



25 August 2025

NON-CONFIDENTIAL VERSION

**BEFORE THE
TRADE REMEDIES AUTHORITY**

In the matter of Transition review of an anti-dumping measure applying to
bicycles and certain bicycle parts originating in the
People's Republic of China (PRC)

Review No. TD0061

Comments on the Statement of Essential Facts

On behalf of Ningbo Tekmax Bicycle Co., Ltd.

I. Introduction

- [1] On 31 July, 2025, the Trade Remedies Authority (“TRA”) published the Statement of Essential Facts (“SEF”) on Transition review of an anti-dumping measure applying to bicycles and certain bicycle parts originating in the People’s Republic of China (PRC). The deadline to submit the comments on the Preliminary assessment as stipulated in the SEF is 25 August 2025.
- [2] As mandated by Ningbo Tekmax Bicycle Co., Ltd. (“Tekmax”), we hereby submit the comments on the SEF. The Comments will focus on the issues related to:
- 1) Transition review is WTO-inconsistent
 - 2) Tekmax should be subject to an individual duty rate
 - 3) Non-Folding bicycles should be excluded from the measures
 - 4) Tekmax’s responses to the concerns of TRA in the SEF

II. Comments

1. The transition review is WTO-inconsistent

- [3] Tekmax wishes to claim that the transition of the EU AD measures on bicycle by the UK is WTO-inconsistent.
- [4] AD measures can "only be imposed" by a WTO Member "pursuant to investigations initiated and conducted in accordance with the provisions of the Anti-Dumping Agreement (ADA)". This means that (i) the coverage of the investigations (i.e., the definition of domestic industry, the calculation of dumping and subsidy margins, the analysis of injury caused to the domestic industry, etc.) and (ii) the application of the trade remedy measures must be limited to the territory of the WTO Member that initiated and conducted these investigations.
- [5] When exiting the EU, the UK automatically extended the EU trade remedy measures to its territory in a manner inconsistent with the WTO law. The UK failed to follow the requirements of the ADA to (i) initiate and conduct the independent investigations specifically targeted to the UK industry and the UK market and (ii) impose trade defence measures based on these investigations.
- [6] The measures subject to these transition reviews were imposed by the EU on the basis of the investigations covering EU-wide data, which was not specific to the UK market or industry. Not only were the dumping and injury margins calculated based on the EU-wide data, but the measures were grounded on the EU legal order, which has no legal effect in the UK. Therefore, the EU measures cannot be extended to territories outside the EU.
- [7] Even if the transition reviews were permissible under WTO law, the TRA has to conduct a fully-fledged investigation specific to the UK market (not just a review of the EU measures).

2. Tekmax should be subject to an individual duty rate

[8] Based on the guidance of the transition reviews into anti-dumping and countervailing measures, the possible outcomes of a transition review include:

- The remedy is revoked,
- The remedy is extended at the same level by no more than 5 years,
- The remedy is extended at a different level by no more than 5 years.

That is to say, the company who participated in and cooperated in a transition review is allowed to obtain a varied and individual duty rate.

[9] Based on the above, since an individual duty rate is permitted in the transitional review, Tekmax would like to claim that it should be subject to an individual duty rate based on the following grounds:

[10] As mentioned above, the ADA requires to conduct the independent investigations specifically targeted to the UK industry and the UK market and impose trade defence measures based on the investigation. That is to say, the TRA should recalculate the exporters' duty rates based on the circumstances of the exporters who participate in this review, especially the sampled exporters.

[11] In particular, Tekmax did not export to the EU during the original EU investigation period. The actual situation of Tekmax was not taken into account in the EU anti-dumping investigation. Since the situation in the EU investigation has changed, and a new UK investigation has been initiated, the TRA should recalculate the duty rate for Tekmax based on its data and its own situation. Simply maintaining the duty rate from the original EU investigation is neither fair to Tekmax nor in line with the relevant provisions of the WTO.

[12] Furthermore, Tekmax also notes the extensive cooperation in this investigation, involving the UK domestic industry, importers, and Chinese export producers. Notably, to ensure full cooperation with the investigation and provide the investigating authority with comprehensive information, Tekmax's related entities—including its Hong Kong trading company and UK importer—have actively participated in the investigative process. Consequently, TRA is fully equipped to:

- Calculate accurate dumping margins for Chinese producers/exporters,
- Determine the injury margin, and
- Establish the final duty rates in this case—based on verified data from cooperating parties.

[13] Therefore, whether from the perspective of complying with WTO regulations or ensuring fair treatment of sampled companies, TRA should calculate a separate duty rate for Tekmax based on its own circumstances. Moreover, this review meets the conditions for calculating an individual rate – there exists extensive cooperation and sufficient information.

3. Non-Folding bicycles should be excluded from the measures

[14] As indicated in the SEF, there were only limited participation from UK manufacturers of bicycles in this investigation. This implicitly demonstrates that the majority of UK producers did not support this review. When most domestic producers fail to participate in the investigation, TRA's assessment of the UK industry lacks a substantive factual basis, rendering its conclusions potentially unreliable and unrepresentative.

[15] To Tekmax's knowledge, extending anti-dumping measures on bicycle products would constitute excessive trade protection, and artificially restrict product diversity in the UK bicycle market, and further infringe upon end-users' freedom of choice. And such extension is not in line with the UK interests.

[16] Furthermore, Tekmax would like to refer to the transition review for e-bikes, in which, the TRA concluded that continuing the measures was not in the economic interest of the UK and recommended applying measures only to folding electric bicycles while terminating those on non-folding bicycles. This review on bicycles presents identical circumstances—similar domestic producers, similar exporting producers, and similar downstream users. Therefore, the measures on non-folding bicycles should also be terminated in this review.

4. Tekmax’s responses to the concerns of TRA in the SEF

[17] In the SEF, TRA indicated that *“Ningbo operated at about 59% of its total capacity during the POI, which suggests that it could have significantly increased production to meet demand. Across the injury period, Ningbo consistently operated below full capacity, reaching a low of 36% in the third year of the injury period. This demonstrates a persistent ability to expand output if market conditions became favorable.”*

[18] Tekmax would like to clarify that the production capacity reported by Tekmax represents the maximum output achievable under day shifts and night shifts continuous operation without any days off throughout the year. However, in reality, Tekmax does not operate around the clock.

[19] For Tekmax, production typically occurs only during day shifts, with no night shifts implemented. This is because the labor cost for night shifts is twice that of day shifts, making such expenses unsustainable for the company. Consequently, there is no basis for the TRA's concern that Tekmax possesses substantial idle capacity that could be redirected to export to the UK market. For cost-control reasons, it is impossible for Tekmax to achieve the production capacity associated with uninterrupted all-day operation.

- [20] Furthermore, TRA also indicated in the SEF that *“Ningbo already sells bicycles at lower prices in other third country markets in comparison to the UK prices. This demonstrates its ability to adjust pricing flexibly across markets, reinforcing its capacity to increase exports to the UK at lower prices if conditions change.”*
- [21] First of all, this logic is flawed. From the perspective of anti-dumping investigation, if Tekmax's sales price to the UK for the same model of product is higher than its domestic price or the price in third-country markets, it indicates that Tekmax is not selling at a low price in the UK market, and thus no dumping behavior exists.
- [22] Secondly, due to differences in market demand and price sensitivity across different markets, companies may adopt varying pricing strategies for different markets. The UK market places greater emphasis on product quality and is more accepting of higher prices. Because of Tekmax's high product quality, UK consumers are willing to purchase its products even at higher price points.
- [23] Third, the fact that Tekmax was able to export to the UK at a higher price during the investigation period demonstrates that the UK market can accept this price level. From a commercial rationality standpoint, since the market already accepts the higher price, Tekmax has no incentive to lower prices and reduce its own profits. Even if the anti-dumping duties were removed, Tekmax would be more inclined to maintain or even increase its price levels to secure higher profits.
- [24] Based on the above, Tekmax has not engaged in dumping practices, nor would it lower its export prices to the UK following the termination of anti-dumping measures, as doing so would lack commercial justification.

III. Requests

[25] Tekmax hereby presents these Comments to express its comments on the SEF. In summary in these regards, Tekmax claims that:

- The measures subject to these transition reviews were imposed by the EU on the basis of the investigations covering EU-wide data. Therefore, the EU measures cannot be extended to territories outside the EU.
- As a sampled exporter in this case, Tekmax should be granted an individual duty rate. This is permitted under the UK's transitional review procedures. Moreover, since this review is a new investigation post-Brexit, it should determine the level of measures based on the current circumstances, including new exporters and the updated state of the domestic industry. In this review, there is extensive cooperation among domestic producers, UK importers, and Chinese exporters, providing a sufficient basis for calculating dumping and injury margins. Accordingly, TRA should recalculate the dumping margin for Tekmax—as a sampled company that has fully cooperated with the investigation.
- TRA should refer to the UK's electric bicycle case and terminate the anti-dumping measures on non-folding bicycles.
- TRA's concerns regarding Tekmax's production capacity and pricing are unfounded. Tekmax does not possess significant space capacity, nor will there be a sudden surge in exports to the UK. Tekmax 's pricing is strictly market-based, leaving no possibility for substantial price reductions.

Submitted on behalf of Ningbo Tekmax Bicycle Co., Ltd.



Vivian Wang

Partner