

Toronto's Bike Industry

Industry Consultations & Priorities Report



Prepared for:

Sector Development Office, Economic Development & Culture (EDC), City of Toronto



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Report Summary

Toronto’s bike industry has been experiencing significant growth during the COVID-19 pandemic but falling short of its potential. The City of Toronto’s Economic Development & Culture division brought together a diverse group of industry stakeholders to understand challenges and investigate how the bike industry can collectively explore opportunities to achieve sustainable growth aligned with the City's climate change plans.

This report highlights the five key strategic areas of opportunity that were identified by industry stakeholders, outlines their vision for success, and recommends some tactical next steps. These strategic areas are:

- 1. Workforce Issues
- 2. Safety, Security & Infrastructure
- 3. Growing the Market
- 4. Supply Chain Resilience
- 5. Industry Capacity Building

The analysis also identifies a number of high potential opportunities for Toronto’s numerous community bike hubs, and provides guidance on what industry stakeholders feel are their preferred design principles for the formation of a bike industry cluster organization.

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Setting the Stage for Change

The bike industry is an important stakeholder in implementing the sustainable transportation portions of Toronto's climate change action plan (Transform TO) which has been prioritized by Toronto City Council.

The local bike industry, which includes human- and electric-powered bicycles, is part of the micro-mobility cluster of the sustainable transportation sector. The industry has been experiencing growth due to economic and social drivers fuelled by the pandemic, however it is falling short of its full potential for a variety of reasons.

Core to not meeting growth expectations has been the lack of a coordinated approach to the challenges it faces and to no one to build on opportunities that occur. There is no central organization or cluster management organization to serve its multiple stakeholders and focus on the needs of the industry.

The City of Toronto's Economic Development and Culture (EDC) division supports the development of local industry clusters. In late 2021, EDC funded an industry consultation series to explore how best to support the development of the bike industry and bike hubs in Toronto.

Objectives of the Industry Consultation Series

- To bring together and engage diverse participants from across the full supply chain of private sector companies and interested stakeholders in academia and government and non-government organizations.
- To identify common challenges and prioritize opportunities for further collaboration and action.
- To collectively identify and determine the key next steps needed to overcome challenges to accelerate the cluster's growth.
- To help stimulate the conditions necessary for ongoing collaboration within the industry.

Who Participated?

- Toronto and area professionals drawn from across the bike industry
- Bike and accessory makers and manufacturers
- Bike and accessory distributors
- Retail & service providers
- Repair shops
- Community bike hubs offering bike training, repair, provision etc.
- Supporting non-profit associations
- City of Toronto staff involved in sustainable transportation

The Consultation & Recommendations Process



Find Challenges > Industry Survey

Objectives

Gain a baseline snapshot of the current state of the industry inclusive of the growing e-bike community, and solicit recommendations on how the city might support and assist.

Key insights

The industry survey responses identified 3 key challenges:

- Market conditions
- Workforce issues
- Supply chain interruptions

> Distributed summer 2021 to bike cluster database (~ 150 contacts), via EDC newsletter and select key industry recipients

> 25 completed responses received

> Output: Survey Report [Available on request]

Learn > Multi-Stakeholder Listening Sessions

Objectives

Deepen understanding of industry perspectives and experiences; capture emerging insights on how the cluster might collaborate to accelerate industry growth; engage those keen to stay involved in further cluster organization.

Key insights

- Identified common areas of consideration that spanned across the industry
- Unearthed new business models and approaches influencing the industry
- Added depth and detail to insights around the focus areas of market conditions, workforce, and supply chain challenges
- Outlined suggestions for the City

> Two 1-hour online facilitated sessions

> 30 representatives from across the industry participated

> Output: Toronto's Bike Industry Workshop Insights deck [Available on request]

Prioritize > Collaborative Industry Session

Objectives

- Move participants from insights to priorities and actions
- Capture tactics that are of strategic interest to core industry stakeholders
- Spark collaborative energy and connections
- Understand what is needed for industry mobilization in 2022

What we heard

- Five strategic priorities for the industry (next page)
 - Related ideas and solutions mapped by impact and effort for strategic ordering (pg. 10 – 17)
 - Design guidelines for Industry Cluster Alliance (pg. 19)
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- > One 2-hour hybrid (in-person + online) facilitated session
 - > 9 participants in person, 3 online drawn from across the industry
 - > Outputs as itemized above + mapping snapshots



IDENTIFIED STRATEGIC PRIORITIES

1. Workforce Issues
2. Safety, Security & Infrastructure
3. Growing the Market
4. Supply Chain Resilience
5. Industry Capacity Building



The following section explores each of these five strategic priorities in more depth.

1. WORKFORCE ISSUES

Industry Goals

1. Workforce attraction - Develop opportunities for sustainable careers in the sector that attract a diverse group of candidates.
2. Workforce development - Provide the necessary skill training on an industry wide level to meet the needs of accelerated industry growth.

Overarching Themes

1. Training - research, collaborate, design and implement training pathways to develop accredited, certified talent
2. Partnerships - make industry connections and enable collaborations, explore academic partnerships
3. Storytelling - illustrate career pathways, champions and opportunities

Challenges

- It is hard to attract employees into the industry (not considered a career).
- There is a lack of training programs that are accessible and known.
- There is a lack of strong mechanical skills of those who are entering the industry.

Opportunities

- Bike hubs may provide a potential source of new workers for the industry.
- Bike hubs could provide initial training on basic mechanical skills needed by the industry.
- Good infrastructure is in place that could support workforce development.

WORKFORCE ISSUES

Tactics & Outcomes

High Impact / Lower Effort Tactics

- Look for cluster wide hiring coordination opportunities/create a local job board for industry positions/job fair for the bike industry
- Create marketing materials that promote the bike mechanic career path, and ensure that equity is a priority
- Build collaborative training pathways and partnerships within the industry
- Bring in potential academic partners

High Impact / Longer Term Desired Outcomes

- Establish credible and accessible training pathways
- Create inclusive career education and outreach materials
- Execute trade/training partnerships with high schools and colleges
- Effectively engage diverse participants, and drive inclusive hiring practices and work cultures

2. SAFETY, SECURITY & INFRASTRUCTURE

Industry Goal

Create the conditions for efficient, safe, and secure travel by bike from start to end point of journey including stops and parking.

Overarching Themes

1. Micro-mobility infrastructure - work with diverse stakeholders to build and maintain better safer routes
2. Parking - work with diverse stakeholders to address and improve secure bike parking and storage
3. Education - explain how to ride / use bike lanes / lock up / maintain bikes & ebikes

Challenges

- A lack of bike infrastructure - bike lanes, parking facilities and repair/maintenance facilities - is a major constraint to move beyond just the recreational user.
- Lack of widely accessible repair facilities may be one reason behind abandoned bikes.
- While bike lanes in Toronto have increased dramatically in the last few years, the amount of bike parking (both short term i.e. in commercial areas and long term i.e. home base) lags, to the point where the lack of parking is impeding the growth of the industry.

Opportunities

- Work with the Business Improvement Areas (BIAs) and Toronto Parking to explore bike parking expansion.

SAFETY, SECURITY & INFRASTRUCTURE

Tactics & Outcomes

High Impact / Lower Effort Tactics

- Compile best practices and materials for a ‘In the Bike Lane’ campaign around safe riding practices
- Host a bike post/rack design challenge and a "ways to lock your bike" contest
- Look at needed policy changes around high-rise bike storage - contact Brad Bradford @ the City

High Impact / Longer Term Desired Outcomes

- Continue establishing more and safer bike lanes
- See high quality bike parking options drive up ridership and drive down theft and abandonment rates
- Execute a widely embraced ‘In the Bike Lane’ campaign that educates and engages diverse and new riders, and attracts new workforce talent to the industry

3. GROWING THE MARKET

Industry Goals

Increase the use of bikes as a viable mode of transportation as well as lifestyle and recreational activities, and increase sales of locally made bikes and infrastructure.

Overarching Themes

1. Outreach and engagement - engage diverse new riders in ways that respond to community and cultural needs and norms
2. Rider education and skill building - develop and deliver programmes that prepare riders for positive experiences and normalize bike transportation
3. Accessibility - make the cycling experience available to everyone

Challenges

- Often bikes are considered and treated as a recreational activity or a niche lifestyle choice, which limits its market growth.
- Affordability remains a barrier to segments of the population.
- Toronto's seasonality inhibits winter riding.

Opportunities

- Consider providing incentives for use of bikes as a transportation mode, similar to the incentives used for electric vehicles.
- Develop a 'made in Toronto' bike strategy.
- Tell a more inclusive 'ride in Toronto' bike narrative.

GROWING THE MARKET

Tactics & Outcomes

High Impact / Lower Effort Tactics

- Work with the community bike hubs for approaches to engaging, education & skill building new riders; consider opportunities for collaboration & scale
- Revisit and investigate Ride to School / TDSB program – get our youth using bikes for transportation
- Evaluate public education programs from other jurisdictions for introduction in Toronto

High Impact / Longer Term Desired Outcomes

- Create the conditions so more people use micro-mobility solutions, building business across the cluster
- Establish a Bike Lane safety campaign and promote widely, setting the stage for safe and enjoyable end-user participation
- Ensure people have access to recycled bikes and know how to ride, lock and DIY care for them

4. SUPPLY CHAIN RESILIENCE

Industry Goal

Build local capacity and take collaborative action to improve the industry's supply chain resilience and sustainability.

Overarching Themes

1. Circular strategies - improve 'waste' bike, parts, tools collection and re-use with diverse stakeholders
2. Sharing economy - develop tool, parts, and talent hubs for cross-industry participation
3. Collaborative power - act collectively to improve supplier priority placement

Challenges

- Supply chain for the recycling of bikes is not well established
- Reliance on offshore supply of key parts and global supply chains are limiting industry growth.
- Low cost, low quality bikes produced offshore are answering recreational rider demand.

Opportunities

- Look at producing more key products locally; this includes assembly, bike parts and bike infrastructure.
- Expand the use of circular economy principles to develop the full supply chain for used bikes and bike parts (including from mass retailers).
- Riders who use their bikes as a primary source of transportation demand higher quality bikes. This may be an opportunity space for local manufacturers.

SUPPLY CHAIN RESILIENCE

Tactics & Outcomes

High Impact / Lower Effort Tactics

- Consult stakeholders (building managers and City's Solid Waste Management division) to better understand their pains and gains re: bike parking & abandonment – introduce plans to increase their incentive to contribute abandoned bikes into the circular economy
- Develop an initiative to introduce more used local parts into the supply chain - build industry participation around waste / supply chains, sharing and collaborative initiatives

High Impact / Longer Term Desired Outcomes

- Engage multiple contributors in the process of bringing discarded materials back into use
- Ensure multiple industry off-takers benefit from the value-added stream of 'waste' materials and shared resources
- Establish an effective cross-cluster bulk-buying model for improved price and delivery options from offshore suppliers

5. INDUSTRY CAPACITY BUILDING

Industry Goal

Establish a local cluster management organization - industry cluster alliance - that strategically builds short and long term capacity for a thriving industry.

Overarching Themes

1. Industry cohesion and capacity building - foster collaboration, networking, and business-to-business opportunities for diverse stakeholders across the cluster
2. Government relations - industry representation and collaboration at & beyond the municipal level
3. Financial sustainability - funding models and capacity building opportunities for the cluster and alliance
4. Innovation, partnership & domestic manufacturing - leveraging opportunities with other GTHA industries

Challenges

- At this point, stakeholders remain enthusiastic but disorganized, with no one taking the lead on next steps.

Opportunities

- Harness the enthusiasm of participants to move into an organizational process for an industry alliance.
- Organize regular industry meetings to identify challenges and opportunities and develop coordinated actions.

INDUSTRY CAPACITY BUILDING

Tactics & Outcomes

High Impact / Lower Effort Tactics

- Establish an industry communication channel (i.e. Slack)
- Maintain and annually update the city's bike industry directory
- Support bike cluster members to cooperate and develop collective solutions – establish industry directed working groups on issue
- Explore industry growth hubs to attract bike cluster supply chain companies to Leaside, Mt. Dennis, Downsview and other business parks
- As a first step to an industry cluster alliance fund the hiring of a project manager to undertake many of the high impact tactics outline here

High Impact / Longer Term Desired Outcomes

- Build a culture of inclusion and collaboration into the cluster organization
- Be the voice of the cluster that is positively influencing and capitalizing on sustainable and safe transportation trends and policies
- Advocate for consistent, transparent, and supportive regulations for industry and riders

Spotlight on Community Bike Hubs

How might community bike hubs play a vital role in strategic priorities?

Workforce Issues

- Participate fully in the industry training and accreditation discussions
 - Explore and champion how bike hubs act as training grounds, workforce intake, talent development, career launchpad, etc.
 - How might these positions scale through industry and community collaboration?
 - Explore how to increase the impact and distribution of training materials through open access, collaboration
- Find and tell bike career success stories from the bike hub perspective; prioritize diverse voices

Safety, Security & Infrastructure

- Recognize and share how the bike hubs add value to this priority area at the community level
 - We offer training in (how to ride / use bike lanes / lock up / DIY maintenance)
 - How might these efforts scale through industry and community collaboration?
 - What would we need to engage and train more community members?

Growing the Market

- Share community-scale approaches to engaging, education and skill building for diverse and new riders
- Consider opportunities for collaboration with other cluster participants to grow, support and maximize sustainable opportunities for your bike hub's outreach, impact, and engagement

Supply Chain Resilience

- Share industry-wide how bike hubs add value and benefit from participation in circular (waste > market) initiatives, and best practices you have established.
- Consider the impact of establishing bike hubs as the first stop for reclaimed materials. How might the bike hub operate as a regional depot or distribution centre?

Industry Capacity Building

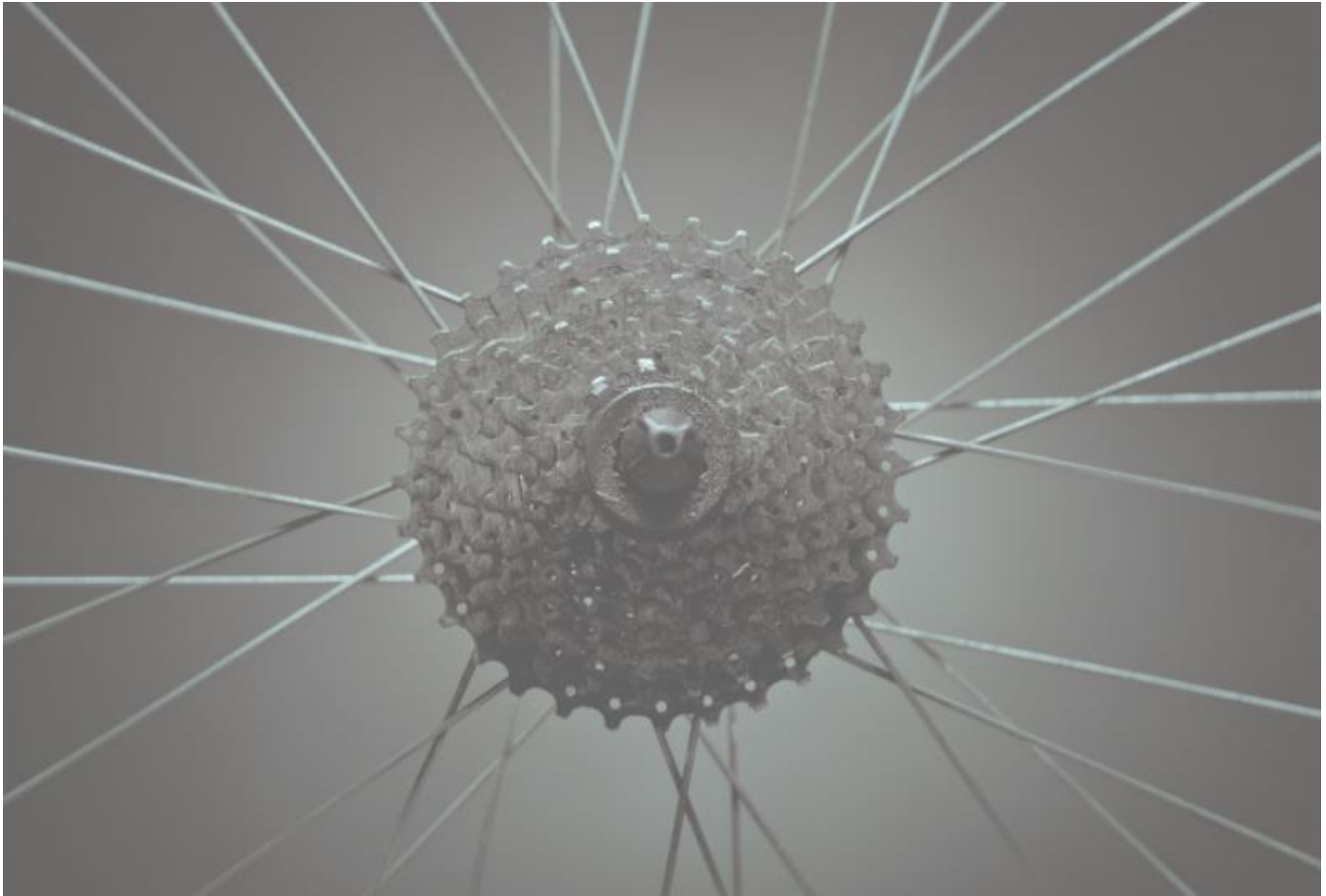
- Participate in strategic collaborative industry initiatives and ensure the bike hub perspective is included in industry messaging for government and cross-industry
- Prioritize and promote funding models and grants that sustainably support community-scale / community-led initiatives

Next Steps: Designing an Industry Cluster Alliance

For an industry cluster alliance to thrive, participants indicated that they required the following design guidelines to secure their participation:

- Clearly defined goals and action planning
- Build a track record of 'easy wins'
- Involve diverse stakeholders
- Open to all / inclusive / geographically equitable
- Strong governance and structure with defined roles and contributions
- Enter with the intention of symbiotic relationships and ecosystem approach (we go farther together)
- Funding for a project manager





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