

Amanda Cummins

Okay, cool. And just as is sort of our for our archiving purposes, I'm just going to state i Amanda Cummins. I'm interviewing Dixon Douglas. We're both in Winston Salem, on Saturday, July 13 20. And we're talking about how COVID has affected cycle bar.

Dixon Douglas

Yes.

So where would you like for me to start?

Amanda Cummins

Yeah. So I would love to just maybe get like a rough timeline directly. I'm going to that's where I wanted to start. But I think I want to jump back a little bit. I was wondering if you could start with your initial reaction as a business owner, when you first heard of cobit Yeah, it was that moment where you first realized that it was going to have an impact on your business.

Dixon Douglas

So I would say we shut the doors March 16 of this year.

What I was looking for, were key indicators here in town on what companies are actually shutting down. I honestly didn't care if other boutiques were my, my, you know, my game changing point was the YMCA, just because we have very similar approaches on how we how we were involved in the community. And I needed the data to show that the numbers are truly starting to impact Winston Salem. So just having gone so awake, I knew that, you know, Spring Break had been canceled right around that timeframe. So that was one Domino. Um, and then so March 16, came along and I met with the team and we were like, I think it's just, it's best that because of our mission, it's best that we just closed down temporarily and figure out where this is really going to take off. When you say that there is a pandemic taking place, and it's Hitting like our small town of Winston Salem, I would say that this is definitely something serious. You kind of look at the TV, look how it's affecting big cities. But when it's really starting to hit from like a five degrees of separation, and even less, maybe four, three, the severity of it really started to kind of hit us hit home here. And so when the YMCA closed, that was my immediate last Domino. That's our protect our business and you know, ultimate PR stories. Hmm.

Amanda Cummins

Yeah, I definitely resonate with that feeling where it's like, seeing it on the news is one thing hearing about it, and then slowly, you kind of start to see it trickle into your community. And that's a big switch, I think.

Dixon Douglas

Yeah, absolutely. I mean, it's what we do and how our mission is like we're very involved in the community. I am Pro Humana taught a, I think that's been instilled in my blood since I was little. And like in all honesty, that's like basically what my grandmother and my parents taught me was that you have to give back to the community. And if the community is going to be on the top of mine on how you approach your business, you do have to kind of put aside the capitalistic approach, and do really what's best for not only your guests, but your team. Because the ripple effect does have you know, a powerful way it could impact anybody's family and I don't want to be someone that spreads this. So I'm doing everything I can now in a very preventative way to be safe,

Amanda Cummins

right. Yeah. So before you guys closed your doors, um, cuz I guess that was pretty early on. In terms of outbreaks, Were you doing was that what was like the first measure you took when that started to become an issue.

Dixon Douglas

So when it became an issue

it the way that I run our business is a little different. It's Um, so I created a check, check and balance type of an

executive board on our team. So it was a leadership team so that I sometimes think like really outside the box, and I sometimes need to be kind of reined in. So I had a meeting with our team. And we started talking about it the Sunday before, like, we closed and we looked at all the indicating factors of what we should do. We talked about the business strategy moving forward. And we all voted unanimously that we need to shut our doors. There's just no point and any of the risk of you know, and we ultimately wanted to protect The brand as well. So that was really the the key point when again, when we saw the white clothes, we use that as the last gun.

Amanda Cummins

Okay, so I'm interested in the way that obviously because cycle bar is a chain, how much autonomy didn't happen, it sounds that you had a lot, but how did sort of like the corporate voice affect your decisions?

Dixon Douglas

Um, just because like, you know, throughout life, you're told to never really compare things apples to apples, just because there's always going to be something different. And I'm honestly not one that can compare our studio to even Charlotte for that matter. So when, you know, I think corporate did a good job providing talking points and giving us templates. But I use all of that to kind of mold it in our approach on how I would communicate it to Winston Salem. So just because let's say Kevin California was a big market. And that was really the one of the states that was starting to get hit the hardest. They do have a few cycle bars, maybe they started shutting down beforehand. But again, I couldn't. I couldn't really say, all right, well, because California is shutting down, we should start thinking about it. Corporate was really good with having like the FAQ on how to approach this, but it was really up to the owners and the franchisees really to make the decision on whether or not too close, it wasn't forced. In fact, I believe there was one cycle bar. Somewhere in the US, I can't forget, I forget where it was, but they never closed. They just moved some bikes out of the studio and they were able to stay open, because they weren't mandated to close. But I think the way the You know, corporate handled it was they just gave us the pieces and we implemented it and placed them where we needed to.

Amanda Cummins

Right. So,

in the time that you were closed, um, what were the like, were you doing online classes? I know a lot of fitness places were sort of trying the zoom class or like their lives. What was your sort of strategy there? What did you guys end up doing?

Dixon Douglas

So it was actually pretty interesting.

We never know how long it's gonna last. Like I've said in some interviews. It's not like a pain Dimmick book for Dummies. So, yeah, no. So I'm sure. I hope there's one now but, um, to be honest with you, we just tested various strategies. We I didn't know how long it was going to take. So we just started offering free online classes. I think the immediate approach was to take care of those That had packages and memberships, we immediately froze everything, just so that no one would lose their classes or get paid ag like no, the nothing on auto renew. So during this tough time, again, my approach was making sure that the guests was in a most comfortable place possible. And obviously that was a Financial Peace because a lot of people were getting furloughed or just like go all together. So that was my initial step was to freeze everybody. Next was who would like to unfreeze their accounts, and then I gave them an incentive, that if you want free leads, you get x, y, and z after we open again. So unfortunately, that hasn't been able to take place yet because we're still temporarily closed, but I was able to get, you know, at least a stream of revenue that would allow us to stay afloat during this timeframe. And then once I understood what Where we were in what was going on, we started offering just free online classes so that people could, you know, still interact online with, you know, live classes with some of their favorite instructors. So what we did was we took our mission of whatever we were doing inside the studio and took it online. So I hate the term now because it's being used everywhere. But it's just an important thing is that you have to pivot and figure out how the market is going to react to your brand. And our best was just offering it for free because I wanted the interaction to continue. I wanted to support and help local businesses that like restaurants during the time we did ways to raise money to help restaurants that were really suffering. Winston as like the epicenter of downtown, I think you need to keep those staple. I like those restaurants going. Because if downtown kind of falters, what's been eventually bring everyone downtown. But then outside of that my buddies and I started a GoFundMe to

help, you know, other bigger restaurants around town. So we did everything that we could as as our mission to keep the brand alive what we care about for Winston Salem. Mm hmm.

Amanda Cummins

Yeah, that's very interesting. And I think it

it's important to think about like the way that that highlights the interconnectedness that small businesses play here in Winston Salem specifically. Yeah,

Dixon Douglas

definitely. I mean, Winston, Winston, to me, unfortunately, has become more of like an incubator city because as a city as these businesses grow and get bigger, you know, they're moving to Charlotte, just because there's more people on Charlotte. So we really depend on these These businesses that keep, you know, wait for scratch, or anyone anywhere from 21 to 35 here because those are the fresh minded individuals that can either bring something back from larger cities or really invest in this town. And if we're gonna have it as an established place on the map, we really need young minds and those small businesses to stay afloat.

Amanda Cummins

Yeah, and kind of going off this idea of community. Um, you know, as I see the way that like fitness studios, or similar type of places become so much more than that, and they really do become a community. I'm a yoga instructor. So like I you know, see that kind of firsthand. So how did the psycho bar community evolve and sort of like, go through this? How did you see that play out?

Dixon Douglas

It was actually really like beautiful. I mean, It's, this is a really trying time. And you can honestly you can really tell those who support you when you're kind of hitting rock bottom, like close to say, as a business or even as like an individual. You can really see who steps up to really to really help you out. And people went out of their way to write us letters or went out of their way to unfreeze their accounts. Even if they were like financially burdened. They wanted to see cycle bar make it through this because of what I believe our team has done to really establish our brand here in town. We're not we don't consider ourselves like a franchise in all honesty, you're part of Winston if you come in our studio, you see a mural of Winston every single aspect of it like our cycle perks program helps other small businesses. So if you're a member with us, you You can actually buy into a program that helps subsidize your membership by getting discounts at other local businesses here in town. So those businesses then turned around or were starting to help us out by giving away gift certificates so that we could make a little bit of money from note their hard work like mission pizza was giving away. gift certificates with every, you know, pizza that people were picking up, young Cardinal did the same. So you really see that the community not only from like individual, but businesses come together to help each other out. The love that you put in, I do believe that you will get back and as our hometown, my hometown and having this business. It really opens your eyes to how this community can really come together to pull together and support each other.

Amanda Cummins

Yeah, that's great.

Um, so I guess just jumping back a little bit. Yeah, um, when you were offering these free online classes, what was the turnout? Like?

Dixon Douglas

Um, I think we got great visibility. I mean, people love free things. So, when you look at it, you can look at it from two two ways, right? From a business perspective. Actually, let's go the other way from just like a community perspective, what you're doing is you're providing an outlet for people in what we say, an escape from, you know, their troubles for 30 to 45 minutes. So we were actually kind of playing the form of health care and mental coach because our instructors you know, are very talented, not only instructors but as motivational people that can help empower others and just kind of glitch left Their minds go and help ease these troubled times. Right? Then from a business perspective, you can look at it as Okay, this is pretty cool that, you know, cycle bar is offering free rides online if you happen to have a bike or

you can use the music to go running or if it works, you can listen to the music, music while you do yoga. So it was an personable way for us to be able to share our brand and what we're saying, but also hopefully introduce who we are to new individuals so that they could hopefully become guests of ours later. And as we've kind of, you know, ridden the wave of this pandemic here in town. We are now at a point where we're doing pop up rides out on our patio, so people are kind of not necessarily coming out of the Woodworks but we are seeing that people are eager to get back into a routine and eager to get back into a studio. That supported them for the past two and a half years. So it's it's really been cool because we're also making a lot of noise downtown literally. And people are walking by curious to know where this music is coming from. And they see that cycle bar is, is bringing a group together in a, you know, a healthy protective way to help escape those troubles. So it's again about pivoting and trying to figure out new strategies as a business.

Amanda Cummins
Mm hmm. And

going off of that, have you seen a lot of new people in these outdoor pop up classes? Or is it mainly Oh, wow, really?

Dixon Douglas

Yeah. It's, um, it's a wonderful mix. There really is like today alone, I might have gotten 10 new prospects and that to 20. And so what's happening is that I think just In a, what's happening is that everyone has cabin fever. I mean, there's no way around it. People want to get outside. Like I said, I haven't even been outside yet. And it's it's 220. And like, I'm eager to go to the studio just to maybe hop on a bike. And when people hear that music playing, and they've always had a question mark in their minds, what cycle bar is, they get a little taste of just walking by seeing it and it's not an intimidating activity. It's really made for anyone and everyone. I wish it could be inside, but we're just giving everyone a little bit of taste of you know, of a normal lifestyle. So we do have a wonderful mix of, you know, the veteran writers who are happy to see us but then those that just need to do something and something different outside of their homes.

Amanda Cummins

Yeah, that's great. And what was When did you guys decide to offer these outdoor popup classes?

Dixon Douglas

Um, so when phase two kicked in, and some businesses were starting to open, we unfortunately had the rug pulled out from under us in the 11th hour. And because of the evolution of this, you know, some studios had started doing pop up rides, but honestly, I wasn't ready until I knew that things are, you know, getting a little bit better or that there are better guidelines on what we could do from a way to protect our writers. And so I think we've been doing this now for about three weeks. So this could be our third week now maybe fourth as we were testing it and during that first week, and we found that we could easily pull out 15 bikes, be able to safely put them actually seven feet away. We wrote out this policy not only of what we would do as a company for CO-VID, and have a policy that we have a checklist for everyone that they kind of have to live by and help self police. But we have a policy for our riders as well. So I over communicate the way that we are approaching this to make sure that everyone is saying safe as possible. It's kind of like a mask on until you ride and you can take it off at that point and the mask comes back on you didn't filter people out in a very specific way. So when I started to hear people or businesses taking advantage of this one little loophole, and the phase two executive order I figured I, I'm gonna live by the rules. I'm not going to take advantage of this loophole, but I'm going to do it correctly. And that's how I think I've altered my path and started doing these pop up rides right outside our doors.

Amanda Cummins

Mm hmm. Yeah. And I guess looking into the future, do you have any ideas of when you can reopen fully? Are you going to just keep continuing the pop up rides for now and for the foreseeable future?

Dixon Douglas

I think we're going to continue to evolve on what our strategy looks like from an like going to market standpoint. I'm not hopeful that Roy Cooper, Governor Cooper is going to make a decision that's in favor of Jim's changing. In fact, I think he's going to focus on schools and he's going to focus on hopefully allowing like a larger occupancy in some areas, but I don't think that it's going to be in support of gyms or bars. And so what I'm, what I've done is I've rented out more than half of our bikes again For another stream of revenue so that those guests can be taking advantage of the virtual rides,

I'm going to continue to do pop up rides, but then maybe evolve and manipulate our systems so that people can utilize their memberships, or their packages so that we can start utilizing some of what guests have already paid for, so that they don't have to come out of pocket right now more than they need to. And then in the same vein, continue to differentiate ourselves from other people and other you know, other boutiques here in town, because that's who we are. I refuse to let the loophole be an option for us. That's just not who I am. And that's not who our team is. And when the PR story comes together, I want to be remembered as like cycle bar is a brand that really supported the community. help educate during this pandemic, not only safe ways, but as a platform for change and health support, but also help support this beautiful thing that is happening, the protests and demonstrations and we'll still evolve, and I'm not worried about our business because I think there's a lot of people that care about what as you mentioned, our community and what's what's coming out of cycle bar. So we're not going to change our our ways, we're gonna continue to power forward. Hmm.

Amanda Cummins

Yeah, um, I was, I'm interested in you touching on the racial movement that's going on as well. And I'm wondering if you could talk a little bit more about how that sort of plays into your mindset as a business owner.

Dixon Douglas

I mean, as a business owner, I know there's there's different ways to kind of look at it right. I am a full believer in Black Lives Matter. I'm I was born to respect all races, all genders and all beliefs. That's the way that I was raised. And that's what I found in the church. So I was awoken, I would say, a long time ago, that there needs to be some sort of form of equality outside of our four walls and outside the life that I lived, so that's my personal take on it. As a business owner, we should use our platform to help create change. That's what we do. We're talking about a community. And when you think about community, you think about all races and all genders. So the way that I took it was I kind of tested the market on see what was going to happen. So we started off with a Not so much a vague approach, but we had a stance. And then we utilized our platform to make really to draw that line in the sand and plant our flag saying that we support this community in the efforts of creating equal rights for not only the, you know, the the people of color in town, but also from a gender and sexuality standpoint. So, I took it upon myself to reach out to one of the demonstrators, Frankie guests in town, he's 24, and his story is absolutely amazing. And it's actually opened my eyes quite a bit even more than they were. And, in fact, he just texted me and what we do is like me have stayed in touch as much as possible. And then finally, what The you know, the protests are going strong and the demonstrations we're making a change here in Winston. I partnered with Frankie and part of his his outreach programs and I rode for five hours on one of our bikes out on the studio patio part of the time with Frankie, which was really cool because we just talked about music and like our backgrounds and we really kind of came together as one. And in that effort, we were able to raise about 20 \$200 which is efforts here in town.

his beliefs really aligned with mine and how like we were brought up. He obviously was brought up black, I was brought up white, but it's beautiful to see how you know we have one vision and that's the change the lives of those individuals and the children and these communities that really need the support and structure. And I also think that that's the thing that that weight force instilled in me, my high school instilled in me and we're working on ways where we can do community gardens or help these kids who have had to shelter in place with coloring books so that they're not being surrounded by you know, these negativities or, you know, the the gunshots at night. I'm just working with Frankie. It's terrifying to know that there's a lot of crime that doesn't necessarily involve just white on white or white on black or black on black. There's just a lot of crime and gun violence period. And so, at this point, what Frankie and I are, are focused on is what next, what's next. In order to keep this momentum going, we can stop and so my beliefs and then utilizing the studio is it allows me to have a voice and an opportunity to give Frankie that window into the lives of, you know, my family and fellow white people so that Frankie can be remembered as my personal modern day Martin Luther King. That's what he means to me and what he's saying what's making an impact of my heart and how I'm teaching my children. So I'm there 2020 years been incredibly challenging. But 2020 also has allowed people to really take a step back and look at the inequalities not only from like a job perspective, like nurses have been on the front line, but they make nothing teachers are going above and beyond the call of duty to do virtually classes, they make nothing. And now we have these beautiful demonstrations taking place downtown and around the world will create change because we have people like Frankie. So while there are new Kovats going around and a lot of people are hurting, I'm gonna take this year not only is like an asterick, but as a glass half full on opportunity for change that's going to make an impact not

only on my family, but the rest of this community in the world as we move forward. And if I can utilize cycle bar to make that difference, I'm going to do everything in my power to do that.

Amanda Cummins

Yeah, absolutely. I can really see your passion coming through for what it's like to really be a member of a community. I feel like it's something that I think keeps coming up in this conversation. I really appreciate that sentiment. Getting from you.

Dixon Douglas

Yeah, I appreciate that. Yeah, it's, um, you get one life and I've been lucky to, you know, have overcome a lot of speed bumps in my life. I'm, like I went through pretty dark time, I would say back in 2015. And it allowed me to see what rock bottom looks like. And I'm utilizing my second chance really to make a change, not only because it's a scratch that I can't itch, but I'm you I'm using cycle bars a way to, you know, maybe give other people a second chance or a way to escape whatever might be troubling them. I think everyone has a story in their why on what motivates them and what gets them out of bed. And if this is Again, my opportunity to, you know, be an entrepreneur and give people a platform to have a voice and feel like they're part of something bigger than themselves. If I've changed just one person's life, I would say that

I fulfilled something. And that's what I'm looking to do.

Later and as a business owner, I would say,

Amanda Cummins

great, that's great. Um, so shifting a little bit and thinking about things from an economic perspective. Um, how has the revenue decrease been like, or if there has been one

Dixon Douglas

or a significantly, I would say that we were. before this happened, we were one of the top 25 Studios in the nation. And then then, plus, there's two other I think two Maybe there's five outside the US now but Winston was making like a really large impact at cycle bar period to the point where we were being used as not only a template but I was leading seminars with people that were interested in and working with cycle bar opening a cycle bar in their town. Um, so with that being said, to answer your question, we are down, I would say 80% of what we are making. So there again, lies the situation of just COVID and what we're in right now because you're looking for financial relief wherever you possibly can. And as a business, you have to really manage your finances at this time. So I was able to get PPP I was able to get a grant from downtown and That has provided a huge life support for us. I was able to bring in people like our instructors to be able to, you know, start instructing me again where I could pay them. I think what's the largest impact other than financial, you know, growth. And what we're making from a revenue perspective, is the fact that I haven't been able to do and fulfill our charitable contributions, which is been kind of in the back of my head this entire time. So that's, that's probably been one of the largest pieces that has has hurt the most, because I feel like I can't quite support the mission or follow through with the mission that I promised myself and my team when we open but financially we're hurting Yeah. But we'll make it through just because we were doing it smart. We're playing it right.

Amanda Cummins

And what was that grant process? Like specifically? One thing about like the local ones,

Dixon Douglas

the Winston Salem one was not, not that the process was not a grueling process. And in fact, I waited till the last moment because we were able, again to manage money correctly. But then I started thinking about, like, what happens when we do open and what changes we're going to have to make for the future. And I decided that it was best that I did apply for the grant because I wanted to be able to use it not only to be able to continue to help pay some of the people that are unemployed or you know, not furlough quote, unquote, because if they're part time, but I wanted to be able to too, and like put items into the studio that would allow us to have touchless means of a guest experience, meaning like, the less things that people can touch, the healthier we're going to be moving forward. So the grant process all in all was easy for Winston, the PPP process is a incredibly broken process. It was, um, it's like, in essence, it was a necessity.

However, I don't think that it was thought through 100% I think could have been handled easily by insurance companies. And I don't know if this was part of your question, but to have people like unfortunately be unemployed and then for the government to give them a pretty large stipend to where they can say All right, well, is it worth accepting PPP? More? Could I continue to receive this \$600 more? It's hard for a business owner to pull people off of unemployment or to do what's best for them. Because if I do the math, and I know that they're making more, why would I, as a business owner, bring them back on? If they need that financial support, right during a troubling time, so it makes me It puts all business owners in a very tough predicament. No one wants to be unemployed. But at the same time, I think the government may be stepped on its own feet, because they don't want to see the unemployment numbers, and they tried to do everything, everything they could to help, you know, decrease those numbers with the PPP, but it's difficult when you're already paying an employee people a lot of money.

Amanda Cummins

Yeah, my mom is actually a business owner as well. And I've seen sort of like, not only the hair pulling, you know, emotions that she has around it, but also like the moral and like ethical questions that it sort of brings up when it comes to managing a staff.

Dixon Douglas

Yeah, no, absolutely 100% I mean, you, you want to keep that family alive and you want everyone to feel like they're supported. And to be honest with you, they they have been an incredible cycle bar family. And so I treat them no different than I would my girls in my house here. So you want to do what's best, but it's, it's, um, there's always a catch 22 unfortunately, during a time like this.

Amanda Cummins

Yeah. Um, so my last question is just looking back at the past, however many months who knows at this point, it has been all blurs together.

Is there anything? Yeah. Is there anything that you would have done differently throughout this journey?

Um,

Dixon Douglas
in all honesty,

it would have been nice if we started doing these pop up rides earlier. Other than that, I can't and I've never really been someone that looks back and says like, what if it's now like kind of taking our key learning from the last, what feels like 1000 days and applying it for how we're going to move forward. If Rory Cooper says that we can't open so be forever evolving strategy of what we are as a brand is very important. And the past has provided us a good foundation to be Able to alter what we're going to do moving forward, when we can't move forward. I think we've done everything to our best ability and there's no fault in that. So I, I can't say what if I wish I changed?

But I wish I had a better answer for you.

Amanda Cummins

Now that's okay. I am

like sort of caution asking that because obviously, like, our hindsight is 2020. But I just think, like from a business perspective, especially, it's just kind of interesting to think about that.

Dixon Douglas

I think we like we use all resources, because I think that it's allowed us to understand what the future is going to look like to some occupancy and to some standard will never, I don't know if we'll be the same until a vaccine really comes out. So that's, that's ominous to say. But at the same time, that allows us To be versatile and how we utilize our bikes.

And so if anything, what I've learned is that it was nice of us to be able to rent out our bikes for an extended period of time we did that correctly. We now know that the pop up rides work. So if we can ever use those inside we can limit the occupancy that was to say, you know, up to 40 to 50% have streaming classes and be able to adapt by utilizing other business type, key learning and maybe even take a peloton approach and do you know, live virtual classes while we have a live class so that people can feel the wounds and the excitement through the teeth, the computer screen or the TV. Nice, I don't I can't, like you can't look at the past and let it dictate where you are right now. You can always learn but that's not going to change. It's not gonna To change anything, really. So I'm looking at it, you know, day by day now moving forward so that we're putting ourselves in the best position to succeed.

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