

# Investment

[Finance](#), [Investment](#)



Bicycles is a London based company, which is part of rapidly expanding global market. There is currently huge potential for growth within the industry. Sales of the folding bicycles are expected to reach 19,000 with a pre tax profit of £100,000 for the year. In a bid to boost production to 50,000 bikes per year they are currently in the process of a £1m revamp and the introduction of new management.

The lack of growth within Prompt Bicycles is also as a result of the fierce competition from overseas manufacturer's, which are able to produce more bikes at a much faster rate and with a lower wage cost but Prompt bicycles are unwilling to move locations due to the high investment they have made in tools and specific skill training for their 85 staff. Prompt Bicycles have managed to reduce cost in some areas such as not having to invest in new tools or machinery as a result of their design hardly changing for 20 years.

They have also managed to save on marketing cost through relying on word of mouth to promote the business, there are plans to change this in order to try and increase sales in the overseas market

Summary of Prompt Bicycles

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