the "lean manufacturing" techniques pioneered by Toyota decades ago. The system, which has been adopted by several other bike companies over the years, relies on flexible assembly lines, just-in-time inventory control and worker cross-training, among other virtues. Batch production and "work-in-process" are considered evils.

Now, with fewer employees, Catrike produces more trikes per day and fulfills dealer orders as they arrive, in the order they arrive, instead of in batches. The lead time, once six months, is now three days.

Part of Camasmie's application of lean manufacturing theory was in simplifying the product line. Now all six models use nearly the same drivetrain components and feature frames made of the same kind of aluminum. The frame designs and features vary between models (and seven frame colors are available to order), but by relying on nearly the same component spec, Catrike is better able to fulfill orders quickly. The company never has to hold up a trike shipment waiting for a part to arrive. And a simpler product line is easier for everyone involved to work with, from procurement to manufacturing to sales.

Though components and some parts, like seatbacks and headrests, are made overseas, all frames are made in Florida. The company also builds its own wheels.

Another aspect of lean manufacturing is staying close to market. Catrike's ability to fulfill orders quickly means dealers aren't forced to make large preseason orders and store excess inventory. They can order what they need when they need it.

"Until two years ago we were growing by adding products to the line. I felt like we were losing focus. Now we just want to be the best Catrike maker. Our focus is the mid-range, $2,000 to $3,000 trikes," Camasmie said. "We don't want to make cheaper bikes, because we couldn't stand behind them. We don't want to make more expensive bikes, because you don't sell enough of them."

Visitors from large companies started coming by to see how Catrike was doing it, and the company has won several awards from the state manufacturing industry association.

In May, Catrike moved into a new factory, a 15,000-square-foot facility in Orlando. And Camasmie now relies on general manager Mark Egeland to run day-to-day operations, while Camasmie acts more like an architect, floating around the company looking for opportunities to simplify systems and apply his creativity.

Meanwhile, sales continue to grow by about 20 percent a year as Catrike gets simpler and more focused.

Camasmie said he often looks back on a remark from a physics professor who said there are two kinds of engineers: the kind who scratch their left ear by reaching their right arm over their head, and the kind that just used their left arm.

"It's all about being simple. I want to be the simple guy, the guy who can take something complex and make it simple," he said. "We only have six products and seven colors. It took us 13 years to figure that out. Now that's our contribution to the world: being really good at making trikes." **BRAIN**