

An Industry, Transformed Now, on to the Neighborhood

Ten years ago Xtracycle Inc. began taking steps to transform the bicycle industry. We are proud that our decade-long effort to see cargo-bicycles become a genuine segment of the bicycle market has become a reality. During the last ten years, Xtracycle led the charge, turning thousands on to the longtail lifestyle revolution. Along with Surly Big Dummy customers, the total number of lives touched by Xtracycle products is well over 10,000.



Stoking Families: PeaPod LT and 2010 Radish

We are excited to see growth in selling to parents & families, and we are proud to announce the newest member of the Xtracycle family, our very own child seat built to the LongTail standard, the PeaPod LT. The PeaPod LT, when installed on an Xtracycle, presents an off-the-shelf solution to an age-old problem: how to tote kids and stuff safely and efficiently by bike.

In addition, our flagship model, Radish, undergoes revision for 2010, incorporating feedback and recommendations from our dealers and distributors worldwide. Radish will now feature a modified step through frame (designed with the help of legendary bike creator Grant Peterson), an up-spec on most drivetrain and brake components, as well as more cargo friendly handlebars. Radish is poised to be the most family friendly cargo bike available, and customers will be invited to choose between 4 or more exciting kits to accessorize their Radish, each kit specifically designed to meet the needs of cargo carrying, kid carrying, grocery shopping, touring, or a blend of all these options.

Xtreme Roots: 2010 HD FreeRad Unveiled

While Xtracycle dives deeper into the family biking scene, we will never forget our roots in the multi-sport, off-road, and xtreme adventure realms. As such, we introduce the beefcake cousin of



the standard FreeRadical, the FreeRad HD. The HD is not only built bigger and stronger, to withstand sustained off-road adventures with heavy loads, it will also accommodate a 29" wheel — a nod in the direction of the big wheel crowd. While we've often been staunch supporters of small wheels with long bikes, everyone at Xtracycle agrees that the HD, rolling with 29" wheels, feels like the Hummer of the Sport Utility Bicycle market. The HD is currently disc only, and is planned for release in mid-2010.

Our in-the-field testing team has this to say about their HD:

“ Good day! All is well here at the HD FreeRad R&D center, deep in the heart of the Bolivian Altiplano. Done been cruising on the salt flat (which is incredible). **Nary a complaint or failure.** ”

Check them out at <http://ridingthespine.com>

The Dealer Dealio: Roots Resellers in 2010

Xtracycle, in an effort to remain nimble in our growth and development as a company, is structuring our relationship with dealers to fit. Xtracycle will become the primary US distributor of our products in 2010, and we will work with dealers across the country to enable them to buy all of our products swiftly via their own login on our website, receive an instant rebate on purchases, and have the ability to charge their customer for installation (something never accounted for in bicycle manufacturers' stated margins to dealers). Xtracycle will incentivize our own online customers to have their FreeRadicals and Radishes assembled at their favorite local shop by offering free shipping to bike shops on all our web site orders.



All the Trimmings: 2010 Accessories

For 2010, Xtracycle modified a few accessories including the Whatchamacollar, KickBack and TekDeck.

The **2010 Whatchamacollar** is lighter and slimmer in design with just as much strength as the original version.



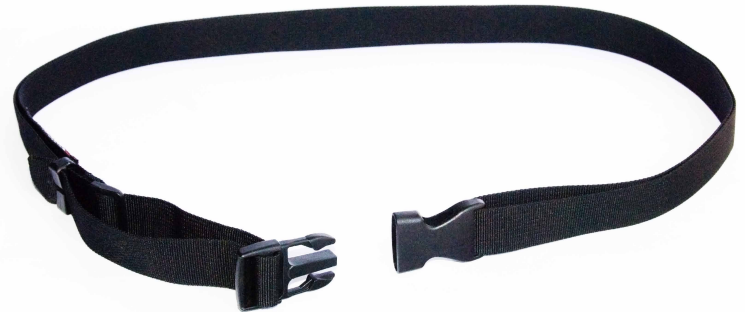
The **2010 KickBack** replaces machined plastic parts with sleek injection molded parts, improving interface with the FreeRadical and Big Dummy frames, more secure axle bushings and a fail-proof spring assembly.



The **2010 TekDeck** features a textured black coating, Velcro straps for secure attachment to Xtracycle racks, and a rugged shockcord mesh to lash down items (think rain jacket, newspaper, or sleeping pad) loaded on the deck.



Our Boldest Offering Yet: The Xtracycle Utility Belt



The Xtracycle Utility Belt puts the “clever” in “Xtracycle”. For the past three years we’ve been finely honing a product that will enable all of our users to have that MacGyver feeling more frequently. The XUB is a utility strap that extends your freeloader capacity by nearly 60”, yet doubles as a fashionable accessory that we believe may jumpstart the pants-less DIY revolution. Is it a belt? Or is it a belt? It’s neither, it is the XUB. Seriously – it may not be the biggest, fanciest product we introduce this year, but we think it’s pretty damn cool.



“ I am really convinced that I can give up my car now. I have used the bike to take the boys to school and it’s a hot topic of conversation on the kindergarten yard. By the parents and the kids. **Yesterday, Lucas said, “I don’t want to go back in the stupid trailer.” Not good word choice, but I appreciate the sentiment.** – Anne | Alameda, CA ”



Real world praise from Xtracycle owners

"Things I love about my Xtracycle:

- Riding along and my daughter says, "Look at all the colorful flowers by the road!"
- Car drivers stopping and waving my daughter and I through an intersection where they have the right of way
- Riding home along a peaceful country road with music playing.
- One cold night on the way home (after dark), stopping to put more layers on my daughter, and having 2 different drivers stop to ask whether we are OK.
- Going on the Chapel Hill Tuesday night cruiser ride with my daughter on the back. Good tunes, good riding, good company.
- Riding with my daughter's bike strapped on the FreeRadical, then stopping to let her ride on the safer stretches. She is such an enthusiast (at 5 yrs), since she practically grew up on my bike." — *Morgan*

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"This thing is way better than I thought it would be. Biking to the grocery store to do normal shopping (and not just one item that could fit in my backpack), going to school, bring potluck stuff to work with my other gear, it all made me feel good.... good that I had found a way to go without wasting gas on a solo trip, good that I could rely on my own power to get to where I needed to go. I wasn't really into the idea of giving up my car, or major environmental ideals, at that time. It did make the idea that I could sell my car, rely solely on biking, public transit, or carpooling to get where I needed to go, possible." — *Elizabeth*

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"last summer, on a night when our little one (3) was at grandma's house, my wife and i decided to go out for dinner. nothing fancy, just a local thai restaurant that's pretty good. it was warm out that night, so rather than drive there, i said

"let's take the bike". my wife was a little reluctant about riding on the back, but she hopped on the padded snapdeck anyway, and we rode off.

we got lots of comments and questions about the xtracycle on the way, and what would have been a boring, routine (not to mention wasteful) 1-mile drive was transformed into a lot of fun, good exercise (for me, anyway), and a memorable evening." — *Philip*

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"You haven't ridden an X' until you have done it with kids :-)
They're so much more fun than carrying packages." — *Jenny*

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"Given all the benefits of regularly using your bike/Xtracycle, I think upfront cost of an Xtracycle outfitted bike is well worth it. In the time we've used our X, I've lost a few pounds and am in much better overall health/condition. Our car sits unused for a few days at a time... and so on. The X itself is not the only answer for a utility bike, but it's a pretty darn good one. I find it very, very useful and prefer riding ours over our non-X outfitted bikes. The nice thing about the FreeRadical kit is how you can fit it to a wide variety of standard bike frames. This gives you incredible flexibility for customizing your ride "just so." I can't speak to the value of the Big Dummy, but given the amount of money people commit to their cars, this is small change.

Again, it's my belief that the long term benefits of a more bike centric lifestyle are well worth the investment in a solid, proven product. I'm "sold" on the X and would highly recommend it to just about anyone." — *Phil*

