

## Cycling Continues to Grow

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In spite of bicycle sales being down 30% due to the current recession, in 2009 bicycles outsold cars 2.6 million to 2.5 million. According to the National Sporting Goods Association, cycling continues to grow 45 million riders in 2008, up from 40 million in 2007, up from 36 million in 2006. Over 40% of the US population now rides a bike. The current growth cycle continues.

Cycling experienced rapid growth worldwide toward the end of the 19<sup>th</sup> century. Cycling peaked in the US during the period 1910-1920. In the US cars began to replace bikes as a mode of transport, while cycling continued to grow in Europe. This is probably due to the combination of poor road quality and the need to travel greater distances in the US.

After languishing for years, cycling in the US began a resurgence in the late 1960s, probably due to increasing health and environmental concerns. After a decade of strong growth in road cycling, mountain biking became the industry driver. But growth stalled until Lance Armstrong, cancer survivor, became an American hero and made road cycling popular again.

Cycling seems to have undergone a growth cycle similar to other industries. Take beer for an example. The number of breweries in the US peaked at a little over 4,000 in 1873. Per capita consumption peaked in 1910. While the decline in cycling was triggered by the auto, the decline in beer production and consumption was triggered by prohibition. Nevertheless, following the repeal of prohibition, beer production and consumption began to grow again. Things changed with the introduction of the can in 1935. Beer consumption began to shift from on-site consumption to take-out. Thus began the consolidation of the industry. And by 1983 there were only 51 brewers operating 80 breweries in the US. Over 90% of the market was controlled by 6 companies. Then the pendulum began to shift. A growing percentage of customers became increasingly dissatisfied with the number of choices ... with the homogenization of the market. Now, today, there are more than 2,000 brewers in the US, more than any other country.

We are experiencing similar cycles in cycling. After the resurgence in the 60s and 70s things went flat. But, driven by an increasing interest in health and fitness, high energy prices and the "Lance Effect", the sport is back growing strong again. The number of manufacturers, variety of bicycles and differing ways to enjoy the sport are greater than at any time in history.

Today we are approaching 150,000,000 bicycles in use worldwide versus 52 million cars. Europe remains the center of the cycling universe. For example,

roughly 36% of Copenhagen residents commute to work via bicycle and that number is expected to be 50% by 2015.

Things are now changing rapidly in the US. Increasingly, communities are building the bicycle into long-term transportation strategies. Investment in cycling infrastructure is growing. This is in no small part driven by bicycle advocacy groups, such as Bikes Belong and the League of American Bicyclists. We at RAAM are exploring various ways to increase our involvement in bicycle advocacy.

More on this and related matters in future issues of the RAAM Newsletter.