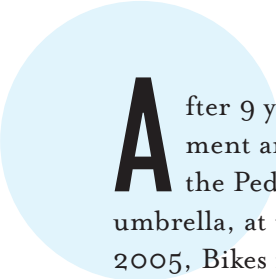


# bikes FOR THE WORLD



2005 Annual Report



**A**fter 9 years of development and growth under the Pedals for Progress umbrella, at the beginning of 2005, Bikes for the World began independent operation as a “sponsored project” of the Washington Area Bicyclist Association (WABA). In its first full year of operation, Bikes for the World accepted donations of 6,000 good-quality second-hand bicycles in the greater Washington, D.C.-Baltimore area and sent them to developing countries to support bicycle-related employment and provide low-cost transportation. In all, \$250,000 worth of bicycles, spare parts and accessories, and portable sewing machines went directly to overseas partners.

## MISSION

Bikes for the World was established to benefit people in developing countries by

- providing affordable reconditioned bicycles for personal transport to education, employment, health services and other essential activities; and
- fostering local capacity to repair, maintain, and market bicycles, employing local people.

At the same time, this mission allows Bikes for the World to provide community service opportunities for Americans, promote public awareness of the value of recycling discarded or no longer needed bicycles and work alongside other international organizations sharing a common concern for environmentally-sustainable community development.

## HIGHLIGHTS OF 2005

### Getting Started

Negotiated the transfer of assets (storage trailers) from Pedals for Progress to Bikes for the World.

Sponsored 69 bicycle collections with the help of 600+ volunteers collecting, processing, and packing bicycles for shipment.

Shipped 6,001 bicycles to 7 non-profit partners in an equal number of countries, surpassing our goal of 4,000 bicycles.

Launched project to collect and ship portable sewing machines along with bicycles to provide additional opportunities for vocational training and employment, with a particular focus on benefiting women. Sewing machines increase the

value of shipments—fitting nicely in the “troughs” among tightly-packed bicycles—and augment the vocational training and employment generation of overseas partners.

### Building Local Relationships

Consolidated a network of more than 60 community organizations and four local jurisdictions as Bikes for the World partners.

Expanded relationships with area bicycle stores that receive and hold donated bicycles for Bikes for the World.

Established a relationship with the Montgomery County (MD) Department of Public Works to collect bikes discarded by residents at the County’s Shady Grove Waste Transfer Station.



## Serving Overseas Partners

Focused initial efforts on Central America (seven shipments of 3,112 bicycles) and tsunami-affected Sri Lanka (three shipments of more than 1300 bicycles).

Channeled 200 new Roadmaster mountain bikes and a \$1,000 donation from the Brunswick Corporation, for Sri Lanka.

## Collaborating With Likeminded Organizations

Collaborated with “Bicycles for Humanity” to brand the concept of bicycle re-use for overseas development and individual empowerment.

Coordinated shipments and shared experience with Village Bike Project, Working Bikes Cooperative, and other global bicycle collection efforts.

## Public Recognition of Bikes for the World

Won local competition for free professional graphic design services in CreateAthon 2005, resulting in new Bikes for the World logo, posters and other information material.

Written about in the *Washington Post*, *Bicycling Magazine*, and the *Voice of America* (*Africa News Service*).

## BIKES FOR THE WORLD'S PARTNERS IN 2005

Bikes for the World began the year with a schedule of bike collections, but no committed overseas partners to receive bicycles. Partnerships were built over the course of the year through a new website and by marketing the program via email. Organizations—with purposes ranging from general humanitarian service to narrowly-focused micro-business

development, employment, and education—approached Bikes for the World and shipments were arranged.

By year's end, Bikes for the World's partners were:

**Art for Humanity** (Arlington, VA), a non-profit working in Honduras: 57 bikes

Art for Humanity ships donated household items to Honduras for micro-businesses, which raise the



Cortez, Honduras. The boy's rural family has very little land, and survives through a combination of gardening, seasonal labor, and livestock-raising. With the bike he can carry vegetation collected along the road back to the house to feed a pig.



income of the poor. Bikes for the World bicycles have capitalized small sales and service enterprises and provided low-income individuals with access to work and education. Art for Humanity has shared Bikes for the World's storage and loading dock facilities, and has loaned Bikes for the World its pick-up truck and trailer to collect bikes.

**Website:** [www.zzapp.org/art-forhumanity.org](http://www.zzapp.org/art-forhumanity.org).

**Servicios Ecuménicos de Formación Cristiana en Centro América (SEFCA)** in Guatemala: 442 bikes

SEFCA's "Eco Bici," recipient of Bikes for the World's inaugural shipment of bikes, is a community-owned business employing urban youth to refurbish and sell used bicycles for local transportation in slums of the capital city. A Bikes for the World volunteer mechanic visited the program later in the year.

**Panamanian Association of Goodwill Industries, Panama/Goodwill Panama:** 1803 bikes

Goodwill Panama runs a vocational education and rehabilitation program for the physically and mentally disabled, where bikes are reconditioned and sold at affordable prices in low-income communities. Funds generated support vocational training and employment.

Bikes for the World's initial shipments of portable sewing machines went to Goodwill Panama.

**Fundación Integral Campesina (FINCA), Costa Rica:** 888 bikes.

For 20 years, FINCA has mobilized savings and provided credit and investment capital for micro-enterprise development in marginal regions of Costa Rica. Bikes for the World bicycles are channeled through FINCA's extensive rural network, benefiting micro-business owners and workers. **Website:** [www.fic.or.cr](http://www.fic.or.cr) (Spanish only).

**Village Bike Project (VBF), Ghana:** 439 bikes

The Village Bike Project—directed by former Peace Corps volunteer David Peckham—trains Ghanaian bicycle mechanics and users in bicycle repair, maintenance, and safety. Bikes are sold locally to raise funds for the program and are provided at very low cost to trainees. VBF ([www.pcei/vbf](http://www.pcei/vbf)) also receives donations of bikes from other U.S.-based bicycle networks,





including **Chicago's Working Bikes Cooperative** ([www.workingbikes.org](http://www.workingbikes.org)) and **Bikes Not Bombs** ([www.bnb.org](http://www.bnb.org)).

**Sri Lanka Association of Greater Washington (SLAGW)**, Sri Lanka: 959 bikes+

SLAGW served a network of private tsunami relief and development agencies in Sri Lanka. Bikes for the World shipped two containers with 959 bikes and arranged for a container shipped from Chicago with 200 new, boxed Roadmaster mountain bikes

and an additional 150 reconditioned used bikes provided by Chicago's Working Bikes Cooperative ([www.workingbikes.org](http://www.workingbikes.org)). All bikes went to individuals affected by the tsunami, to help the economic recovery.

**Christian Alliance for International Development (CAID)**, Haiti: 452 bikes

CAID, a network of Christian churches in the Haitian-American community, collects usable American used goods and sells them at low prices in Ft. Liberté, Haiti to provide

needed goods and generate funds to build a community center. Bikes are reconditioned locally, generating employment and much-needed affordable transportation.

## BIKES FOR THE WORLD WASHINGTON-BALTIMORE AREA OPERATIONS

### Collections

The Bikes for the World network completed 69 bike collections taking in more than 6,000 bikes in 2005—more collections and bikes than in any previous year operating as Pedals for Progress. Collections were sponsored by 67 organizations—schools, churches, synagogues, and community groups of all types. Sponsor volunteers—who make the whole enterprise work—“compacted” bikes donated at these events—removing pedals, lowering seats, and turning

and rotating handlebars—to narrow and lower the profile for efficient packing later on. The full list of partners is listed in Annex A.

A few standouts included partners that carried over from Pedals for Progress. **St. Mary's Catholic Church** (Fairfax, VA), **Arlington (VA) Recycling Office**, **Herndon (VA) Friends Meeting**, and **St John the Evangelist Catholic/St. John's Methodist-Presbyterian (Columbia)**, including their 2005 collections, each have collected more than 1,000 bicycles over the last 10 years.

Other experienced high producers were Good Shepherd Catholic Church (Alexandria, VA), and a joint effort by St. Joseph's Catholic Community and Wesley Freedom United Methodist Church (Eldersburg, MD), each collecting close to 200 bikes. Some first-time partners also produced outstanding results:





Otterbein United Methodist Church (Hagerstown, MD) collected more than 250 bikes in the course of one exhausting Saturday; Girl Scout Troop #5978 brought in 150 bikes at Stone Ridge School (Bethesda, MD); and Ann Jackson and Friends, who netted 150 bikes in Severna Park (MD) on a warm Saturday in June.

Bikes for the World also began tapping new channels for bicycles. In May, Bikes for the World began picking up functional but discarded bikes at the Montgomery County (MD)

Department of Solid Waste Shady Grove Waste Transfer Facility. The County compensated Bikes for the World for each bike taken out of the waste stream, under its innovative waste reduction and re-use program. Other new sources were police department impound lots, bike shops, and area co-op, condo, and rental buildings, which are frequently overrun with abandoned bicycles. These institutional sources have also begun to contribute funds to cover a share of Bikes for the World's shipping expenses.

## Storage Sites

Bikes for the World has been the beneficiary of invaluable support from two major commercial real estate developers—The West Group and Charles E. Smith/Kaempfer Management—that provide space for our collection and shipping operations. The West Group has made available a loading area in McLean, VA at

the former Mitre Corporation property. The site is convenient to the Beltway, I-66, and the Dulles Toll Road, and serves Fairfax County, Loudon County, Montgomery County and Western MD collections. Bikes for the World shipped eight containers from this site during 2005.

Bikes for the World also has the temporary use of a loading dock and warehouse space at the former Waterside Mall in

Southwest Washington, DC, courtesy of Charles E. Smith Commercial Realty. The site is Metro-accessible and has electricity and 24-hour security. It serves Capitol Hill, eastern and southern MD, and the I-395 Corridor of Northern VA, with four shipments leaving from the site in 2005. The building also houses a workshop where volunteers work on bikes, sort parts, and organize bikes for shipping.



Don Juan Guillermo (red shirt) and Don Timoteo (blue shirt), from the Costa Rican community of Cuatro Esquinas (Four Corners), in the Los Chiles District close to the border with Nicaragua. They arrived in the capital of San Jose in a pick-up, selling their black beans, and came by FINCA's warehouse with the empty pick-up and a long pole protruding out the back. (FINCA staff had no idea what the pole was for until they started loading the bikes.) The bikes that they carried away are used by the workers in the orange groves and black bean farms of this border district. FINCA has received two containers per year, or approximately 850 bikes annually.

## BIKES FOR THE WORLD FINANCIAL PICTURE

### Income from Donations

An estimated \$250,000 worth of bicycles, parts, tools and sewing machines were donated in 2005.

Volunteers donated 3,200 hours working at collections and 384 hours loading shipping containers.

The value of donated storage space (see above) is conservatively estimated at \$46,000 for the year.

### Cash Income

Bikes for the World had three principal sources of cash income in 2005, totaling about \$91,000:

Donations with bikes of \$48,000 (53%). Most people who give bikes also give a contribution (minimum \$10

requested) to defray shipping costs.

Program service fees of \$28,000 (31%). Payments from overseas partners for shipping and related expenses (this does not include the direct payments for shipping of three partners, for which no money flowed through Bikes for the World accounts).

Individual and corporate donations unrelated to bicycle donations of \$8,000 (9%). This source promises to increase in coming years as Bikes for the World becomes better known and seeks foundation and corporate support. The remaining income came from diverse sources, e.g., sales of certain donated bikes (antiques, high-end, "exotic" items). This source is expected to increase in coming years.

### Expenses

Total expenses for 2005 were \$70,000. The largest expenses were \$30,000 salary (not



including 3 months of donated full-time work by the director and uncompensated book-keeping services), and \$22,000 for shipping. Truck rental and associated expenses were \$6,000, and payment to WABA for support services were \$5,000. Smaller administrative expenses accounted for the remainder.

### Bottom Line

Bikes for the World ended its first year with a surplus of \$20,000, which was slated to be used to expand the program in 2006.

### COLLABORATION WITH OTHER BICYCLE COLLECTION EFFORTS

A principal reason for establishing Bikes for the World as an independent organization was to work cooperatively with similar bike collection and international promotion efforts, recognizing the relative underdevelopment of the sector and the potential for learning from each other, benefiting from economies of scale, etc. During its first year, Bikes for the World collaborated with:



- Village Bike Project (Moscow, ID)
- Working Bikes Cooperative (Chicago, IL) and
- Bicycles for Humanity (Kelowna, British Columbia)

Bikes for the World also engaged in productive conversation with:

- Bikes Not Bombs (Boston, MA)
- International Bicycle Fund (Seattle, WA)
- Institute for Transportation and Development Policy (New York, NY) and
- Re~Cycle (United Kingdom)



## GOALS FOR 2006

- **Institutional development:** establish formal steering committee.
- **Operational stability:** secure permanent storage and shipping site(s).
- **Program growth:** expand sponsored collections to more than 80 individual events and channel more than 6,500 bikes to beneficiary programs.
- **Mission expansion:** secure financing and initiate local youth bike program in Rockville, MD.

## Comments

The transition to becoming an independent and sustainable organization, with an active Advisory Board and paid core staff, and permanent storage and shipping site whose costs can be covered by income is off to a good start but requires additional effort in 2006 and beyond.

Conversations during 2005 have led to a commitment to a program serving youth in Rockville MD with training in bicycle safety and maintenance after school on a drop-in basis, and potentially for at-risk youth referred by the local school system. The program would explore synergies with the international program, including providing storage for bikes to be shipped overseas.

A final challenge is to improve the quality of the “product” in response to overseas needs for higher-quality multi-speed

mountain and one-speed “cruiser” bicycles appropriate to the terrain in the rural areas of partner countries.

Strategies will be to cull out and strip parts from cheaper-model road bikes in marginal condition, and sell a small number of high-end road bikes in the United States for cash that can be used to acquire and ship mountain bikes from police impound lots and other institutions.

## Further Information

Website:

[www.bikesfortheworld.org](http://www.bikesfortheworld.org).

For further information on donating a bike, sponsoring a collection in the United States, or requesting a shipment of bikes, write or call:

*Bikes for the World*

3108 17th Street North

Arlington VA 22201

Tel-fax 703-525-0931

[Info@bikesfortheworld.org](mailto:Info@bikesfortheworld.org)



## Annex I

### Acknowledgements

Bikes for the World is grateful to the Washington Area Bicyclist Association, Bikes for the World's sponsoring agency, and in particular to its executive director, Eric Gilliland, and board chairman, Paul D'Estachio, for their advice and support.

Bikes for the World also expresses its appreciation to 2005 key volunteers Craig Annear, David Boynton, Nick Griffin, Jerry Rogers, Louise Hirsch, Steve Reiss, John Shettel, John Sutton, and Merywen Wigley, whose efforts and encouragement helped launch Bikes for the World as a separate entity.

## Annex 2

### Steering Committee (as of year-end 2005)

- Craig Annear, McLean VA
- Antonio Bravo, Alexandria VA
- Hellen Gelband, Takoma Park MD
- Nick Griffin, Washington DC
- Jim Kolb, Washington, DC
- Charles Monfort, Arlington VA
- Keith Oberg, Arlington VA
- Jeff Peel, Washington DC
- Gerard Rogers, Falls Church VA
- John Shettel, Olney MD
- Ben Slade, Chevy Chase MD
- Merywen Wigley, Falls Church VA

## Annex 3

### Donors

#### \$1,000+

- Carl Gewirz
- Alternative Gift Fairs of Washington
- Anonymous
- John Martin

#### \$500+

- Bikes@Vienna LLC
- Carol & Jim Branscome
- Cumberland Rotary Club
- Thomas Dunlap
- Todd Kupferman
- John Sutton
- William Nickel
- St John the Evangelist Catholic Church (Columbia MD)
- St Mary's Catholic Church (Fairfax VA)
- Trinity United Methodist Church (Alexandria VA)
- Wesley Freedom United Methodist Church (Eldersburg MD)

#### \$100+

- John Aggrey
- Louis Arcilla
- Samuel Belkin & Ann Hellerstein
- Janet Bickel
- Charles Bissell
- Gary and Kay Boughan
- Lyle & Diane Brenneman
- Burke Presbyterian Church (Burke VA)
- Thomas Calhoun & Thelma Triche
- Alfredo Caputo
- Kevin Costello
- Janice Curtin
- Alan & Vera Dean
- Double Diamond Construction Corporation
- Fairfax Memorial Park
- Glenwood Lions Club (Glenwood MD)
- Stephen & Victoria Gravini
- Linda Gurevich
- Karen Hammond
- Herndon Fortnightly Club (Herndon VA)
- Elizabeth Howard
- Mary Hynes
- Kevin Kirsch
- Steven Koster
- Carl Kurz

- Richard La Roche
- Ronald Lacoss
- Langley Hill Friends Meeting (McLean VA)
- Melissa Hunter-Kilmer
- Maritime Autowash (Severna Park MD)
- Maurice Johnson Living Trust
- Evan McDonnell
- McDonough High School Key Club
- C. Miller
- Dave & Nancy Miller
- Charles Monfort
- Joanne Morency
- Timothy Mulligan
- James & Judith Nelson
- Warren Nelson
- Otterbein United Methodist Church (Hagerstown MD)
- Gregory Pleimling
- Elizabeth Pohlhaus
- Race Pace Bicycles (Ellicott City MD)
- Lorraine Racusen
- Richard Robinson
- Steven Schneider
- Janette Shaffer
- Neil Sigmon
- John & Betty Smallwood
- St. Peter's Parish
- Trudie Thompson
- Lorraine Trexler
- John Von Rosenberg
- Joel Wittenberg & Mary Ann Ek
- Tim & Mary Yeane



## Annex 4

### Collection & Loading Sponsors

#### Delaware (2)

Calvary Assemblies of God, Dover; Brandywine 100 Rotary Club, Wilmington.

#### Maryland (35)

Ann Jackson & Friends, Severna Park; Bradley Hills Presbyterian Church, Bethesda; Bushy Park Elementary School, Glenwood; Christ Episcopal Church, Columbia; Congregation Beth El, Bethesda; Congregation Har Shalom, Potomac; Crusader Lutheran Church, Rockville; Cub Scout Troop #1976, Potomac; Cumberland Rotary Club; Evergreen Cove Holistic Learning Center, Easton; Girl Scout Troop #5978, Bethesda; Hudson Trail Outfitters, Gaithersburg; Hudson Trail Outfitters, Rockville; Landon School,

Bethesda; Linden Heights United Methodist Church, Parkville; Olney Rotary Club/Sherwood High School, Olney; Otterbein United Methodist Church, Hagerstown; Poolesville High School Global Ecology Senior Project, Poolesville; Potomac Rotary Club/T.S. Wootton High School, Rockville; Recreational Equipment Inc. (REI), Rockville; Recreational Equipment Inc. (REI), College Park; Recreational Equipment Inc. (REI), Timonium; St. Bernadette's Catholic Church, Severn; St. Elizabeth's Catholic Church, Rockville; St John the Evangelist Catholic Church/St John's United Methodist-Presbyterian Church, Columbia; St. Joseph's Catholic Community, Eldersburg; St Paul's Catholic Community, Damascus; St Paul's Evangelical Lutheran Church, Lutherville; Temple Emanuel Mitzvah Service Day, Kensington; Temple Shalom Mitzvah Service Day, Silver

Spring; Tikvat Israel Congregation, Rockville; Waldorf Kiwanis Club; Washington Area Bicyclist Association, Silver Spring; Wesley Freedom United Methodist Church, Eldersburg; Westminster Rotary Club.

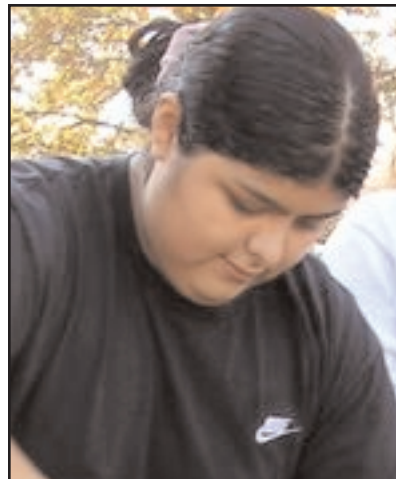
#### **Pennsylvania (1)**

Mercersburg Academy

#### **Virginia (27)**

Arlington County Recycling Office/Boy Scout Troop #106 Eagle Community Service Project (Connor Walsh); Boy Scout Troop #167 Eagle Community Service Project (Chris Richards), Falls Church; Boy Scout Troop #979 Eagle Community Service Project (Graham Rifenburg), Vienna; Boy Scout Troop #1515 Eagle Community Service Project (Matthew Dziuban); Boy Scout Troop #821 Eagle Community Service Project (Jared Allen), Falls Church; Burke Presbyterian Church; Church of the

Nativity, Burke; City of Falls Church Recycling Office; Fairfax County Recycling Office/Edison High School, Franconia; Fairfax County Recycling Office/Herndon High School Students Against Global Abuse, Herndon; Good Shepherd Catholic Church, Alexandria; Herndon Friends Meeting; Hudson Trail Outfitters, Fairfax; Hudson Trail Outfitters, Fairfax; Old Presbyterian Meetinghouse, Alexandria; Our Savior's Way Lutheran Church, Ashburn; Potomac School, McLean; Prince William County



Recycling Office, Manassas; Recreational Equipment Inc. (REI), Baileys Crossroads; Recreational Equipment Inc. (REI), Fairfax; St Mary's Catholic Church, Fairfax; St. Peter's-in-the-Woods Episcopal Church, Fairfax Station; Sts. Andrew & Clare Council #10947 Knights of Columbus, Clifton; Temple B'nai Shalom, Fairfax Station; Trinity United Methodist Church, Alexandria; Unitarian-Universalist Church of Arlington; West Springfield Rotary Club.

#### **Washington DC (5)**

Bar Mitzvah Service Project/Sheridan School (Harrison Schutzer); Community Relations Departments of the Inter-American Development Bank/International Monetary Fund/ World Bank; St Mark's Episcopal Church; Temple Sinai; Washington Ethical Society.

Thanks to the following bike

shops which accepted bike parts and accessories, or served as bike donation sites for Bikes for the World:

- Bob's Bikes, Poolesville MD
- Bikes@Vienna, Vienna VA
- Pedal Pushers, Severna Park MD
- Race Pace Bicycles (Ellicott City MD and Columbia MD)
- Spokes etc. (Vienna VA, Alexandria/Belle Haven VA, and Alexandria/Quaker Lane VA)
- The Bike Lane, Burke VA



**Annex 5: *Bikes for the***  
***World* Financial**  
**Statement for Calendar**  
**2005**



## Annex 5: ORDINARY INCOME/EXPENSE

### ORDINARY INCOME

#### Contributed Income

##### Corporate contributions

Business	529.30
Faith Communities	3,217.00
Civic Group	800.00
Other	25.00
Total corporate contributions	4,571.30
Gifts in kind (bikes, parts, sewing machines, etc.)	245,729.58

##### Individual contributions

Individual unrelated to Bike Donations	7,991.10
Donations with Bikes	49,840.36
Total Individual contribution	57,831.46
<b>Total Contributed Income</b>	<b>308,132.34</b>

#### Earned Revenue

Gov agency contracts	969.00
Gross sales – inventory	184.00
Other revenue	60.00
Program service fees (payments for shipping)	31,141.20
Sales of antiques, collectibles	1,393.00
<b>Total Earned Revenue</b>	<b>33,747.20</b>

### TOTAL INCOME

**341,879.54**

#### Cost of Goods Sold

Cost of Inventory Sold	90.40
Total Cost of Goods Sold	90.40
<b>GROSS PROFIT</b>	<b>341,789.14</b>

### EXPENSE

Sales Expense	992.78
Business expenses	
Organizational (corp) expenses	30.00
<b>Total Business expenses</b>	<b>30.00</b>

#### Contract services

Accounting fees (5% admin to WABA)	5,023.23
<b>Total Contract services</b>	<b>5,023.23</b>

#### Facility & equipment expenses

Equip rental & maintenance	4,166.52
Rent & parking	1,636.75
<b>Total Facility &amp; equipment expenses</b>	<b>5,803.27</b>

#### Nonpersonnel expenses

Books, subscriptions, reference	125.00
Postage & delivery	1,159.01
Printing & copying	3,862.63
Supplies	792.44
Telephone & telecomm	770.94
Total Nonpersonnel expenses	6,710.02
Other expenses	
Mileage	1,686.83
Advertising	799.06
Bank charges & credit card disc	207.37
Other costs	40.20
Outside computer services	50.00
Total Other expenses	2,783.46
Payroll Expenses	29,065.50
Shipping services	22,099.00
<b>Total Expense</b>	<b>72,507.26</b>

<b>NET ORDINARY INCOME</b>	269,281.88
Other Expense	
Donated Bicycles Shipped	218,079.86
Total Other Expense	218,079.86
Net Other Income	-218,079.86
<b>NET INCOME</b>	51,202.02*

NOTE: Includes value of \$27,649.72 in bicycles and related items held in inventory from 2005 into 2006.