

CYCLE HIRE GUIDELINES

The hiring of bicycles in resorts and beauty spots can be a profitable source of income to cycle retailers. These notes are designed to assist dealers who are considering the venture and who wish to know some of the pitfalls that exist.

Demand/Storage

Is the demand purely seasonal, or will it be all year? In some areas, demand is much heavier than others, with holiday resorts likely to enjoy good business throughout the summer season, but reduced in the winter months. The retailer has to consider where the machines and equipment will be stored in the off-season. It could be that if new machines are used and sufficient hire charges made to cover the costs, then these could be serviced and sold off as second hand at the end of the period. A good turn round of stock will be achieved and a good hire rate demanded for the latest models on hire.

New or old?

Some retailers think that a batch of good second hands will suffice – and so they will if they are good quality and properly maintained – but you cannot charge top dollar for them and they will not appeal to the younger riders. More progressive retailers know that the newest machines will attract higher fees and may even lead to a sale if the customer is really taken with the one he is riding. It is important that we all introduce new people to the pleasures of cycling and an enjoyable ride on a good hire bike is a vital part of that process.

Identification

There is no doubt that clear ID is important on the bike to not only aid recovery of lost or stolen machines, but also to act as a mobile advertisement for the company. Coloured decals or bright tape, anything that is not easy to remove is ideal. The identity can be removed before selling on and a note of the frame number will serve as proof that the cycle has been sold and not stolen. Check with other dealers who are hiring so that you don't all have similar marking, plus notify the police of what you are doing.

Maintenance

It is vital that each machine is properly safety checked before each re-hire – the ACT Cycle Hire Manual contains all the best practice guidance and adherence to the CTC Cycle Hire Code is also a must.

Ancillary equipment

Helmets should always be offered to the riders, together with advice on fitting if they are inexperienced cyclists and should be disinfected between each hiring. Tag alongs and child trailers can be offered, but a training area will be required to show cyclists how to manoeuvre in safety.

Insurance

It is essential that you take out specialised cycle hire insurance, particularly in these days of increasing litigation. The most cost effective insurance will be obtained as an extension to your existing trade policy; stand alones are obtainable, but very expensive. The customised ACT shop policy does contain a provision for cycle hire, as well as many other exclusive features, so try us for a quote at your next renewal.

Deposits

Always charge a good deposit, refundable if the machine is returned in accordance to your terms and conditions. It can be taken as a credit card swipe, or as a cheque backed up by a cheque card. Daily

rates must be arrived at taking in to account the value of the machine, the length of hire and any accessories taken.

The cycle should always be checked over in the presence of the hirer and all accessories noted, plus any existing damage such as large scratches or dents. It is sensible to provide a padlock and chain and make it a condition of hire that the cycles are locked if they are left at any time.

Administration

It is important to keep the cycle well identified and a log kept of any damage and how it occurred. Be prepared to deduct a charge for further damage from the deposit that is one reason why it is imposed. ACT has a simple hire document in the stationery range, but a computerised system is the best method for integrated data. Make the return time a condition of the hire; otherwise you could be hanging around half the evening waiting for a return to arrive.

Guides/maps

Always worth giving away simple maps showing local rides of specified length, plus offering more sophisticated maps for sale to the more experienced riders. Point out any local places of interest, plus names of any friendly pubs or cafes who welcome cyclists.

Further related ACT Information

Making a contract of sale (applies also to services such as hire)

ACT Cycle Hire Manual (for sale)

ACT stationery list

Start-Up Cycle Hire package - advice & information - cost on application

from Nigel Wiggett on 01208 815 715

ACT, 31a High Street, Tunbridge Wells, Kent, TN1 1XN
tel: 01892 526 081 fax: 01892 544 278
www.act-bicycles.com email act@act-bicycles.com