

Dear Trade Remedies Team,

Frog Bikes is the designer, manufacturer, and wholesaler and at times retailer of Light Weight Kids bikes. We sell into 600 Independent Bikes Dealers in the UK and export to about 50 countries to a further 1,200 independent bike dealers.

From 2018 we had a suspension of Anti-Dumping Duties (ADD) from the EU. As the date for the UK to exit the EU came closer, the UK Bicycle Manufacturing Trade campaigned to keep Anti-Dumping Duties (ADD) on Bicycles and e-Cycles. As such, we demonstrated that the UK manufacturing companies made up more than three percent of the UK market.

Subsequently, in December 2020, it was identified, that due to Covid inhibiting the EU Commission to audit Frog Bikes manufacturing, the EU had not switched Frog Bike's suspension to an Exemption, Frog Bikes had to start paying ADD on parts from China. With The Trade Remedies Team Frog Bikes campaigned and finally had agreed and laid in law in November 2021 that Frog Bikes would have an exemption. Frog Bikes are still campaigning to have a refund of the extra ADD that were necessary to be paid from January 2021 until November 2021.

We have been made aware of this latest case whereby 2 Chinese firms have been granted a reduced ADD due to the fact they are new Exporters. We struggle to understand why this is a reason to lower the level of ADD. They are not producing in the UK and do not bring new jobs to the UK. They also do not create added value here in the UK.

ADD was established to safeguard EU/UK jobs, stop cheap imports being so cheap that it is disposable, as well as protecting the UK/EU Market and environment. These two firms are not supporting any of these.

Frog Bikes are working hard with other manufacturers and Scottish Enterprise as well as the Welsh Government to increase the number of components that are produced in the UK. More bicycle manufacturers are setting up in the UK and the UK Bicycle Association (the Bicycle Trade Body) are working on more jobs in the UK around skilled manufacturing sites.

Frog Bikes are complete opposed to allowing Chinese firms a lower ADD just because they are new to the market.

For Frog Bikes to be granted a suspension then exemption we had to prove the following:

Our bicycle assembly operations must not circumvent the anti-dumping duties, meaning that: — the Chinese parts constitute less than 60% of the total value of the parts of the assembled bicycles (we must show that 40% or more of the total value of the bicycle parts used in our assembly are of non-Chinese origin); or — the value added to the parts brought in, during the assembly of bicycles by our company, is greater than 25% of the manufacturing cost; or — we comply with both the above conditions. We must have a system in place so that we can prove that our assembly operations comply with one of





# THE LIGHTWEIGHT KIDS' BIKE

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these criteria. When assessing the 60 % criterion we look at both the total value of the parts constituting the assembled bicycles at per model basis and at total production basis.

How can these two organisations be eligible for reduced ADD when they do nothing?

Your sincerely

*The Frog Bikes Team*

