

European Brands Carve Out Their Piece of the Pie In Head Protection

BY MATT WIEBE

Helmet makers trying to break into the U.S. market make do with the crumbs spilling off the table from the category's main players: Bell/Giro, Specialized and Trek/Bontrager.

However, changes at Bell after its consolidation with Easton in 2006 and retailer pushback against aggressive parts and accessory buy-ins from suppliers is opening business, smaller brands say.

"We are encountering more retailers who are anti big companies and who have taken our full line," said Jeff Enlow, Magura USA's general manager. Magura distributes Uvex helmets.

And he said dealers tell him they resent being pushed to order parts and accessories when all they want are helmets.

According to market research company Leisure

Trends, the June-on-June numbers show 1.7 million helmets sold at bike shops for the year ending in June 2010 at an average retail price of \$53.

However, Leisure Trends' data shows the helmet market is shrinking over the first six months of the year, down 7 percent in units and 3 percent in sales.

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— Jeff Enlow, general manager,

Magura USA

Shapleigh, Easton-Bell Sports' senior vice president of marketing. "We do not believe we have lost market share, we are seeing more helmet sales coming from new riders and our product lines are expanding to

IBD Unit and Dollar Sales

Rolling Year: July 2009 through June 2010

YTD: January 2010 through June 2010

	Rolling Year Units Sold	Rolling Year Dollars Sold	YTD Unit Growth	YTD Dollar Growth
Helmets*	1,661,036	\$88,573,775	-6.64%	-3.00%

*adult, children's and accessories

Source: Leisure Trends Group



Giro Ionos from its Lance Armstrong Collection

meet their needs."

Even more conflicting data comes from retailers and suppliers who say they are seeing growth in helmet sales as more people ride bikes, especially urban cyclists.

"No doubt there are more people cycling today. The recreational customer and the commuter are growing segments. They are helping to grow the whole helmet category at certain price points," said Tom Larter, Specialized's director of product marketing for equipment.



Catlike Whisper Plus

In addition to the confusion of whether the market is up or down, it's difficult to determine which are the top helmet brands in terms of brand market share. Bell/Giro, Specialized and Trek more than likely make the top three, but who rounds out the list of top 10? Bern, Fox, MET, Lazer, Louis Garneau, Pro-Tec, Six-SixOne, Rudy Project, Schwinn, THE or Uvex?

Most of these helmet brands report growing sales over the last few years and contribute their growth to Bell giving up a little market share and to dealers being more open to options. Smaller helmet brands also report growing retailer interest in a full run of helmets—kids to adult, racing to commuting—rather than only in one or two particular models.

"We are becoming more of a complete solution for the IBDs providing a full lineup of helmets, apparel and gloves that match," said Pierre Perron, Louis Garneau's international marketing director.

Perron believes dealers are ordering a larger range of helmets partly because of their need to simplify business. Rather than order a popular helmet from one supplier, and a few others from another, retail-

ers are consolidating helmet suppliers and expanding their orders.

The increase in full-line orders from smaller suppliers also suggests that larger brands are giving up a little of their share, rather than market share moving between small suppliers.

"I've got to say, when our new dealers pick up a complete range of helmets they have to be replacing one of the major suppliers who used to supply them those helmets," Uvex's Enlow said.

Lazer, a longtime player in the category, joined up with Quality Bicycle Products for distribution and officials attribute some of its sales increase to being more accessible to dealers.

"Sales have been fantastic the last couple of years," said Chris Smith, Lazer's sales and marketing manager. "It's easy for dealers to reorder stock as necessary from QBP along with the rest of the products they are ordering."

But Smith also said dealers are increasingly looking for distinctive product that separates them from their competitors down the street or across town. "Lazer offers a full line of helmets so it's very easy for dealers to consider replacing one of their existing helmet lines with Lazer. They don't need to bring in multiple helmet brands," he said.

While business has been good for the smaller brands, they say the largest hurdle is brand recognition—how to get retailers familiar with their product. A pro tour team helps by creating demand for team helmets, but that doesn't necessarily translate into interest in the rest of their line.

Serotta Sport picked up distribution of Catlike this summer, and Stan Mavis, company president, said it intends to bring in only a few helmets of the line.



Nutcase Superstar

"The sell-through of the Whisper Plus has been stellar. It is the model used by the Cervelo Test Team and Euskatel Euskadi," Mavis said. "We are essentially a narrow niche offering for someone looking for something different-looking, which happens to work incredibly in fit, weight and ventilation."

Specialized's Larter questions if there is really any sizable growth at the smaller helmet brands. The economy has taken its toll on helmets as on other product categories and he thinks overall sales are down.

"Some have established regional success or success dealer by dealer," he said. "In the 15 years I have been in the helmet category, the European brands have always been in the U.S. market, but none have established a significant share," he added.

Given the conflicting sales data for helmets, Larter admits it's hard to know what the situation really is for big brands as well as smaller players. **BRAIN**