

9/7/98

Dear Sheldon

A colleague at work referred me to your web page about Elswick cycles. As you conclude that article by saying that you doubt whether Elswick survived long into the 60's, I thought you might like to hear what happened to Elswick.

My involvement with Elswick was from 1984 to 1994 when I was C.E.O. of Elswick Hopper PLC, a British company quoted on the London Stock Exchange since 1936, and renamed Elswick PLC during the 80's. Elswick Cycles was owned by Elswick Hopper PLC, which in 1984 owned a number of businesses in engineering and distribution, the only thing all the businesses had in common was none of them made any money! Hence my arrival on the scene to sort things out.

The bicycle part of the group went back to the 1880's when Fred Hopper started his cycle company in Barton-On Humber. He merged it in the 1890's or early 1900's with the Elswick Cycle Company, which took its name from Elswick, a suburb of Newcastle-on-Tyne. The cycle businesses were merged in Barton-On-Humber, where they were a major manufacturer before the first world war, exporting all over the world. As the business expanded, Fred Hopper built more factory units on the main site in Barton and in the town, so that when I joined Elswick in 1984 it had a largely derelict site with lots of decaying buildings. The production had been moved to nearby Brigg, into a single more modern factory.

In the 70's (I think) the Falcon Cycle company was bought and for a while the two businesses were kept separate and ran as competitors. Eventually it was decided to merge them onto the Brigg site but to keep the two brands. This didn't work as the cycles were being sold through dealers with rival dealers in a town selling the rival brands, when they merged the dealers stopped buying both!

Consequently around the time I joined it was decided to concentrate on the Falcon brand which was well known in the UK for sports cycles, which were selling well, whereas Elswick was better known for tourers, which were in decline.

So that marked the end of sales of cycles under the Elswick name, though the company continued as Falcon Cycles. I bought the Holdsworth and Claud Butler names and these were used on the top of the range cycles, but the company wasn't successful after about 1987 as cheap imports were flooding the market from places like China. The local components industry had disappeared, so we had to import all the parts (we made the frames from Reynolds tubing) so we were caught trying to be a volume producer but too small at 120,000 cycles per annum.

Meanwhile I had been rebuilding the Elswick group as a printing and packaging business focussed on self adhesive labels and garment labels, and the time came to sell the cycles business, which went to a company called Casket who had a largely import brand, Townsend (if I remember correctly). They did quite well and Falcon gained from their much greater buying power, until they bought a German bicycle maker, ran into major problems and nearly went bust, and were sold to a company called Tandem PLC, who last I heard were being taken over a by a group of investors planning to sell off the cycles and concentrate on racecourses (horses). However at present there are still Falcon, Claud Butler and Holdsworth cycles being produced.

Elswick PLC was itself taken over in 1994 by a larger print and packaging group and has been swallowed up inside it.

And so the corporate wheels go round and round

Anyway that's a short potted history, hope it is of interest.

At Elswick PLC I used to have a really nice old poster, a woman in a long dress riding a bicycle under the caption "Ride in style on an effortless Elswick Price 20 Guineas"

Yours sincerely

David Cross