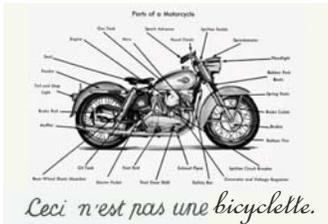
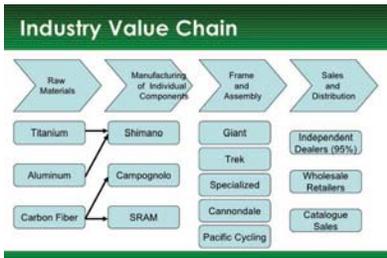


# "Which Way to the Bike Industry, Please?"

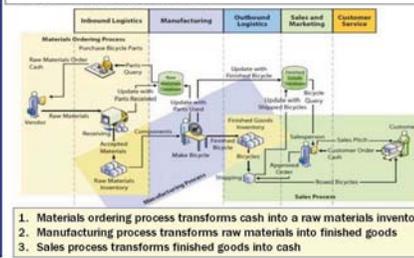
By: John F. C. Cheong, Ph.D.   



## Bicycle Industry Value Chain (This Way):

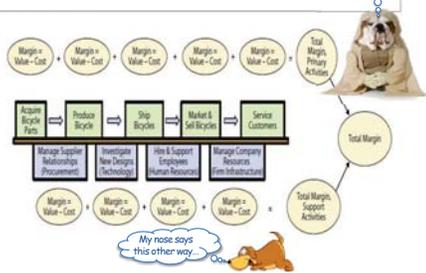


## 3-Part Logistics Along the Bicycle Value Chain:

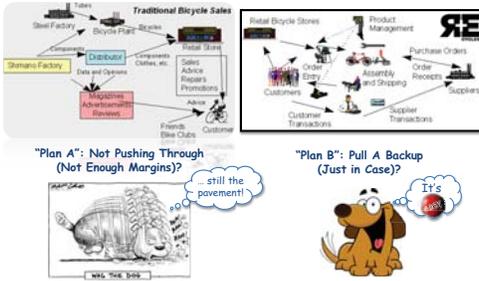


Rev.2016.0622 Feedback and comments to: johnc@spacemachine.net

## The Bicycle Value Chain: Do the Math?

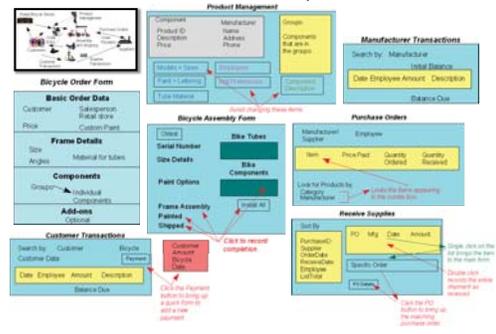


## A "Demand-Pulled" Sales + Distribution Model?



Q: "What is the hardest part about learning to ride a bike?"

## What Does a "Build-To-Order" Operations Look Like?



## Is "Direct-to-Consumer" Business Model Viable?

(3 Examples of Selling Simple, Stylist, and Affordable Bikes Online)

New Companies	SOLE BICYCLES	PRIORITY BICYCLES	
Year Founded	2009	2014	2009
Founder(s)	College Students	Dave Weiner	Fleetwood Hicks
Headquarters	Venice, CA	New York, NY	Dallas, TX
Initial Funding	\$15K USC grant + \$10K family loan	\$550K/\$30K Kickstarter	Bootstrapped
Investment	None	None	\$500K Shark Tank Pitch
Annual Sales	\$650K (2012) \$2.1M (2014)	\$500K (first 6 mo)	\$500K (2014) \$2.0M (2015)
ASP of Bikes	< \$1,000	\$399	\$385
What a Typical Bike Look Like?			

## A Commuter Bike Ad of One Person's "Dream Bike":

## Battery-Powered Illuminators: Integrated vs. Retrofit?

## What Riders Agreed On: "One Battery Too Many."

## Isn't This What Commuters Look for in a Bike?

(It's Been Around for Some Time; Available Online, Too!)

## Basic Logic of Marketing for a "\$300 Lights Package"...

## Finding Balance + Seeing Everything in Perspective...

## Hmm... An "Island Economy" for Bikes Down Under?

## Not A Pipe Dream? How Hard Could It Be?



This is after all, a bicycle.