

Absolute Bikes
Bert's Bikes & Fitness
Albright's Cycling & Fitness, Inc.
Bicycle South, Inc.
Bicycle Warehouse
Big Pine Bicycle
Bike Barn
Bike To Me
Crank Daddy's Bicycle Works
Cadence 120 Bicycle Works, Inc.
Conte's Bicycles & Fitness Equip
Cycleworks Bicycles
Continental Bi
Cyclist Connection
Diamond Cycle
Farina's Incorporated
Frankford Bicycle
Fitness Resource
Highland Hardware & Bi
M&M Cyclery
Hart's Cyclery
Holland's Bicycles, Inc.
High Gear Cycle
Arrow Bi



POWER • PROFIT • PROGRESS

Orange Cycle
Plano Cycling & Fitness
Princeton Sports
Skirack
Free-Flite Bicycles
Village Bike & Fitness
Ken's Bike & S
J & S Cyclery
Madera Bike
New Wh
Pedal & Spo
Northtowne Cycling &
R-D Bike S
Round Trip Bike Shop
Redmond Cycle
Sun & Ski Sports
Spoke - N - Sport
The Wheel Cycle
Williamson Bicycle V
Wheel World

**Helping Independent Bike Retailers
Gain Control of Their Future Since 2003**

POWER

“For the Strength of the Pack is the

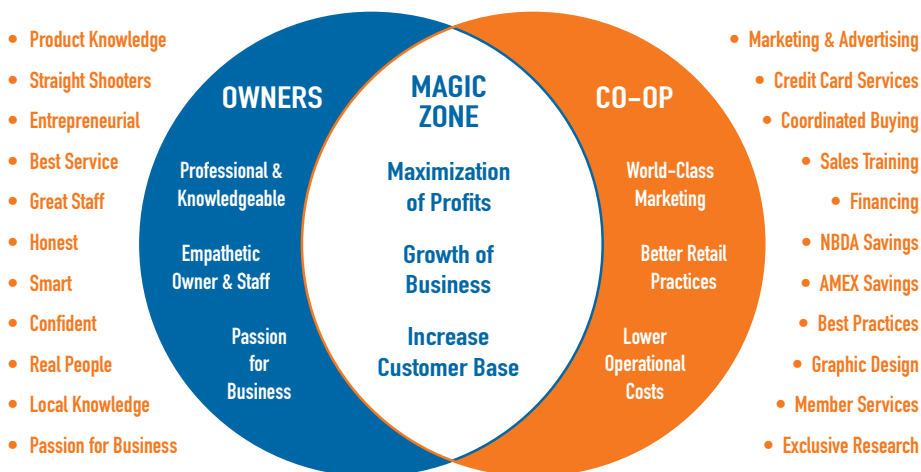
Currently nearly 300 independent bike stores are members of a cooperative - The Bike Cooperative. Since 2003, The Bike Cooperative has provided bicycle retailers with services and programs that improve their profitability and their quality of life.

What does The Bike Cooperative do for retailers?

We maximize efficiency and profit for retailers through identifying common needs in **Buying, Marketing, Training** and **Cost Savings**.

The **collective power of the group brings strength to the individual**. That is the fundamental concept behind a cooperative. A cooperative's mission is to identify common needs among its members and leverage the group to maximize efficiencies and economies of scale. It is the combined force of individuals that give the cooperative its power, and in turn that power makes the individual stronger.

THE CO-OP & RETAILER PARTNERSHIP



Wolf, and the Strength of the Wolf is the Pack.”

— Rudyard Kipling

Be Part of Something More

The Bike Cooperative is a member-owned cooperative, where decisions are made by members for the betterment of the members. As a member you have stock ownership, full voting rights, and the opportunity to earn rebates on products purchased through approved suppliers.

Power Gives You Freedom

A landscape increasingly dominated by a few major suppliers can mean more pressure for you as a business owner. The Bike Cooperative’s collective power levels that playing field for you by negotiating with a range of quality suppliers. While we negotiate across the board, as a member, the cooperative supports your independence and entrepreneurial spirit by encouraging you to take advantage of only what you want. Our members’ success means success for the cooperative, so you implement only those programs that will make you most successful.



“Membership has provided the tools to harness and maximize our store’s potential. Potential that we had never, ever imagined.”

— Joe & Cheryl Russell
Russell’s Cycling & Fitness
Washington, IL

POWER

Products

Imagine if you had the leverage of 300 stores instead of 10, 5 or 1? With The Bike Cooperative's combined scale, our Power Buy program offers exclusive product savings for individual bike shops. At the 300 store price, you can be sure you're getting the best price on special buys from our supplier partners, no matter what your size.

The more members buy,
the lower **your** cost.

POWER BUYS AVAILABLE ON:



Pumps

Bike Racks



Locks



Helmets

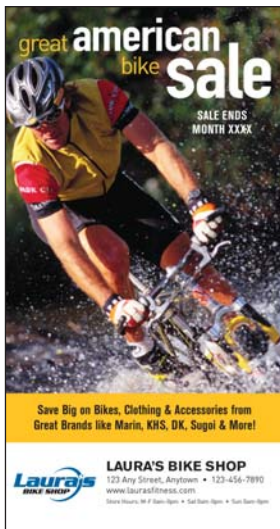
& Much More!

POWERBUY!

National Advertising

Our Power Buys are not limited to product. The power of the cooperative gives members added marketing muscle as well. In Spring 2010 we launched our first-ever national advertising promotion, The Great American Bike Sale, which provided members with a strong kickoff to their season. It was such a success that it will now be an annual event. The Great American Bike Sale features:

- Heavily discounted, fully customizable direct mailers.
- Free emails to your customers.
- Wide assortment of product discounts from our supplier partners.
- Special consumer financing buydown.



Great American Bike Sale Self-Mailer



“The Great American Bike Sale Event was remarkable! Sales were more than triple the prior weekends and we had over 540 customers on Saturday alone. We experienced record sales despite the rain, but more importantly we bought much of the sale product at TBC special event pricing allowing us to retain normal margins on aggressively discounted product.”

— Steffen Root, Berkshire Bike & Board
Great Barrington, MA

“If you can’t do what you love and make not a sustainable business. Don’t

PROFIT

If you’re like most bike shop owners, you got into this business because cycling is your passion. It probably didn’t take long for you to realize that passion alone wasn’t going to make your business sustainable, and that it’s quite a challenge to find the time to ride when you’re a shop owner. The Bike Cooperative’s mission is to make your business more efficient and more profitable. With our industry-leading programs, product rebates and support staff, you will:

- Make higher margin sales.
- Increase profits.
- Have more time to get out and enjoy life.

Our Members earn
4-10%
higher average profit.

Power Brings Profits

Through the combined buying power of The Bike Cooperative, our members realize significant savings in every aspect of their business. We leverage our size and scale to negotiate savings for our members on credit card rates, financing fees, shipping costs, and more. Plus, we negotiate rebate programs on bikes, bike parts, and accessories! Over the next several pages you will find details on the programs that will ensure you don’t settle for anything less than passion and profit.

Rebates From Supplier Partners

The Bike Cooperative provides members with the opportunity to earn rebates on products purchased through our supplier partners:



it profitable, you've either got a hobby or a headache, settle for anything less than passion and profit."

— Steve Pavlina

Rebates are also available on great brands like Shimano, SRAM, Cateye and many more through our distribution partner, KHS.

By working with our supplier partners and their world class brands, members enjoy:

- Additional bottom line savings.
- Rebates based on the collective purchases of the group.
- Special close-out offers and special make-up units.

Over
\$140,000
generated in product
rebates annually.



FREEDOM OF CHOICE

As a member, you choose the supplier partners you wish to buy from. We only want you to work with the suppliers that will have the most positive impact on your business. The Bike Cooperative supports your independence, and does not control or interfere with your relationships with preferred suppliers.



PROFIT

“The Bike Co-op’s private label and I don’t need to worry

Own Your Exclusive Brand!

COBO™ stands for “cooperatively bought”, and COBO is the only brand that bike stores actually own. We start by asking our supplier council for their high volume “commodity” products, then we work with partner suppliers to negotiate 5-20% higher margins for you, and we wrap those products in great designs with clean, simple packaging for the consumer. The end result is higher profits for you. Best yet, COBO is a brand that can’t be bought down the street at your local competition.

PRIVATE LABEL - BIKES

Members of The Bike Cooperative have exclusive access to our private label COBO line of high margin bikes. Members have the option to sell these bikes at comparable prices to the major brands and generate greater than 60% margin, or sell the bikes at prices competitive to the big box stores and still make keystone margin!

Our COBO line-up of bikes includes:

- 12” Boys & Girls
- 16” Boys & Girls
- 20” Boys & Girls
- Men’s & Women’s Cruisers



Woman's Cruiser

16" Boys Bike

bikes are fantastic! Very high margins, great quality, about price matching from the competition.”

— Steve Fluhr, M&M Cyclery, Mundelein, IL



PRIVATE LABEL - PARTS & ACCESSORIES

In addition to bikes, The Bike Cooperative has recently introduced an assortment of parts and accessories under the COBO label. These products come from the same factories as the most popular brands in the industry, and have the same high standards of quality, but with better margins. From seat bags to tubes to lights, the co-op’s exclusive line of COBO parts and accessories mean higher profits for you and great value for your customers.



Saddle



Inner Tube



Seat Bag

& Much More!



PROFIT

"I can conservatively say
because of the

Guaranteed Best Rates on Operational Programs

Whether it's consumer financing, AMEX and credit card processing, gift cards, or extended protection plans, The Bike Cooperative has the programs you need to run your business at peak performance, and save you money in the process. If you are tired of taking calls for credit card offers, and telling the yellow pages guys that you aren't in, you will love the way we negotiate programs on your behalf. Tell the sales guys you've already got the best possible rates!

GUARANTEED LOWEST CONSUMER FINANCING RATES

Dramatically ease the process of selling higher-end bikes with our industry leading consumer financing program.

- Boost your average sales ticket to over \$1,400, more than two times the industry average.
- Save an average of more than \$1,600 in fees (compared to Trek, Specialized and Giant programs.)



"With The Bike Co-op's 12 Month Financing I have been able to sell several bikes I would not have sold otherwise. It's easy to use and costs about the same as taking a credit card and often less."

— Dan Shuman, Salem Cycles, Salem, MA

GUARANTEED LOWEST VISA & MASTERCARD PROCESSING

Members save an average of nearly \$3,000 a year through industry-best credit card rates by processing credit and gift cards through Chase Paymentech.

\$2,898
average
annual savings
per member.

GUARANTEED LOWEST AMERICAN EXPRESS RATES

An industry-best 2.6% rate on American Express processing.

that we have added over \$15,000 to our bottom line credit card rates we get from the Co-op.”

— Alan Davis, Owner, Princeton Sports, Baltimore, MD



GIFT CARDS

The Bike Cooperative's electronic gift card program is more affordable and easier to track than other electronic gift card solutions. Our magnetic gift cards are reloadable and have no inactivity fees or expiration date. Cards have low minimum order quantities and custom design options are available.



KEEP IT ROLLING

EXTENDED PROTECTION PLANS

The Keep it Rolling Protection Plan is a paid coverage plan that provides customers with peace of mind for their new bike. Available in 3 or 5-year increments, Keep It Rolling Plans extend manufacturers' warranties to cover parts that fail to live up to normal expectations. Keep It Rolling Plans allow you to establish a high-margin profit center with no inventory expense. Plus, Keep It Rolling helps to build service and repair loyalty with your customers.

Average Annual Savings for Co-op Members

Supplier Rebates	\$500
ADP Payroll Processing	\$833
American Express	\$983
Loyalty Program Software	\$1,000
Consumer Financing	\$1,600
Credit Card Processing	\$2,898
Total Annual Average Savings	\$7,814

PROGRESS

The Bike Cooperative's tools will help you become more profitable. But there's another part of our tool box filled with innovative programs that is designed to help your business progress and grow. Most of our members are already highly successful before they join our group. If your business is already firing on all cylinders, our tools will allow you to propel your business to the next level.

Marketing

Our marketing programs offer a wide range of options that are easy for you to implement, without the high fees of an advertising agency. Whether you need a marketing plan, design help, or just a cheaper way to send a postcard, we help you market your store the way you want. We can help you design a custom promotional event, and we can also help you get your existing customers back in the store more frequently.

CUSTOMER LOYALTY

Ride Club is a customer follow-up program using email and direct mail to automatically send thank you's, offers, and tips to your customers. After you choose your formats and offers, we will send regular monthly communications to your customers, including free cycling tips, educational emails, discounts, tune-up reminders, and more.



Ride Club Thank You Postcard



“I have used the Ride Club program. The thank you mailing produces a lot of coupons. Now I'm starting to see the one year anniversary mailing and again it is bringing those customers back in the store.”

— Doug Waitzman, Owner, Bike to Nature, Lexington, SC

“There is no such thing as continuous improvement without continuous innovation.”

— Don Galer

GUARANTEED LOWEST PRICE DIRECT MAIL

The Bike Cooperative provides you with a wide variety of fully customizable direct mail options. We use our combined buying power to make sure your cost is always below market rates. Design and strategy are included for free. You pay only print and postage.

GUARANTEED LOWEST PRICE EMAIL

We offer members their very own portal for sending out professional looking email. Create your own customized emails and send them to your customers whenever you please, with no minimums and lower rates than solutions from Constant Contact or Exact Target.

SOCIAL MEDIA CAMPAIGNS & CONSULTATION

The Bike Cooperative offers members exclusive social media programs that will generate awareness and traffic for your store cost effectively. If you've wanted to hop on the social media bandwagon but haven't had the time to get started, or you jumped in headfirst and now need a second opinion, we have an option for you based on your experience level.

facebook **twitter**

Training

TBC offers a range of training programs that are designed to improve your profitability, and save you time. Topics include:

- Best Practices
- Sales Training
- Financial Profitability
- Hiring & Firing
- Marketing Strategies
- And More!

“GEAR Sales Training was worth every penny... it was fantastic. I can sell bikes but I know I would have sold more quantity, quality, and higher priced bikes if I had this information before.”

— Brian Estrin, Redmond Cycle, Redmond, WA

PROGRESS

As a member of The Bike Cooperative, not only will your business grow, but you will be part of an organization that grows along with you.

A History of Innovation



A History of Success

Within the bike industry, several previous attempts at retailer co-ops have failed. Why is The Bike Cooperative succeeding? We are a part of a larger cooperative called CCA Global Partners, which has a **25 year history helping independent retailers become more profitable**. The co-founders of CCA Global were recently inducted into the **National Cooperative Hall of Fame**, the only retail cooperative to have achieved that distinction.

Servicing **3,800** member stores representing over **\$9 billion** at retail across **4** industries.

“Coming together is a beginning. Keeping together is progress. Working together is success.”

— Henry Ford

Getting Results

More than **50% Rebate Growth** and
Double the Number of Suppliers in just the last 12 months.

Of the Members, By the Members, For the Members

No major strategic decision is made without input from our members. Our member board of directors, advisory council and supplier council are instrumental in steering the direction of the cooperative.

Board of Directors

JEFF MILBAUER
Valley Bike and Ski
DEBBE SIMMONS
Bicycle Warehouse
DALE PHELPS
Village Bike & Fitness

Advisory Council

FRED BOYKIN
Bicycle South
JOHN REISCHUTZ
Pedal Power Bike & Ski
RANDY CLARK
Bicycle Garage Indy
DAVID HAYNES
Bicycle World
NORM PACE &
BROOKE DELANEY
The Great Escape

Supplier Council

SCOTT MCAHREN
Conte's Bicycle & Fitness Equipment
ROB FOULKES
East Providence Cycle Co.
ALAN DAVIS
Princeton Sports
STEVE FLUHR
M&M Cyclery
KEN BRADFORD
Ken's Bike & Ski
DOUG WAITZMAN
Bike to Nature

RICK GURNEY
Plano Cycling & Fitness
DON PODOLSKI
New Horizons Sports
ED JOHNSON
Bikes-R-In
HOWARD LARLEE
Orange Cycle
DAN SIRKIN
Solon Bicycle

Gain Control of Your Future!

Have you decided that you want...

- More money to grow your business,
- More time for yourself and family,
- More time to ride your bicycle,
- More control of your business' future?

If you want to be part of something bigger, if you want to be more profitable, we invite you to learn more about The Bike Cooperative.