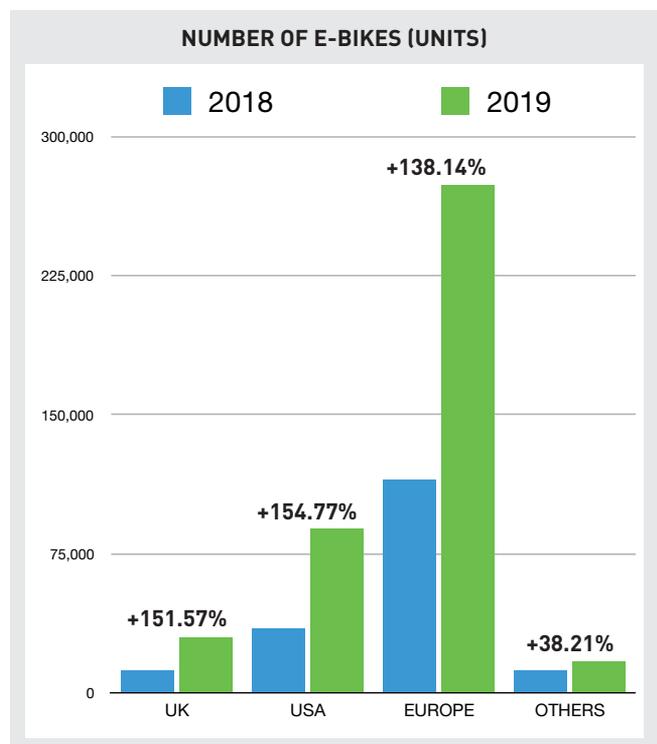
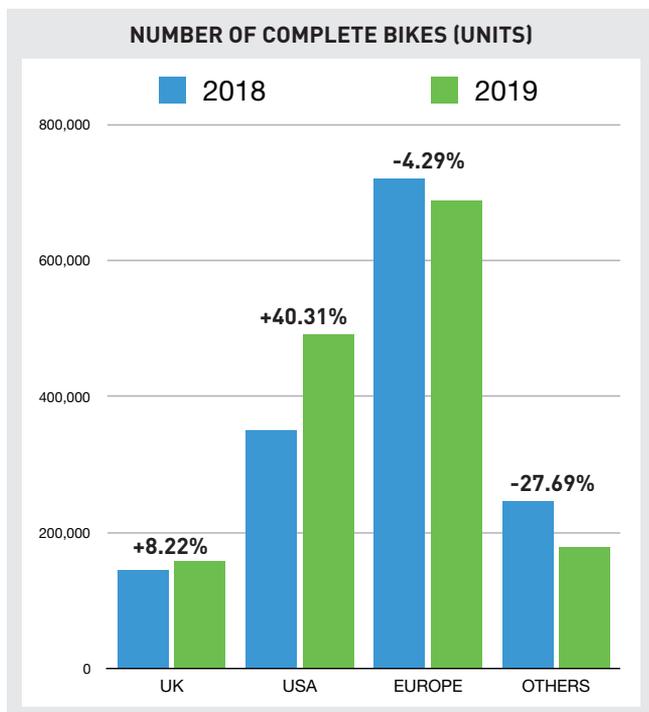


MADE IN TAIWAN

With trade wars, dumping duties and Brexit causing upheaval across the global political and economic landscape, **Hayley Everett** delves into Taiwan's latest draft export figures to see how the island's bike industry is capitalising on emerging opportunities...

In the wake of the European Union renewing anti-dumping duties on e-Bikes imported from China for another five years, coupled with the latest 10% tariff slapped on remaining Chinese goods, including bicycle products, imported into the US, there seems to have emerged a new era of opportunity for the Taiwanese bike industry.

CI.N looked through the latest draft figures produced by Taiwan's Customs and Excise Department of the Ministry of Finance, which span January to August 2019, to see how the country's export figures compare to last year.



AS IS TO BE EXPECTED, DEMAND FOR E-BIKES IN EUROPE HAS SKY-ROCKETED AS MANY OPT FOR ONE AS THEIR COMMUTER VEHICLE OF CHOICE

It won't come as a shock to those who have been keeping up with the ongoing US-China trade war that the latest spate of tariffs has made the US bike market a rather more attractive proposition for Taiwanese-based manufacturers.

Exports from Taiwan to the US of complete bikes have increased by 40% in the first eight months of this year, now making up just over a third of Taiwan's total exports of complete bikes, up from 24% in 2018. It goes without saying that US importers appear to be reluctant to get stung by the tariffs placed on Chinese bicycle products, with many turning their attention to Taiwan instead, one of the world's leading cycling manufacturing nations.

Taiwanese exports of complete bikes to Europe, though, are down 4%, with cycle-friendly countries such as the Netherlands (-24%) and Denmark (-37%) seeing between a quarter and a third of a reduction in complete bikes imported from Taiwan. Germany, however, seems to buck the trend with Taiwan exporting 40% more complete bikes to the country in the first eight months of the year, than in the whole of 2018.

Meanwhile, export figures to the UK are also up 8%, with the tally now making up 10.6% of Taiwan's shipments of complete bikes. Brexit may be lingering in the minds of several British importers looking to strike trade deals further afield than Europe once, or even if, the UK leaves the European Union at the end of October.

Here, the figures have immediately signalled a major trend; e-Bike numbers are on the up across the board, and they show no signs of slowing as we approach the end of the year. With triple figure percentage increases in exports to Taiwan's major markets, it's clear that e-Bikes are a burgeoning market worldwide offering a plethora of opportunities for the Taiwanese bike industry.

As is to be expected, demand for e-Bikes in Europe has sky-rocketed as many opt for one as their commuter vehicle of choice, and with continual infrastructure investment and government grants, e-Bikes have become a commonplace investment for many in mainland Europe. Add to that the latest renewal of anti-dumping duties on e-Bikes imported to Europe from China, and it's easy to hazard a guess why the number of e-Bikes exported from Taiwan to Europe's shores has increased by such a large margin.

For example, exports of e-Bikes to the supposed 'cycling capital' of the world, the Netherlands, increased by over 200% since last year, with more than 140,000 units exported in the first eight months of this year alone.

And, it's a similar story for Belgium (up 130%), Denmark (up 232%) and the UK (up 152%).

Meanwhile, in the months leading up to August Taiwan exported more than double the amount of e-Bikes into the US than in the whole of 2018, again alluding to the impact of tariffs slapped on Chinese goods, including e-Bikes and e-Bike components, but perhaps also hinting at an increased appetite for e-Bikes in the US. Earlier in the year US Census data showed 94% of US bike imports came from China, however Taiwan's increasing export numbers to the States hint that this percentage may be a little lower next year.

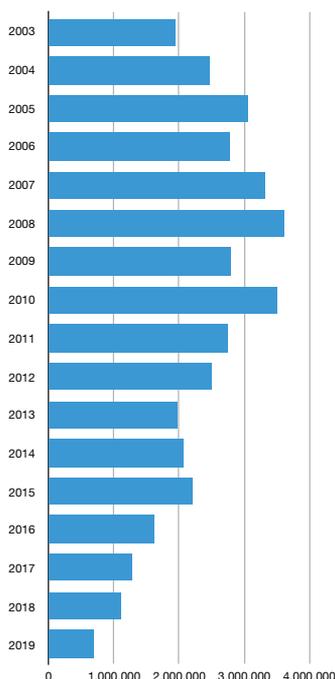
A WORLD LEADING CYCLE MANUFACTURING NATION

Given the large fluctuations in the industry over the past three years, particularly in 2016 when exports fell in comparison with 2015, and the recent trade uncertainty generated by the US and China trade war, these figures are said to be indicative of Taiwan's continuing manufacturing strength. With e-Bikes contributing increased sales volume and revenue of 43% on 2018 in the first eight months of this year, the total value of Taiwan's bicycle and component exports for 2019 will be expected to comfortably outdo last year's \$3,230 million. ●

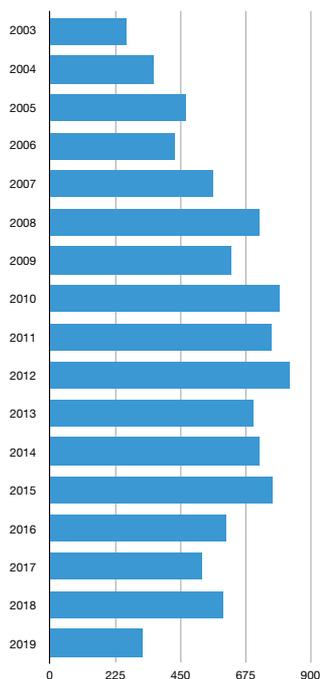
Source: The statistics of the Customs and Excise Department, Ministry of Finance, Taiwan

FURTHER STATS...

TOTAL VOLUME OF EXPORTS FROM TAIWAN TO EUROPE



VALUE OF EXPORTS FROM TAIWAN TO EUROPE (US\$ MILLIONS)



AVERAGE PRICE PER UNIT OF TAIWAN EXPORTS TO EUROPE (US\$)

