

Rugged Cycles Cost of Ownership Considerations

Why cheaper bikes cost more, and how Rugged Cycles pay for themselves

At Rugged Cycles, we choose quality over compromise. Our parts alone cost more than most industrial chain bikes sell for at retail. Our commitment to building safer, more reliable bikes make Rugged Cycles more expensive to buy, but much less expensive to own. It's not *if* Rugged Cycles will save you money, it's *how much*.

Below is a sampling of information collected from Rugged Cycle owners who are already experiencing the safety and savings of airless, chainless bikes that are always ready to ride.

Field Data

Maintenance costs less than a dime a day

We track all parts and maintenance costs required by our customers, and based on over two years of data:

- It costs an average of \$14.84 per year to maintain a Rugged Cycle
- Compare that to our customer survey, where respondents reportedly spent an average of \$115 on parts and maintenance for each of their industrial, chain-driven, pneumatic-tire bikes
- Separate from our customer survey, clients have reported to us they spend as much as \$250 per chain-driven, pneumatic-tire bike in annual maintenance costs

Spend at least \$115 per year on a chain bike, or spend less than \$15 per year on a Rugged Cycle. The savings quickly add up, and Rugged Cycles eventually pay for themselves.

Fleet Case Studies

100% ready to ride after months

A Texas ExxonMobil Plant purchased 60 Rugged Cycles in March 2009 and after 15 months:

- 95% of their Rugged Cycles were riding like new after receiving no maintenance at all. 5% did need a few quick fixes, but now they are 100% ready to ride.
- In the first year alone, they estimate the 60 Rugged Cycles saved \$12,000 in reduced maintenance costs

Estimated savings of \$25,000 - \$30,000 per year, and reduced injuries

A Louisiana Chemical Plant recently evaluated a Rugged Cycle for 14 months. After spending no time or money on maintenance, their Rugged Cycle remained as reliable as it was the day it was delivered (delivered fully assembled, by the way).

During the evaluation period, they experienced three chain-related injuries on their chain-driven, pneumatic-tire bikes. After calculating the enormous costs needed to resolve the injuries, and factoring in the maintenance savings, they decided to replace their entire fleet of 236 chain bikes with Rugged Cycles. By their estimations, their fleet of Rugged Cycles:

- Will pay for itself within three years
- Will save them \$25,000 - \$30,000 per year in maintenance costs alone
- Will eliminate the chance of more chain-related injuries, which can save hundreds of thousands of dollars in safety costs

Safety & Savings

How safer bikes save money

- OSHA's Office of Regulatory Affairs indicates savings up to \$4-\$6 for every \$1 invested in safety.
- Each Rugged Cycle has over \$300 of safety equipment, including the chainless drive shaft.
- According to a 2009 customer survey, chain failure is the #1 cause of industrial bike accidents.
- According to OSHA, the ratio of indirect costs to direct costs of injuries can be as high as 20:1.
- The National Safety Council estimates non-lost-time recordable incidents cost an average of \$7,000.
- The National Safety Council estimates lost-time recordable incidents cost an average of \$43,000.
- According to the Bureau of Labor Statistics, between 2003-2008, each year there were an average of 362 lost-time, work-related bicycle injuries. That's almost one a day, every year for six years.
- According to the same Bureau of Labor Statistics report, the average numbers of days lost per injury was 9.64.

If Rugged Cycles prevent just one lost-time injury, an entire fleet would pay for itself, and potentially save hundreds of thousands more.

Our reputation is built on reliability

"Rugged Cycles are significantly more reliable than traditional chain bikes"

In a recent customer survey, 100% of respondents said Rugged Cycles were significantly more reliable than industrial, chain-driven, pneumatic-tire bikes.

We have built our reputation of reliability with some of the largest companies in the world. A few include:



Testimonials

A few from our hundreds of happy customers

- *"It's nice to know my Rugged Cycle will be ready to ride when needed and not have flat tires, broken chains and bad bearings."* Operator at a Texas Olefins Plant*
- *"Less loss of man hours due to no need for repair."* President of Northeast Naval Shipyard*
- *"Rugged Cycles chainless design and quality pedal construction eliminated the current safety issues we see at our site."* Principal Analyzer Engineer at a Texas Refinery*
- *"We pride ourselves in leading safety performance at our company, and the Rugged Cycle is the new tool we've added to eliminate unsafe tools from our site."* Process Operator at a Louisiana Chemical Plant*

*Names have been withheld for privacy reasons. Contact us for references.

Cheaper bikes cost more

Rugged Cycles have proven to be drastically safer and more reliable than industrial chain bikes. The added safety and reliability can create savings where now you have a never-ending expense. In the end, cheaper bikes will cost you more.

If large upfront costs are a problem, ask us about our 5-year lease program. Prices are less than \$1 a day, warranties are extended, and we provide semi-annual, on-site preventative maintenance inspections and services. Free trials are also available.

When bikes are a part of business, the Rugged Cycle is the best investment you can make. Contact us for a custom proposal.

Pedal safe,

Rugged Cycles Team