

SUMMER 2008

INGEAR

THE NEWSLETTER OF PEDALS FOR PROGRESS



Clif Bar Grant “Fuels” New Project in Sierra Leone

Doing good for Clif Bar begins with their responsibly made, wholesome—and rather tasty—products, and continues with their passion for giving back. Many of us at Pedals for Progress have enjoyed Clif Bars at collections, which require considerable energy, but now Clif Bar has provided Pedals for Progress another form of energy, if you will, in the form of a \$7,000 donation to start a new project in Sierra Leone. And earlier this July, our partner in Sierra Leone received their first shipment of bikes.

After a decade of civil war, ethnic strife, and severe economic hardships, Sierra Leone has arrived at a stable and promising phase. With a population made up largely of subsistence farmers, in order to secure long-lasting peace and security, it's important that rather than merely subsist, these farmers thrive. Economic stability goes hand in hand with peacefulness. And bicycles are one means to contribute toward both conditions by developing a much needed transportation infrastructure.



Top and Bottom: Sierra Leone 1 arrives.

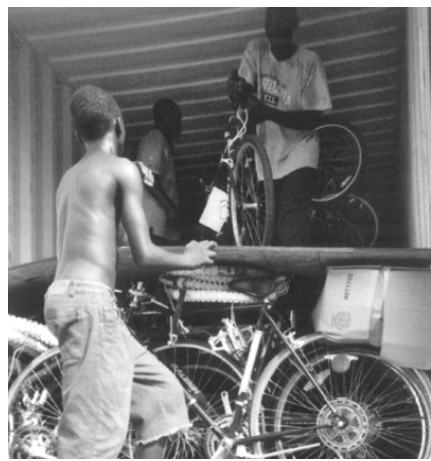


Dave, Greg and Adam with the first shipment to Sierra Leone

Currently, in Sierra Leone, there are insufficient roadways, there's little or no public transport, and, as is the case in most developing nations, the poorest citizens must walk everywhere. Using bikes, farmers can transport goods more easily, get back and forth to their fields more often, and of course, meet their other transportation needs. When it comes to moving produce to market, it's possible for a farmer to move as much as five times what he could normally transport on foot by

using his bike as a carrier. In many cases, Pedals for Progress bikes are even modified by their new owners with large baskets, racks, and even insulated boxes to carry perishable items. Such utility is indispensable in the developing world, and is ultimately the means for a family to live a decent and productive life with greater freedom and earning potential.

Now that Clif Bar has so generously helped get our Sierra Leone project going, more bikes will follow. With any new project, the most difficult shipment of bikes is the first one. Clif Bar has helped us and our new partner past that obstacle, and further shipments will certainly follow. With each new shipment, more people—more families!—will begin to live better lives in Sierra Leone thanks to Clif Bar's generosity.



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A SPECIAL THANKS TO OUR SPONSORS AND MAJOR CONTRIBUTORS

Bell Sports

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Hanover Cyclers

Returned Peace Corps Volunteers

JPMorgan Chase

New Vernon Presbyterian Church

International Monetary Fund Civic Program

Rotary International District 7510

Maersk/Sealand

New Jersey Clean Communities

Clif Family Foundation

Redlich Horwitz Foundation

P4P on CNN

On July 25th Dave Schweidenback was featured on CNN as a 2008 Hero. If you missed the broadcast you can still see the video by going to: www.cnn.com/heroes.



Show your support and vote for Dave and Pedals for Progress as the most outstanding hero of 2008 on www.cnn.com.

PRESIDENT'S LETTER

Dear Friend,

Around the time InGear was being produced, I learned that CNN was honoring me as part of their CNN Heroes Program. Needless to say, this was incredibly flattering and a very satisfying accolade to receive. So I extend a heartfelt thanks to the to the staff of the CNN Heroes program. I am deeply honored that they chose me as one of their Heroes.

Seventeen years ago I had a good idea. With a lot of dedication, hard work, and the faith and support of my family, I have been able to grow Pedals for Progress into a worthy organization. When I first started there were only two organizations recycling bicycles for shipment overseas. So there was no real blueprint to follow for a newcomer like me.

As I developed our business model, and figured things out in the first years of Pedals for Progress, we established a footprint within the greater New York City and Philadelphia metro areas. But rather than grow beyond this region, we decided to grow within it, and to grow geographically by sharing our business model. It's another way to give back. And it's also financially more feasible for us to mentor others who wish to start their own version of our organization. Besides, providing our model to an independent group is a means to foster innovation.

Over seventeen years, we have shared our business model with over fifty organizations throughout the United States, Canada, and even in Europe and Asia. I still believe that many independent businesses doing this task is best for everyone.

The CNN Heroes Program gives me, and Pedals for Progress, an unprecedented opportunity to reach a greater audience. By getting our message out there—and much further out there than our humble organization can normally reach—I hope we can bring in the resources we need to recycle more bicycles here. But more than that, I hope to encourage people to start recycling efforts in their communities and provide them with the model to do so successfully.

Our goal is to lift more families out of poverty worldwide. Sharing what we do, making our method and business model available to anyone who wants to do what we do only helps that goal.

Again, I thank the folks at CNN from the depths of my heart. They've given me the forum of prime-time television to get our message out, and this will result in thousands more families lifted permanently from poverty. Being called a Hero leaves me somewhat lost for words. However, I can say I will do my best to continue to live up to that standard.

Sincerely,

A handwritten signature in cursive script that reads "Dave".

Dave Schweidenback,
Pedals for Progress Founder and President

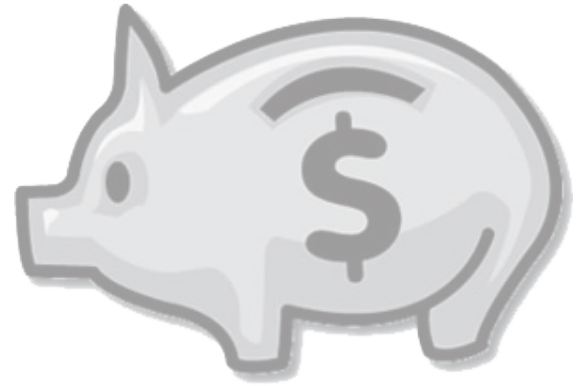
WANTED: FUND RAISERS

At times we fear that we sound like a broken record. And the refrain we're stuck on is: we need funds. This is true for most nonprofits, however, and while we're always asking for your help in the form of donations, we could also use the help of skilled fundraisers able to do the asking for us. So, if you have a talent for raising money, or know someone who does, we can really use that talent.

Nearly all of our man-hours are devoted to day-to-day operations. Turning our attention to fund raising means taking it away from collecting and shipping bikes. Our areas of expertise include organizing bike collections, and handling the complex logistics involved with getting overseas containers to the right parties. While we do hold regular fundraising events, we know there are talented individuals out there who can do it much better than we can. And we're looking for you.

Our story, and our work, has been embraced and even celebrated for as long as we've been doing what we do. Our methods work. We've won prestigious awards like the Rolex Award for Enterprise, and the Sargent Shriver Award for Humanitarian Service. We're extremely efficient with our funds. And we've helped to give over 115,000 families a leg up on poverty. Recipients of our bikes have gone on to develop their own businesses and thrive in ways they never could have without the simple acquisition of a bike. What we do works.

With greater funds, we can help thousands more people every year. We just need more help with raising those funds. If you, or someone you know would like to get involved with us, please contact Dave Schweidenback at pdls4@comcast.net or 908-638-8893.



An Eagle Scout Collects and Delivers 46 Bikes

Brian Mehregan's Eagle Scout project came about when he learned of Pedals for Progress through the Monroe Rotary Club, where his parents are active members. Pedals for Progress has a long and fruitful relationship with Rotary Clubs, and this proved to be another.

Brian coordinated the collection with the Monroe Rotary Club and his Scout Troop 579. After posting nearly 4,000 flyers around town to promote the collection, Brian's collection netted a total of 46 bikes, which is a pretty good haul for a first-time effort. And he also raised \$10 with each bike.

Any scout worthy of his merit badges is always prepared, and Brian is no exception. He was not only prepared to pull off a well-run collection, he and his father personally delivered the 46 bikes all the way from Monroe, Michigan to High Bridge, New Jersey.

Pedals for Progress is proud to have the support of someone as industrious and thoughtful as Brian. We wish him luck and congratulate him on receiving his Eagle Scout honors. Next year he plans to attend college in California and study pre-med. Perhaps that means we'll also see a delivery of bikes from the west coast one day.



Brian Mehregan hard at work during his collection this spring.

Our Revolving Fund System

Explaining in detail how Pedals for Progress works isn't always easy. The simple version is we collect used bikes and ship them overseas to partner organizations who then distribute them within their communities. And really, this is all there is to it. However, the logistics of this are much more involved, and, of course, nothing moves anywhere without money paying the way.

So, early on, Pedals for Progress innovated a revolving fund system that jumpstarts our overseas projects. Then once it's off the ground, it stays in operation for as long as the project needs bikes. For some of our partners this has been nearly as long as the 17 years we've been around.

The concept of our revolving fund system is simple: let the bicycles pay their own transportation. However, the first container of bikes we ship to an overseas partner is on us. We fund this initial shipment by raising a minimum of \$10 with each bike at our collections, which essentially pays for processing the bikes for shipment, and storing them in inventory. To then ship the bikes from our storage facility to our partner organization overseas requires an additional \$20 to \$30 more. We raise this money in a variety of ways—fundraisers, mail solicitations, grants, sometimes we're fortunate enough to get a program sponsored.

But this first shipment is the most critical, because it provides the financial means for our partner to get started and keep their project going. It's the lynchpin of our revolving fund system.

Once our overseas partner receives their first shipment, they then distribute these bikes among their community. This is usually arranged before the bikes even arrive. In many cases, financial assistance and small loans are provided so the poorest people can afford what are already modestly priced used bikes. And usually from 450 to 550 bikes arrive per shipment. But the bikes are never given away, and for good reasons.

First of all, selling these bikes gives them a nominal value, so recipients are more apt to value them, rather than treat them as handouts that can easily be replaced. (Most of us tend to care for things we pay hard-earned money for.) Selling the bikes also generates much needed income for our partner organization. After all, they have to keep the lights on, pay rent, phone bills, and maintain a payroll. So bike sales provide important operating capital.

Most of all, bike sales secure funding for our partner's next shipment, defraying at least a third of the shipping cost, typically, and sometimes nearly all of it. Subsequent shipments keep the revolving fund going, and that keeps the bikes flowing in to our partner organization's community.

Getting more and more people in a community on bikes also generates more business for the local bike shop. Naturally, when a thousand or two thousand bikes arrive in a given community, they'll need service. And often with the first shipment of our bikes, a bike shop is created, providing stable permanent jobs, and in some cases, successful bike shops have even provided the revenue to start up other businesses.

Having a large percentage of a community's adult population on bikes is critical to both a project's success and ours. One shipment is not enough—our programs can't end there. Apart from funding the

next shipment, the benefits of more bikes are many. To begin with, bike recipients start earning more money almost immediately. They're more able to find work, create businesses, or even get the education necessary to land higher-paying jobs. As they earn more money, and more bikes arrive, the next recipients begin to earn more money. The community begins to thrive. This inspires entrepreneurialism, and when new businesses succeed, they can then advise and even fund other enterprises.

The ultimate goal of our revolving fund system looks well beyond providing the first "free" shipment of bikes. Once bicycles get a foothold, they help the local economy bubble up rather than trickle down. Because our program doesn't simply provide hand-outs, recipients of our bikes understand it's up to them to make the most of owning a bike. And our experience has shown that that's exactly what they do.

Where has Pedals for Progress sent over 115,000 bicycles since 1991?			
Nicargua	31,989	Namibia	824
El Salvador	22,217	Mozam-bique	800
Barbados	7,876	Solomon Islands	623
Ghana	7,457	Jamaica	600
Honduras	7,376	Mexico	523
Panama	6,520	Haiti	523
Guatemala	4,674	Sierra Leone	492
Dominican Republic	3,560	Sri Lanka	487
Uganda	3,269	Venezuela	411
Eritrea	2,761	Kenya	403
South Africa	2,180	Pakistan	400
Moldova	1,815	Domestic US	220
Colombia	1,699	Peru	143
Ecuador	1,555	Madagascar	60
Fiji	1,012	India	18
Senegal	890		

Sewing Machines Shipped to Kyrgyzstan, Our Newest Partner

Most of our projects, and indeed our very first projects, are in Latin America. Nicaragua is where we got our start, and Pedals for Progress founder, Dave Schweidenback, got the initial idea for the organization while stationed as a Peace Corps volunteer in Ecuador. So, it's fitting that our newest project in Kyrgyzstan, one of the most remote countries on the planet, has a Latin American connection—Roberto Hernandez, an American of Hispanic descent, who grew up in Los Angeles, California.

Roberto was inspired to serve his country and fulfill his sense of patriotism by joining the Peace Corps, and he was stationed in Kyrgyzstan. A former Eagle Scout, he has always had a strong desire to help others. His Eagle Scout project saw him organize and lead a project that turned a neglected urban lot into a beautiful community garden in Los Angeles. His involvement with Pedals for Progress came about when he discovered our web site and learned about our sewing machine program.

Normally, we combine sewing machines with bike shipments, fitting them in the remaining space in overseas containers just before closing them up. Shipping them separately has been a challenge, one we overcame in working with Roberto and our new partners at SOS Kinderhof in the Kyrgyzstan town of Cholpon-Ata. By creating products to sell with the machines they receive, the staff at SOS Kinderhof will generate funds for more sewing machines, as well as have that resources to make more sellable goods. More importantly, they'll be able to set up a worker-owned co-op and gain ownership of their own business.

Their first shipment of 25 sewing machines arrived in Kyrgyzstan at the end of July. Hopefully this will be the start of many to follow. In the meantime, these machines will be put to immediate use at SOS Kinderhof. Now, this program will serve as a model for new sewing machine programs in other countries.



Roberto in front of village with his community partners.

Where in the World is Kyrgyzstan?



Quick Facts

- Kyrgyzstan is a landlocked country in Central Asia, bordering Kazakhstan, China, Tajikistan and Uzbekistan.
- In 1991, Kyrgyzstan became an independent country.
- Average annual income \$2,900 (USD)
- It is known as the "Switzerland of Central Asia"
- Bishkek is the capital and largest city, with about 900,000 inhabitants

Dear Dave,

On behalf of the Center for Research, Training and Program Development (CRTPD) Kenema, Sierra Leone, we wish to thank the Clif Foundation and P4P for the 40ft. container of bicycles and sewing machines we recently received in Sierra Leone.

The staff and people are very much happy and appreciate this kind gesture. We believe it can strengthen and build the institutional capacity, and empower the local people by bringing a prospect of greater livelihood of fostering sustainable social change in the community in particular, and the country in general.

These bicycles will be distributed to the various local interest groups and partners, and in accordance to our distribution policies and procedures; and the sewing machines will be used proper, to help improve in women's lives and give them the opportunities to realize their fullest potentials through education and vocational training.

Again, thank you so much. This donation will go a long way to lift the burdens of suffering of people from poverty.

Sincerely,

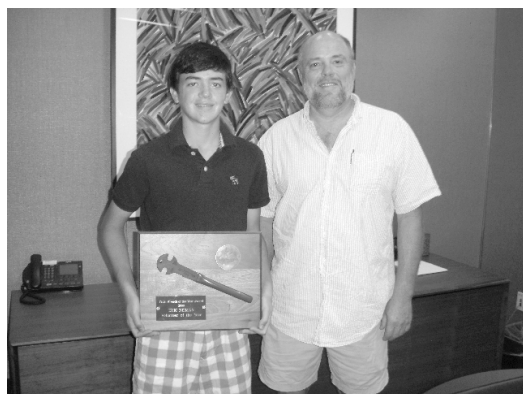
Shed Jah
CRTPD/Sierra Leone
Team in Kenema.

SPRING 2008 PEDAL WRENCH AWARDS



VOLUNTEER OF THE YEAR - ANTHONY ARNO

On July 14, 2008, Anthony Arno was awarded a Pedals Wrench of the Year Award for his outstanding volunteer service over the past two years. Anthony, a New Jersey public school teacher, has participated regularly at P4P bicycle collections. His teaching experience made him an excellent collection manager. P4P collections are usually attended by a number of primary and secondary school children, and Anthony motivates and organizes them as only an experienced school teacher can. Congratulations Anthony! Your assistance has been greatly appreciated by the P4P staff and has allowed us to collect many more bikes because of your efforts.



MANAGER OF THE YEAR - ERIC NEIMAN

Eric Neiman first contacted Pedals for Progress when he was looking for a volunteer project for his Bar Mitzvah celebration in 2006. Only thirteen years old, he ran a great collection for us, and even donated a sizable portion of the gift-money he received from his friends and relatives. As a freshman last year at Newark Academy in Livingston, New Jersey, Eric was looking for a way to give back to the community. He asked us if he could volunteer to help manage our Bergen County and Essex County collections, and of course, we said yes. This spring Eric worked just about every weekend, arriving early at collection sites with the bucket of tools and the box of paperwork—he was the P4P rep. He managed over a dozen collections and trained scores of volunteers so everything ran smoothly. Pedals for Progress is proud to give Eric a Pedal Wrench of the Year

award. Because of his outstanding effort we were able to collect hundreds of bicycles this spring, and Eric is not done. This fall he plans to run more collections for us, and will continue his efforts through his senior year.



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After the CNN Heroes Program in July,
Dave Schweidenback received this email.

David,

Congratulations! A well deserved recognition.

*I am a living witness to the powerful
incentive your bicycles provide.*

*In 1995-1996 because of your and P4P's
help, I literally collected all the discarded
lead batteries that people in rural Eritrea
throw away as litter once these
were used up or expired. People
had no idea how
poisonous lead could be.*

*What I did was to offer one of
your sturdy used bicycles to any one
who collected and brought in at least
one pound of discarded batteries. I can tell
you the entire Eritrean country side was
cleared of all this deadly litter. I made
sure that the collected batteries were dis-
posed of in an environmentally sound way.
There were many other wonderful uses to
which we put the almost 3000 bicycles
you sent to Eritrea.*

Thank you for all your help

*Naigzy Gebremedhin, Formerly Coordinator
of Eritrea's Environmental Management Plan*



MISSION STATEMENT

Pedals for Progress envisions a day when:

1. North America recycles over half of the 5 million used bicycles discarded each year, as well as unused parts and accessories for reuse overseas.
2. Poor people in developing countries have bicycles to get to work, obtain services, and meet other needs.
3. The bicycle is an effective tool for self-help in all developing countries.
4. Trade regulations enhance international commerce in bicycles and parts.
5. Policy makers in developing countries respect and support non-motorized transportation.

Our objectives are:

1. To enhance the productivity of low-income workers overseas where reliable, environmentally sound transportation is scarce, by supplying reconditioned bikes at low cost.
2. To promote in recipient communities the establishment of self-sustaining bicycle repair facilities employing local people.
3. To provide leadership and innovation throughout North America for the recycling of bicycles, parts, and accessories.
4. To reduce dramatically the volume of bicycles, parts, and accessories flowing to landfills.
5. To foster environmentally sound transportation policies that encourage widespread use of bicycles worldwide.
6. To foster in the North American public an understanding of and a channel for responding to the transportation needs of the poor in developing countries.

Approved 12/08/96.

IF YOU'RE A FEDERAL EMPLOYEE AND WOULD LIKE TO SUPPORT
US, YOU CAN PLEDGE YOUR TAX-DEDUCTIBLE DONATION BY
USING #12261 FOR THE 2009 COMBINED FEDERAL CAMPAIGN.

Pedals for Progress Tote bags — Do your Part and Part with Plastic.

The P4P Online Store is expanding. Gradually, that is. Our most recent offering is the P4P Tote, which is made of sturdy canvas, printed with our logo, and comes in two sizes: large, grocery bag size, and small, perfect for picking up a few items at the store. The prices are \$24 for the large, and \$20 for the small, and both prices include shipping. About 60% of each sale goes toward our programs. In addition to helping us, naturally, a reusable shopping bag does all kinds of good for the environment too. And doing good is always good. Buy one for yourself, buy one for a friend, just don't leave for the store without one.



For more information visit www.p4p.org.

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