

2006 Data Capture Report

Media Release



Summary

This report contains aggregated dollar (Canadian wholesale) and unit sales figures from the following bicycle suppliers to the Independent Bicycle Dealer (IBD) channel:

Giant Bicycles
Kempter Marketing
Kona Mountain Bikes (The Bicycle Group)
Norco Products Ltd.
Outdoor Gear Canada
Scott Bikes (Mica Sport Canada)
Trek Bicycle Corporation

While these suppliers do not comprise the total bicycle supply to the IBD sector, it is estimated that they account for approximately 65% of the market.

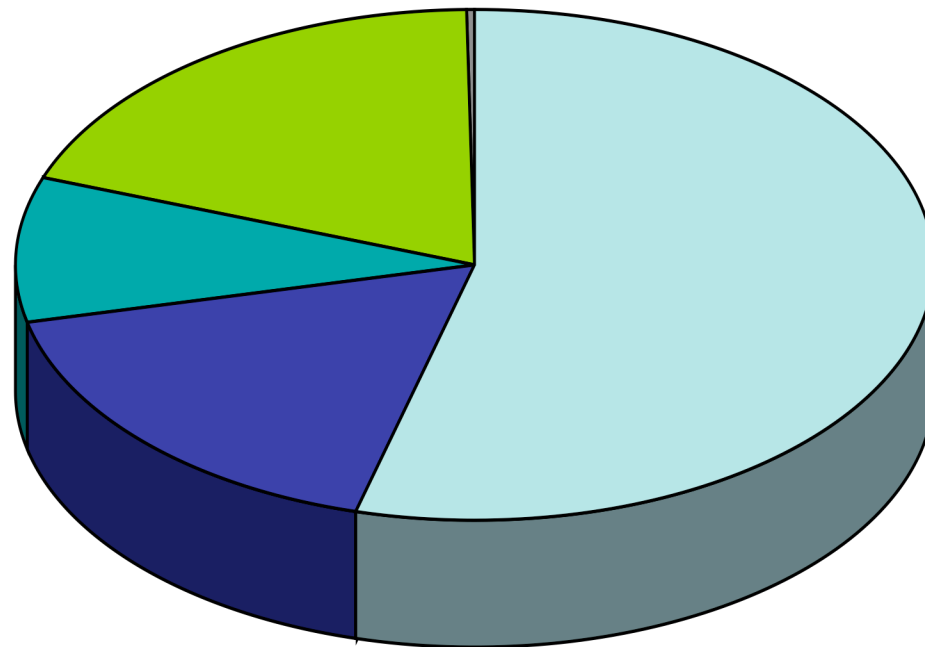
Summary (cont.)

The majority of this media report consists of category by category breakdowns of Unit and Dollar sales figures, on an annual basis for 2006. It should be noted that all dollar figures are at wholesale unless otherwise stated - Can \$ for Canada and U.S. \$ for U.S. The full report, with monthly and quarterly breakdown is distributed to participants in the program and is available for purchase.

We have also provided comparative figures for total U.S. bicycle sales, taken from BPSA figures. Current Canadian figures are not available - the latest Statistics Canada can provide are for 2004, and include both bicycles and bicycle accessories (at retail). Statistics Canada reports also that these numbers are, at best, "Fair" - the second lowest quality measure for the reliability of the data.

For more information, please contact news@btac.org

Annual Unit Sales



26"

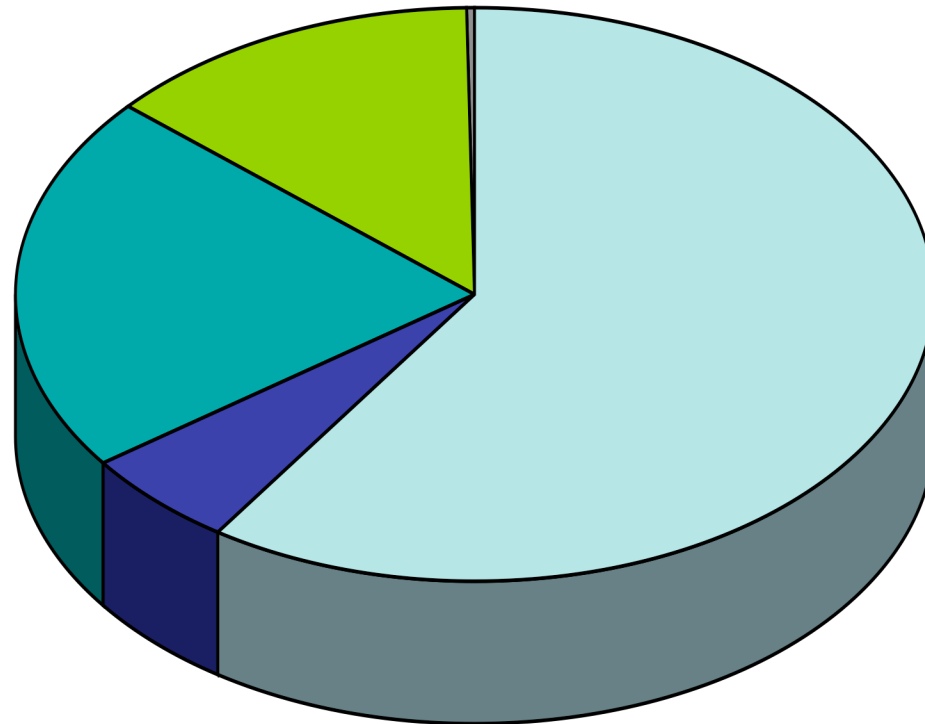
Youth

Road

Hybrid

Other

Annual \$ Sales



26"

Youth

Road

Hybrid

Other

Estimated Total IBD Supplier Sales *

Product	Jan.-Dec., 2006 Sales Units	Jan.-Dec., 2006 Estimated Sales Units *	Jan.-Dec., 2006 Sales Dollars	Jan.-Dec., 2006 Estimated Sales Dollars *
Total 26" Bikes	119893	184451	\$57,243,364.00	\$88,066,713.85
Total Youth Bikes	38689	59522	\$5,486,082.00	\$8,440,126.15
Road Bikes	20201	31078	\$20,563,604.00	\$31,636,313.85
Hybrid Bikes	42527	65426	\$12,919,360.00	\$19,875,938.46
Tandems	217	334	\$146,901.00	\$226,001.54
Miscellaneous	335	515	\$150,167.00	\$231,026.15
Total All Bikes	221862	341326	\$96,509,478.00	\$148,476,120.00

* Based on an estimated data capture rate of 65% of IBD bicycle suppliers

Canada vs USA

Average Selling Price

Product	Canada Jan.-Dec., 2006 Average Unit Price	USA Jan.-Dec., 2006 Average Unit Price (U.S. \$)	Jan.-Dec., 2006 U.S. ASP in Can \$ *
Total 26" Bikes	477.45	\$285.97	\$323.13
Total Youth Bikes	141.8	\$113.49	\$128.24
Road Bikes	1017.95	\$806.78	\$911.62
Hybrid Bikes	303.79	\$231.41	\$261.48
Tandems	676.96	\$515.55	\$582.54
Miscellaneous	448.26	\$326.14	\$368.52
Total All Bikes	435	\$296.89	\$335.47

* Using 2006 exchange rate of \$1 Can = \$0.885

Canada vs USA

Unit Sales

Product	Canada	USA	Canada	USA
	Jan.-Dec., 2006	Jan.-Dec., 2006	Jan.-Dec., 2006	Jan.-Dec., 2006
	Sales Units	Sales Units	% of Total Sales Units	% of Total Sales Units
Total 26" Bikes	119893	1196005	54.04	46.37
Total Youth Bikes	38689	651991	17.44	25.28
Road Bikes	20201	309667	9.11	12.01
Hybrid Bikes	42527	405116	19.17	15.71
Tandems	217	4180	0.1	0.16
Miscellaneous	335	12041	0.15	0.47
Total All Bikes	221862	2579000	100	100.00

Canada vs USA

Dollar Sales

Product	Canada	USA	Canada	USA
	Jan.-Dec., 2006	Jan.-Dec., 2006	Jan.-Dec., 2006	Jan.-Dec., 2006
	Sales Dollars	Sales Dollars	% of Total Sales Dollars	% of Total Sales Dollars
Total 26" Bikes	\$57,243,364.00	\$342,017,000.00	59.31	44.67
Total Youth Bikes	\$5,486,082.00	\$73,995,000.00	5.68	9.66
Road Bikes	\$20,563,604.00	\$249,832,000.00	21.31	32.63
Hybrid Bikes	\$12,919,360.00	\$93,746,000.00	13.39	12.24
Tandems	\$146,901.00	\$2,155,000.00	0.15	0.28
Miscellaneous	\$150,167.00	\$3,927,000.00	0.16	0.51
Total All Bikes	\$96,509,478.00	\$765,672,000.00	100	100.00

Conclusions

- Canadian Average Selling Price (ASP) is significantly higher than the U.S. across all categories
- Canada has significantly higher (proportional) Unit and Dollar sales than the U.S. in 26" wheel bikes (particularly Front Susp.) and Hybrid bikes
- Canada has significantly lower (proportional) Unit sales than the U.S. in 26" Comfort, 20/24" BMX, Youth and Road Bikes, and lower Dollar sales in Road bikes
- Per capita, Canadians annually spend approximately 14% more than Americans on bicycles. (In their own currency, if U.S. \$ are converted to Canadian \$, the difference is negligible)
- Proportionately, Road Bikes contribute less than 10% of Unit sales, but over 20% of Dollar sales, while Youth Bikes contribute less than 6% of Dollar sales but 17% of Unit sales