

## Press Clipping

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 The Resource Centre

# TI cycles up the value chain

### To retail premium bicycle brands Bianchi and Cannondale

#### Our Bureau

Bangalore, March 25

TI Cycles of India, part of the Murugappa Group, has entered the super premium 'performance' bicycles category by partnering with international brands Bianchi and Cannondale.

These brands of mountain, road and hybrid bicycles will be retailed through TI Cycles' new retail format - Track and Trail.

The Track and Trail showroom will retail these cycles in the price range of Rs 17,500 to Rs 2 lakh, apart from accessories, spare parts and biking apparel.

The first showroom has been opened in Bangalore;

two more are planned in Delhi and Pune shortly.

Apart from retailing, these showrooms will also take made-to-measure orders and handle after-sales service. TI expects to invest Rs 10 crore in this venture.

TI Cycles has forayed into the high-end segment with focus on "functionality" and "performance."

These bicycles are targeted at those who are "fitness and health conscious, into sports, looking to ride the bicycle for leisure, fun and recreation," said Mr L. Ramkumar, Managing Director, TI Cycles of India. These bikes are targeted at the youth who are exposed to international trends,

*▶ Apart from retailing, the showrooms will also take made-to-measure orders and handle after-sales service.*

for whom it's a lifestyle statement to ride the bicycle, added Mr Ramkumar.

The market size of super premium bicycles in India is at 7,000 units a year, growing at over 25 per cent.

TI looks to have a 50 per cent market share in five years. "In the first year, we

will start with three showrooms. We are looking to sell 600-700 bicycles per showroom," said Mr Ramkumar.

Mr Edward Vlutters, International Sales Manager, Cannondale, said the market for sports and fitness bicycles in emerging markets like India has to be created; currently, it is a small but growing segment.

Mr Richard Stroem, Director, International Sales, Bianchi, said, "In a span of over three years, we believe that India can become one of our most important export markets, mainly due to the large youth population which shows an increasing trend to stay fit."

Bianchi is a 120-year-old company which began manufacturing bicycles from Milan, Italy. Today, it is part of Cycleurope, a Swedish company. Cannondale is a US-based maker of high-end bicycles.

Last year, TI Cycles sold around 30 lakh bicycles. About 40 per cent of sales came from the standard category (in the price range of Rs 2,000). This category has been declining at 2-3 per cent for the last 8-10 years, said Mr Ramkumar.

He attributes this to the low status levels attached to it and the need among people to upgrade to a two-wheeler, even in rural areas.