

# Quality Bicycle Products

Our Vision:  
To Provide the Ride

Kim Brown

[kbrown@qbp.com](mailto:kbrown@qbp.com)

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# A Brief History

1981 Steve Flagg starts  
Quality Bicycle Products

- Sales \$100,000
- Building 300 sq./ft.
- Employees 1+ a dog
- Customers 6
- Vendors 12
- <400 skus

2008 Steve Flagg still wholly  
owns QBP

- Sales \$145M
- Building 250,000 sq./ft.
- Employees 400+12 dogs
- Customers 5,400
- Vendors 400
- Over 28,000 skus

# Who Are We?

## Core Values

- Integrity and honesty to ourselves and others
- Engaging partnerships with customers and vendors
- Striving to be better
- Being part of something special

# Passion

- **Organizational and staff development**
- **Best business practices and continuous improvement**
- **Bicycling as a form of transportation and recreation**
- **Environmental stewardship**
- **To be among the top 1% of businesses in the U.S.**

# Our Brands

The logo for Salsa, featuring the word "Salsa" in a bold, red, cursive script font with a black outline and a red underline.

A middle to higher end brand of frames, clothing and parts known for fit and fun

The logo for Surly, featuring the word "SURLY" in a bold, black, hand-drawn, blocky font with a trademark symbol (TM) at the end.

Steel, well made and great value, a shop favorite

# Our Brands

The logo for Civivia features the word "Civivia" in a brown, sans-serif font. The letters "i", "v", and "i" are positioned on a white rectangular background. Above the "i" is a brown dot, above the "v" is a blue dot, and above the second "i" is a yellow dot.

A uniquely designed, high-end transportation brand for commuting

The BMC logo consists of the letters "BMC" in a bold, red, italicized, sans-serif font with a white outline.

Exclusive North Am. distribution since 2005 for these ultra high end road and mountain bikes, known for their innovation

# Adjacent Businesses

- Snow Sports
  - Nordic, Alpine, & Snowboard
- Running

**Q-Active**<sup>TM</sup>

# Value Add Service Differentiation

- Aggressive use of technology
- Technical expertise
- Accuracy
- Timely shipment
- Fill-rate
- Partnership not pressure
- Broad assortment
- Lowest total cost of procurement



# What is LEED?

Leadership in Energy and  
Environmental Design

QBP was awarded  
**LEED GOLD**  
for our new construction  
in March 2007



# Why LEED?

- **Demonstrate an economic payback**
- **Minimize our environmental impact**
- **Strong environmental culture**
- **Provide a structure, direction, & benchmark**
- **Right Thing To Do!**

# How is LEED characterized?

- sustainable site development
- water savings
- energy efficiency
- materials selection
- indoor environmental air quality

# **Sustainable Site Development**

- **Worked with existing space**
- **Built up, not out**
- **Kept soil and preserved trees**
- **Reused and recycled existing building**
- **70% construction waste recycled**

# Being a good Neighbor

- Two parking lots became one with 40% less parking spaces due to our commuting program
- Redesigned park entrance
- Added 8 additional parking spaces reserved for park users

# Water Savings - Externally

- Rain gardens & prairie grass instead of sod
- Porous pavers to filter storm runoff
- 90% of storm water runoff evaporates naturally (instead of going into sewer system)

# Saving water - Internally

- Low flow shower heads
- Motion-sensor faucets
- Waterless urinals and dual flush toilets
- Savings of 45,000 gallons of water annually



# Energy Efficiency

(10 avg. households)





# Saving Energy

- Windows
- HVAC & appliances
  - Dishwasher (runs in 5 mins vs. 30 min @ home)
- Lighting
  - Motion Sensors
  - Solar tubes in stairwell

# Materials selection

- **FLOR carpeting tiles**
  - 90% recycled materials
- **Galvanized Baseboards versus vinyl**
- **All interior paints have low VOC**
  - Ceilings and walls painted with high reflectivity paint

# Materials selection

- Renewable materials
  - Concrete w/glass
  - Bamboo planters
  - Pressed sunflower cabinets
- FSC Certified Wood
- Tecum on walls
  - Recycled paper

# Indoor Environmental Air Quality

- Real plants producing oxygen
- Low VOC paint reducing off gassing
- High ceilings/open offices  
= improved airflow

# Goals for 2007

- Establish baselines
- Reduce waste by 20%
- Reduce energy use by 10%
- Education & inspiration

# Environmentally friendly DC

- Reduced paper
  - RF's
- Packaging
  - Air pillows vs. paper
  - Renewable material bags for liquids
- New Conveyor Layout
  - High efficiency motors
  - Eliminated 30% of area conveyor
  - Reduced noise level with sealed rollers

# “Green purchasing”

- Office supplies
- Cleaning supplies
- Cafeteria supplies
  - Dishes & silverware anyone can use
  - Uncoated paper plates & cups that are recyclable
  - Spudware (utensils made out of potatoes!)
- Furniture
- Electronics

# Engaging the entire company

- Signs throughout building
- Handbook and orientation
- Weekly tips through email
- **Recycling & Composting**
  - Hennepin County Composting
  - [www.co.hennepin.mn.us/environmental](http://www.co.hennepin.mn.us/environmental)



# Commuting

- **Locker room/ showers/parking**
- **Database for Carpoolers**
- **Commuter Bike League**
- **Commuter Credits**
- **Bike to Work Days**
- **Lunch Program**

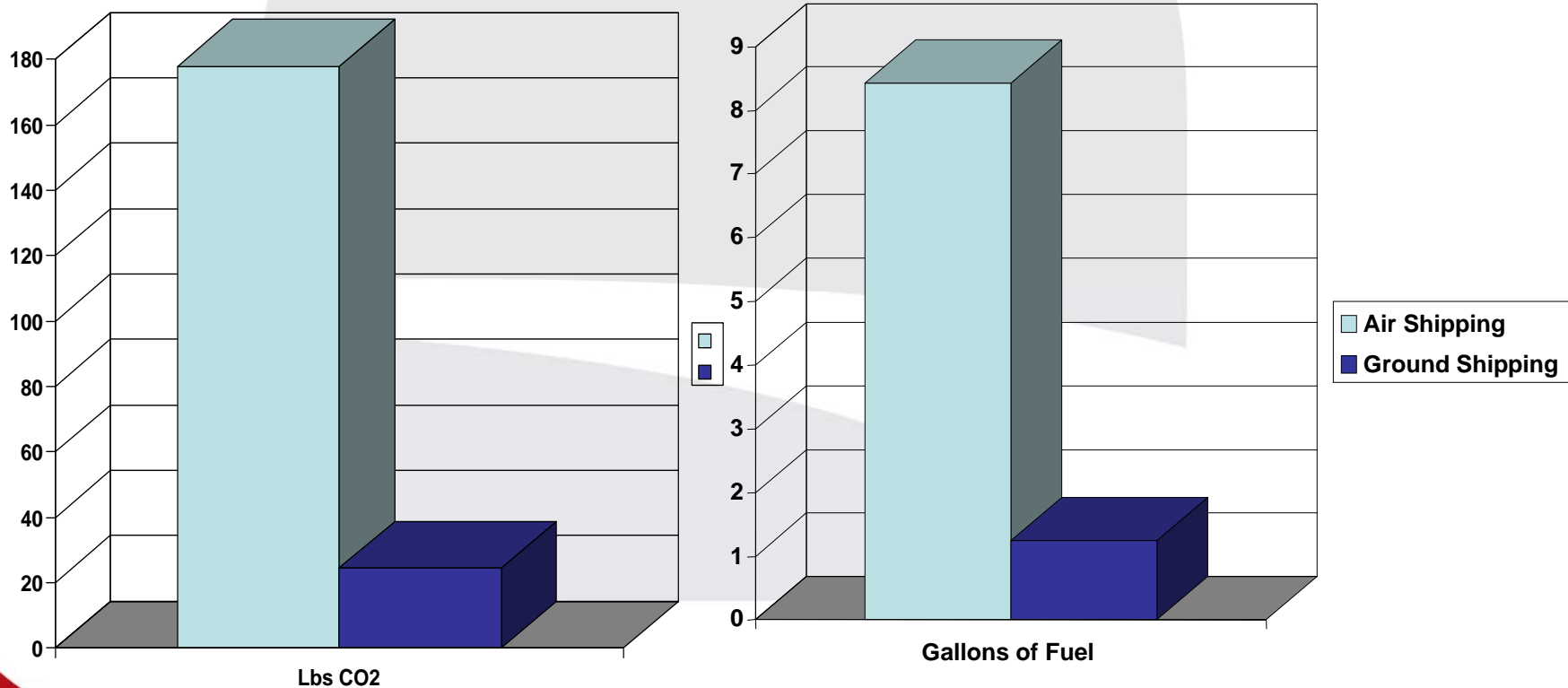
# Engaging customers & vendors

- Reusable boxes for will call and VIP (local customers)
- Reusable and renewable material bags (made of biodegradable cornstarch)
- Packaging scorecard for vendors

# **Business cents and Environmental Sense**

- **Emailing invoices and purchase orders**
- **ACH/EFT Payments**
- **Ship ground vs. air**

# Impact of 40lb order shipped from MN to CA



# Where to start?

- **Re-evaluate what's in your dumpster**
- **Encourage bicycle commuting, carpooling or using public transport**



**Questions?**