

Go-Kart Market Driving Sales For Small Suburban Chicago-Based Company

Indoor tracks leading the way to improved numbers, growth

NAPERVILLE, Ill., April 20, 2007 – Alain Prost, Michael Schumacher, Mika Hakkinen, Nigel Mansell, Narain Karthikeyan Johnny Herbert, and the late Ayrton Senna – What do these names have in common besides being Formula One race drivers? All of them – and many more like them – started their racing career in go-karts!

While go-karting has been the launching pad for some great professional auto racing careers – an estimated 90 percent of professional drivers got their starts in karting, and a suburban Chicago company, Pfeifer Industries, a key U.S. distributor, and metric timing belt pulley manufacturer, is taking advantage of the sport's popularity.

Experts agree that the go-kart industry got its start around 1956 in Southern California when Art Ingels, a veteran hot-rodder and racecar builder at Kurtis Kraft, developed the first go-kart for his young son. It was a two-stroke lawnmower-engine-driven West Bend machine with a chain drive and a rope for a steering wheel.

He tested his new vehicle in the parking lot of the famous Rose Bowl football stadium in Pasadena, Calif.

Today, karting has spread all over the world and has an organized presence in more than 100 countries with an estimated 1.5 to 2 million enthusiasts participating in the sport. The industry estimates \$57.5 million in annual kart sales and an aftermarket of more than \$500 million.

The sport definitely is popular, and the numbers support it. According to *National Kart News*, a key industry publication, in the U.S. alone, more than 80,000 people annually participate in karting, and more than half of those participants are between the ages of 22 and 35. A noteworthy figure is the estimate that almost one-fourth of those karters are over 36 years old.

The industry also estimates that more than 200,000 karts are sold annually, and the rate of growth in typical “family entertainment centers,” such as indoor go-kart tracks, are growing at a rate of 12 to 15 percent a year.

Pfeifer Industries, located just outside Chicago in Naperville, Ill., manufactures metric timing belt pulleys and sells a full range of drive belts made by ContiTech Power Transmission Group of Hanover, Germany.

“Our customers can choose from our extensive stocking inventory of 5mm HTD, 8mm HTD and 8mm PolyChain profile pulleys,” said Jim Donovan, president of Pfeifer Industries. “We specialize in custom pulleys and pride ourselves on the quality and timeliness in which we can turn around a customers order. Many of the projects that we involve ourselves in require us to take the lead in designing the belt drive system from conception to final product.”

Jim Pfeifer, the previous owner of Pfeifer Industries, started developing 8mm HTD pitch belt drives for Enduro go-kart racing. An explanation of the types of racing is needed to better understand why metric timing belt drives apply to Enduro go kart racing. Enduro go-kart racing is extended duration racing, with times of 30 and 45 minutes, whereas the more popular sprint racing has racers racing to a pre-determined number of laps for short durations of usually only a few minutes.

But in order to take advantage of the burgeoning go-kart market, Pfeifer realized that his company had to make some adjustments.

The chains used in go-karting could not take the abuse of extended duration racing. Many chains would not even make it through a single race without stretching and breaking due to lack of lubrication. Through experimentation with the newly developed 8mm pitch HTD rubber timing belts, Pfeifer was able to develop a range of pulleys from 14-tooth through 90-tooth to take advantage of the main difference between chain and timing belts. Timing belts don't stretch. Adding to this, belt drives offered karters a more durable, efficient, quieter, safer, and cleaner power transmission system.

Donovan said they make more than 1,500 different custom pulleys from their well-equipped CNC machine shop facilities in Naperville. Besides being proud of what they make, Donovan believes the key to their success is: "We know our customers personally, and we want long-term relationships. We know their products, and the go-kart industry offers real-world tests versus labs, charts, etc. We love working with the people in the industry and there is a great deal of satisfaction in offering them products that we can stand behind."

From the many types of applications they have designed and constructed along with the long history of “real world” testing, Pfeifer Industries is able to confidently approach new customers with the product lines they offer.

One of Pfeifer’s customers feels the partnership is mutually beneficial.

Dick Sexton, owner of Formula K, a major U.S. manufacturer of go-karts, is pleased with Pfeifer because they focus on his core business – electric carts.

“Approximately 85 percent of our sales are electric karts,” Sexton said. “Electric karts are harder on belts than gasoline-driven karts because there is no clutch, no slip. They are 10 times more stressful on belts because an electric motor won’t stop.”

Another Pfeifer customer is Shaller Enjuneering (cq) of Schulenburg, Texas, about halfway between Houston and San Antonio. Shaller has been manufacturing go-karts since 1983 and has sold more than 7,500 karts in Canada, Mexico, New Zealand, Chile, the Dominican Republic, Puerto Rico and 36 states in the U.S.

The electric karts are used primarily in indoor facilities, a growing trend that actually started in Europe.

“In the early 1970s, a guy named Bob Pope built an indoor track in England,” said Steve Hix, executive director of the IRGA, the International Recreational Go-Kart Association.

Hix also says that future industry go-kart trends include new high-speed straight tracks. “These are scaled down dragsters with horsepower ratings in the hundreds that compete in quarter mile runs.”

“European indoor racing is growing in popularity and has recently become a topic of much debate,” Hix said. “State-of-the-art construction remains advantageous for most locations in our opinion. Today's tracks are at their highest market evolution without entering areas of higher risk management. They offer relatively safe family entertainment with more appeal to varied age groups.”

Karting is one of the best-kept secrets in the motor sports world. Professional racing drivers often race go karts in their off season to stay fresh.

“Karts vary in speed and some Super Karts can reach speeds exceeding 160 mph or 250 km/h,” said Hix. “A Formula ‘A’ kart with a 100cc two-stroke engine and an overall weight including the driver of 150 kilograms, can accelerate from zero to 60 mph in under 4.5 seconds, and has a top speed of 85 mph or 140 km/h). It takes a little more than three seconds to go from zero to 60 mph with a 125cc shifter kart, which has six gears, with a top speed of 115 mph or 185 km/h on long circuits.”

Since 1956, karting has come a long way, and Pfeifer believes that trend will continue.

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U.S. editorial inquiries to:

Hank Inman
Goldfinch Communications, Inc.
Phone (330) 923-9734
hjinman@goldfinchcommunications.com

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