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Bicycle maker outlasts rivals

Century-old Worksman excels at reinventing itself; cool in core market

BY WENDY DAVIS

GETTING FROM CLASS TO CLASS—much less from school into town—on foot can eat up a lot of time at the sprawling University of Montana campus in Missoula. These days, students and professors have a new transportation option: They can borrow one of more than 50 ultra-sturdy unisex bicycles.



LANDMARKS

Part of an occasional series on NYC institutions

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“People love them,” says Nancy Wilson, the university

official who manages the bike loan program used by 8,000 people last year.

Chalk up another commercial coup for one of New York City’s oldest manufacturing firms, Worksman Trading Corp. The company was founded in 1898 to make cycles that offered New Yorkers a low-cost alternative to a horse and buggy. Ever since then, it has been revamping its product and redefining its market. Along the way, it has outlasted not just

equines on the streets but many a foreign and domestic competitor, too.

The cycles now in use in Montana are just the latest example of how the Ozone Park, Queens-based company continually reinvents itself. That success contrasts with a long decline in the company’s core business—selling industrial-strength bicycles to Boeing, Bethlehem Steel and others for use in their vast factories.

Today, those industrial-strength, hard-wheeled cycles contribute 65% of Worksman’s revenue. The problem is that a decade ago they accounted for 85%. Something had to be done.

“Our traditional customer base shrank,” says Wayne Sosin, president of Worksman. “So we expanded our recreational needs market and special-needs market to compensate.”

Worksman, which now has sales of more than \$5 million, entered the recreational market in the 1970s, developing a line of lighter-duty folding tricycles and bicycles.

Good publicity

INITIALLY, Worksman sold the line to resorts as well as to individuals through bike stores and catalogs. Two years ago, the company stepped up that drive by putting its recreational cycles on its Web site. Visits to the site recently spiked after Worksman fan and *Sopranos* star Edie Falco appeared on *The Ellen DeGeneres Show* where she proudly showed off a picture of the three-wheeled Worksman model she uses to ferry her dog around in Central Park.

“The recreational market will grow for us,” Mr. Sosin says. It already accounts for 25% of revenues, up from 10% a decade ago. He expects many aging baby boomers will trade their sleek bikes for adult-size tricycles in coming years.

The company also produces specialty cycles, including a tricycle with side-by-side seating for two that has long been a favorite of vacationers as far away as the Four Seasons Resorts in the Maldives. When Worksman noticed five years ago that schools and institutions for the disabled were purchasing that model, compa-

IN A NUTSHELL



WORKSMAN TRADING

FOUNDED 1898 by Morris Worksman

EMPLOYEES 55

REVENUE More than \$5 million

BEST-SELLER Port-O-Trike, a folding tricycle with 20-inch wheels for adults; starts at \$300

BEST-SELLING INDUSTRIAL MODEL Worksman Mover tricycle in several sizes; starts at \$699

ny officials began exhibiting at special-needs trade shows. Later, the company began adding seat belts and other special features geared to people with disabilities.

Ed Rogoff, academic director at the Lawrence N. Field Center for Entrepreneurship at Baruch College, sees Worksman’s endurance in part as a victory for sheer longevity.

“It’s like the buggy-whip manufacturer that survived,” he says. He notes that the company has benefited as the shrinking market for its traditional products has wiped out virtually all of Worksman’s domestic competitors.

Ironically, as the company continues to enter new markets, there are signs that the energy crisis is breathing new life into its oldest business—industrial bikes. Companies that switched to golf carts or battery-powered transporters to get employees around are embracing a more energy-efficient alternative.

Glassmaker PPG Industries recently bought its first Worksman tricycle, for use by maintenance personnel at the company’s 1.2 million-square-foot plant in Shelby, N.C. Scott Stachowicz, a manager at the plant, says he got the idea after observing tricycles at another plant while attending a conference about “lean” initiatives.

Cool tricycles

“I STARTED LOOKING at all these people zipping around on these tricycles, and I thought, ‘This is cool,’” he says.

The need to dodge high fuel costs has also lit a fire under another long-time line: food cart cycles, which Worksman began making in the 1930s under contract for the Good Humor company. That business brings in roughly 10% of revenues, double the figure of a decade ago.

Meanwhile, rising energy costs have forced Worksman to make adjustments itself. Late last year, the company installed a 15 kilowatt solar energy system on the roof of its 90,000-square-foot factory. The project cost \$400,000, but Mr. Sosin expects the investment to pay for itself within three years.