



ANNUAL REPORT

2022



INVESTORS
IN CYCLING



MARKET DATA
SERVICE



Steve Garidis, Executive Director, Bicycle Association

Welcome to the Bicycle Association’s Annual Report 2022, in which you can read about our work to support and grow the UK cycle industry, including all the advocacy work funded by our Investors in Cycling - over 1000 businesses chipping in to ensure we speak with one strong and influential voice.

With its ever-clearer role in tackling big issues from climate change to poor public health, cycling has secured welcome government priority and funding in recent years. The focus has been on unlocking demand, by removing barriers to the sort of ‘everyday cycling’ that many people would otherwise do for leisure, fitness, and as a green, affordable transport option.

The opportunity to grow the market from this remains substantial, yet there’s also a long way to go. Everyday cycling needs more and better infrastructure and the restriction of motor traffic; politically difficult to achieve quickly. The creation of Active Travel England, a new public body to oversee and encourage local investment in cycling, is a game-changer for England. Scottish and Welsh devolved governments are pushing boundaries even further. Industry should feel encouraged by government’s commitment and should be planning for growth over the long-term, if this commitment can be maintained.

But 2022 has been a year of extraordinary political and economic instability. Hard-won priority for cycling has come under intense pressure. Our ‘industrial case for cycling’, with its focus on the economic benefits of a growing UK cycling industry, has played a central role in safeguarding it. We’ve spent many hours briefing a wide range of political and official contacts. And we must continue to do so; making the case that growth in cycling will unlock economic growth – in our strategically important green industry, supporting UK businesses, creating UK jobs, and fostering UK technology and innovation.

The Bicycle Association is better placed than ever to make this case. We have a world-leading market data platform which captures incredible detail about the UK cycling market. This drives our advocacy arguments, underpins our economic calculations, and evidences trends for ministers and officials developing policy. The data also supports



Image: Joolze Dymond

our members' own business planning, particularly relevant given the difficult current market.

Our membership has also continued to build, doubling since 2020 to 145. We are more representative than ever of the breadth and depth of the UK cycling sector. As a non-profit, which takes no government funding, and represents no commercial interests other than those of the industry as a whole, we can be objective and authoritative - crucial for advocacy. We're grateful to all our members, and also to our Investors in Cycling: from our Leadership group of leading UK cycling businesses, to the suppliers, brands and over 1000 retailers who all support and fund our advocacy work.

And advocacy is working. Funding promises have been safeguarded despite the political and economic climate, and we've come far enough that there is now an opportunity to work on the supply side as well as the demand side to achieve market growth. We are developing an industrial growth strategy which will, for the first time, couple supply-side aspects with demand-side policymaking.

We'll work on ways industry and government can secure supply-side growth drivers like: improved access to funding for expansion and investment; support for innovation and entrepreneurship; relief for retail and other service businesses to continue to support the communities they serve; support for skills development to attract and retain more talent in a more diverse, representative workforce; and support for building greater resilience and sustainability, including onshoring more value in the UK.

The medium-term period ahead is one of change, impacting many of the traditional drivers of the cycling industry. Changing geopolitics, decarbonisation, climate change, new technology, new vehicles, and new regulations are very likely to affect the trading and regulatory framework we are accustomed to. The medium term therefore contains both opportunity and threat and the industry's ongoing influence will be vital to secure future growth and avoid future disadvantage.

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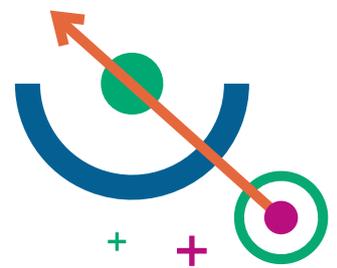
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The BA in 2022: Making an Impact



New Industrial Case for Cycling launched

Robust work with regulatory bodies and industry organisations on standards development, cargo bikes and series hybrids.



UK Cycling Industry bigger than the UK steel industry, BA estimates

BA analysis reveals UK cycling industry valued at over

£5.4bn, supporting **64,000 jobs**

BA provided support for e-bike trial schemes, both in Cornwall and in an

£8 million

pilot extension project



CHAMPIONING THE INDUSTRY

Local Bike Economy and Green Jobs

33 London boroughs and over

200 bike businesses connected in the Gearing Up the Local Cycle Economy project to build economic case for cycling funding

25,000 potential new Green Jobs projected in London's cycling economy

£4.8 bn. potential economic dividend identified in London project



SHAPING THE INDUSTRY

Diversity in the Bike Industry

First Diversity in Cycling initiative to be launched by the BA in 2023

BA scoping project identified huge gender gap in industry: women make up 49% of the UK workforce yet in the cycling industry, just 8% of workshop-based roles and 19% of customer-facing roles are occupied by women



Expert Groups

Over 100 bike businesses participated in BA Expert Groups in 2022



Reshoring the UK Bike Industry

UK Bike Valley project makes case for reshoring more of the value, production and innovation, as part of a UK cycle industry growth strategy

2-3,000 additional high value jobs identified through reshoring just 10% of e-bike production by 2030





Industry defended
from regulatory threats:
lithium battery fires and
low-speed zero emissions
vehicle framework

Work with UK and
international cycling
and regulatory
organisations to
exchange expertise
on batteries, theft,
VAT and future
e-scooter
regulations



BA assisted the
Department for Transport in
the first ever E-Cargo Bike
Logistics Round Table
chaired by the Minister



International leadership
on standards and anti-tampering,
delivering important safety
improvements

Market Data Service (MDS)
data coverage
increased to 70%
of the cycling market to support
BA advocacy work

MDS 2022 Uploads:
• **Over 1 million SKUs**
• **50 million** rows of sales data



+ **Coming to
MDS in 2023:**
• **New Dashboard**
• **New Datasets**
• **New access levels**

**Two comprehensive market
reports delivered**
'Is there Growth Beyond the Boom?
UK Cycling Market Report 2021'
and 'A Bumpier Ride: Challenges
and Prospects in the UK Cycling
Market 2022'

**SUPPORTING
THE
INDUSTRY**



1,005
UK Cycling companies
contributed to the BA's
advocacy work as Investors
in Cycling



**New and improved
consumer finance offer**

launched in December to BA members
and Investors in Cycling through new
partnership with Novuna



300
Investors in Cycling
engaged in the
London Bike Economy
project



BA elected as Chair
of the CIE/CONEBI Responsible
Supply Chain Priority Group



Podcast series delivered
to showcase industry-leading
sustainability initiatives

**Industry sustainability
collaboration**
with partners
including CIE, CONEBI
and People for Bikes

116% Growth
in Membership
over 2 years



Continued work with
**UK Police
and Government**
to help tackle bike theft
and security



BA Guide to **e-bike kits**
published

BA participated in the
CIE Annual Summit







1.



+ CHAMPIONING THE INDUSTRY

The Bicycle Association's purpose is to work together to grow the UK cycling market. Much of what is needed to achieve this requires Government intervention, so the BA's advocacy work to champion the industry is one of the most important things we do as the national trade association.

THE 'INDUSTRIAL CASE' FOR CYCLING



Steve Garidis outlines the real economic growth opportunities that more investment in cycling will bring to the U.K.

The UK cycling industry has a unique role to play in advocating for government funding and measures which grow demand for cycling. There is already a wealth of evidence as to why government should support this growth.

It's critical to numerous public policy goals - mitigating climate change, tackling congestion, reducing local pollution, and supporting public health.

But as an industry we must also make sure the Government understands and acts on the economic, business, and job creation benefits of growing cycling. These are substantial but only just beginning to be recognised. The BA is uniquely placed to represent this 'industrial case for cycling' and all our advocacy work has it at its heart. Many other groups make the wider case for cycling, but no-one can better make the industrial case.

To build this case the Bicycle Association began in 2018 by calculating a base-line economic value of the UK cycling industry.

We estimated the industry to be worth over £5.4b supporting 64,000 jobs, bigger than the UK steel industry.

Since then we have launched our market data service which captures real sales data and provides an accurate source of authoritative and credible stats as to the value of business activity in our sector. This year we have also completed an in-depth regional study, choosing London as our first area. We calculated the economic value of cycling in the Greater London region but crucially, we also calculated how this would grow, if London were to support the levels of cycling needed to meet its ambition to be net zero carbon by 2030.



“ as an industry we must make sure the Government understands the economic, business, and job creation benefits of growing cycling... the industrial case



In so doing we established that a modest increase in cycling's share of the transport mix in London (to 14% - an achievable level which over 80 cities worldwide have already exceeded) would deliver a huge cycling industry dividend - 25,000 new green jobs on top of the 8,000 already supported by the industry in London; a near tripling of the London cycling market; and a wider economic benefit from the use of these products of over £4.8b p.a.

Clearly growth in cycling is not just a 'green agenda' policy area. There are real economic, business and job creation opportunities. This case became even more important to make in 2022, as political uncertainty in Westminster and the worst economic conditions since 2008 saw all public spending come under intense scrutiny. The economic case for cycling became the most important case to make, to safeguard the policy and funding commitments cycling has won over recent years and which remain critical to ensuring growth in demand.

“ we have a new opportunity to position the cycling industry as one of the green industries set for growth in a post-Covid, post-Brexit, de-carbonised Britain ”

In the medium-term, with economic growth an ongoing political focus, and a likely new government within two years, it is our view that we have a new opportunity to position the cycling industry as one of the green industries set for growth in a post-Covid, post-Brexit, de-carbonised Britain. This could attract further significant policy and investment on both the demand and importantly, also on the supply side of the UK cycling market. Building on work started in Q4 2022 the BA will build a new comprehensive 'Industrial Growth Strategy' for cycling in 2023, setting out the funding and policy requirements for both, the foundation for realising our purpose of growing the UK cycling market.



Image: Joolze Dymond

ADVOCACY: YEAR IN REVIEW



Phillip Darnton OBE, Bicycle Association Chairman, highlights the many industry areas in which the BA serves as Government's go-to for knowledge and information.

If we can secure policy which encourages more people to cycle, more often, then the cycling industry will also grow.

However, how to do this is rather more complicated. Crucial to our success is winning the support and then the funding of the Government for all of the things that can make this happen – and to go on winning that support year by year.

The safety of cycling is the biggest challenge to overcome. First and foremost we have to have safer roads for those who cycle. But there are many other incentives that only the Government can provide and for which the BA are uniquely the champions. For example:

→ TRAINING.

Giving every child the opportunity to get started with Bikeability, and to gain a skill for life, which once learnt is never forgotten.

→ INCENTIVES.

Ways to get "long lost" cyclists back into the saddle. With 23 m bikes in the UK, the Government's help to get them all roadworthy again is a big boost. The £25m 'Fix-your-bike' voucher scheme has been a significant benefit to retailers and their customers.

→ "TRY BEFORE YOU BUY".

This is especially effective to encourage potential new cyclists to try out unfamiliar bikes, like electrically assisted pedal cycles and e-cargo bikes. This is a proven success in the UK, as it has been in many other markets.

→ CYCLE PARKING.

High quality and secure parking in high streets, at stations, and close to home is another essential requirement to get new people to take up cycling.

→ CYCLE THEFT.

High levels of cycle theft are known to deter would-be cyclists, and can even discourage current cyclists from continuing.



The BA has been successful in getting Government investment and support for all of these different and essential schemes in support of current and new cyclists alike.

And we continue to encourage, recommend, and urge Government to make adequate funding available every year for these and other ways to get more people on bikes, especially for short trips when it is just too easy to reach for the car keys instead.

The BA is well placed to do this. We are not a campaign group arguing with Government; we are not sponsored by anyone; we are not bidding for the funding for ourselves – it's not for any commercial interest that we do this. We are selling cycling itself.

Over time, with patience, we have worked to be regarded by successive Governments as a “trusted adviser” offering objective information, proposals and recommendations. All of these are solidly based on evidence and data drawn from our unique and exclusive Market Data Service. It is an invaluable tool in all our arguments.

“ Over time, with patience, we have worked to be regarded by successive Governments as a “trusted adviser” offering objective information, proposals and recommendations. ”

In 2020/2021 our approach with the Department of Transport really did pay off, first with the Government decision to allow bike shops to remain open during lockdown, and then with the publication of a very important document, “Gear Change”. This promised a budget of £2 bn for investment in cycling nationally to the end of 2024. No less than 7 of its 33 actions were the direct recommendation of the Bicycle Association.

+ CHAMPIONING THE INDUSTRY

But if “a week is a long time in politics”, then 2022 has seemed like an eternity!

Sometimes it has been hard to know precisely where in the Administration we could make the best impact. There have been three different Ministers this year and some big changes of Government officials. Most promisingly, the new group of Active Travel England has been created, under the leadership of Chris Boardman MBE, and the BA is already working closely with them.

We have also strengthened our links with other cycling organisations and groups, both nationally and internationally. We support the Walking and Cycling Alliance, and the MPs who form part of the All Party Parliamentary Cycling Group, and we also chair the Cycle Rail Group. In all of these, we work to amplify the voice of cycling to Government.

In spite of all the changes, we have been able to assist the Department for Transport in a series of projects, including the first ever E-Cargo Bike Logistics Round Table chaired by the Minister. We provided support for e-bike trial schemes, both in Cornwall and in an £8 m pilot extension project. We worked with three cities preparing bids for Government to become zero carbon emission cities by 2030.



“ New group of Active Travel England has been created, under the leadership of Chris Boardman MBE, and the BA is already working closely with them. ”



Our technical knowledge and expertise is being used in the development of standards for e-scooter construction, and more recently for tackling the potential risks from the misuse of lithium-ion batteries.

With a new Minister we will once again make the Industrial Case for investment in cycling, its vital role in decarbonisation and the opportunity to create new “green” jobs across the cycle industry. The Industrial Growth Strategy will be key to winning Government support, both now and in the coming years.

Much of this work goes on “behind the scenes” and deliberately so. Building our unique reputation as objective and trusted advisers, is not a “one off quick fix”. Our success cannot be “built in a day”, but with our unwavering commitment to the future of cycling, it can be built to last.

INDUSTRY TECHNICAL SERVICE



Peter Eland, BA Technical Director, on where the BA is working with allies and partners to both champion the industry and combat potential regulatory threats.

2022 was another busy year for the BA's Technical Service, covering both strategic work on future regulations and developments at national and international level and, as importantly, supporting BA members on day-to-day

regulatory and compliance matters. The BA is the industry's foremost source of authoritative information and advice on technical matters affecting the UK cycling industry, from impact of regulation changes to developing standards.

DEFENDING THE INDUSTRY

Two key potential regulatory threats emerged in 2022:



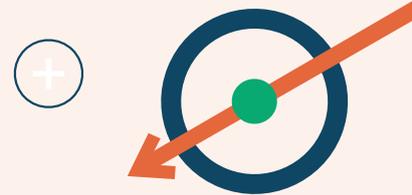
LOW SPEED ZERO EMISSIONS VEHICLE FRAMEWORK.

This is the legislation which will enable the creation of a sub-category for legal, privately-owned e-scooters and, crucially, for other future categories. There are threats here but also opportunities, and establishing an industry consensus on any specific proposals which emerge may be challenging. The BA's main aim here is to ensure that any new vehicles 'play nice' with cycles, and do not make active travel (with its unique health benefits) less attractive - for example, by having new vehicles sharing cycle lanes which have excessive speed or power. Of particular concern here may be a proposed category for "lightweight cargo vehicles" - no pedals required - which if introduced as proposed would make existing commercial e-cargo cycle designs obsolete overnight. The risk is that such categories are introduced in isolation. We would prefer an approach which properly considers the whole streetscape and the spectrum of vehicles which may use each space, along the lines proposed in the Netherlands - so that the proper balance and priority for active travel is maintained (at the cost, perhaps, of some increased regulation of the very heaviest cargo cycles).



LITHIUM BATTERY FIRES.

E-bikes banned from business premises, public transport and even residential accommodation - that's the very real risk we see from a recent increase in the incidence of fires caused by the lithium-ion batteries of (primarily) e-bikes and e-scooters. Fire service reports strongly suggest that it is not 'reputable' e-bikes, sold by suppliers such as BA members, which are the main cause; instead they pinpoint e-bikes, batteries, chargers and conversion kits purchased via online marketplaces direct from overseas suppliers. Nonetheless, the risk is that even reputable products will be 'tared with the same brush' and affected by blanket bans. Initially, the BA worked behind the scenes on this and with allies, averted e.g. a number of proposed bans of e-bikes on trains. More recently, we have engaged with major stakeholders such as national and regional Government, fire services, regulators and others with the power to meaningfully address the issue in a proportionate manner, while safeguarding the role of e-bikes in active travel and climate target delivery. We expect to be present at a high-level Government roundtable early in 2023.





CHAMPIONING POSITIVE CHANGE

Areas where the BA has been working positively for the industry include:



STANDARDS DEVELOPMENT.

Via the UK standards body BSI, the BA works on various international standards committees, including acting as Project Leader of the ISO 4210 and ISO 8098 revision process. This will shortly conclude - and among the updates in the new version will be handlebar end safety requirements which the BA has championed for some years. The BA also led international work on the revision of anti-tampering requirements in EN151954, and monitors work on the cargo bike standard under development at European level.



CARGO BIKES.

The BA continues to urge Government support for this sector, and to support officials in implementation where possible. In 2022 we provided expertise to candidate "Zero Emission Transport Cities" for major cycle logistics pilots (elements of which may proceed, although ZETC funding looks uncertain). We also followed up the evaluation process of the previous e-cargo bike grants schemes, which were administered by EST with our support.



SERIES HYBRIDS.

There is still some regulatory uncertainty about the EAPC status of series hybrids (also known as 'digital drive' or 'chainless' cycles). The BA will continue to press DfT for clear guidance as we move into 2023 so that the UK is not left behind as this new technology moves onto the market.



MEMBER SUPPORT

Member support is available through a variety of channels. The 'knowledgebase' on the website (behind the member login, on the 'technical service' panel) has been considerably expanded. It now includes a wealth of sector-specific info about compliance, standards, testing, UK legal requirements and more, including an archive of answers to previous member questions. But individual support is also on hand, and many hundreds of queries from BA members were answered in 2022. International trade, anti-dumping and e-bike compliance were among the most frequent subjects.



WORKING WITH OUR ALLIES

- The BA's Technical Service works with partner organisations on items of common interest, providing industry perspective and specialist expertise when required.
- At a UK level, this includes working with other policy leads as part of the Walking and Cycling Alliance to develop responses to Government proposals. So, for example, recent work has involved proposing amendments to the Levelling Up and Regeneration Bill, which (through changes to planning law) could have significant relevance to future cycle infrastructure. Also in this category is engagement on the regulation of pedicabs in London and beyond.
- At the international level, the BA's technical team participates on several working groups at CONEBI, the EU-level industry body. Although post-Brexit, EU decisions do not directly affect the UK, this work remains very valuable. For example, we learned from colleagues in Portugal about how they persuaded their government to remove VAT on cycling products - informing arguments we can use in the UK. Similarly, the exchange of expertise on batteries, theft, and future e-scooter regulations is very worthwhile in both directions.

OUTLOOK FOR 2023

We expect key technical and regulatory issues in the coming year to include:

- **More on li-ion battery fires and regulation, including the delayed DEFRA consultation on battery regulations.**
- **More on the LSZEV framework and e-scooters, potentially also involving new regulations for heavier commercial cargo cycles.**
- **UK anti-dumping measures - reviews of current measures may start.**
- **Standards: the revised ISO 4210 and 8098 series will be published. We can also expect more progress towards an EN standard for cargo bikes.**
- **Extended Producer Responsibility for packaging may become an issue for the industry.**
- **Other proposed UK legislation could significantly affect the cycle industry, for example the Retained EU Law Bill, which would discard all retained EU laws at the end of 2023, unless specifically retained or re-written. Much UK product safety law is of EU origin, so unless this Bill is dropped or significantly amended, there could be real uncertainty about compliance and how, for example, unsafe imports might be restricted.**



Image: Joolze Dymond, Islabikes

2.



+ SUPPORTING THE INDUSTRY

The Bicycle Association supports the industry with data and insights through the Market Data Service, up to date briefings on regulatory, technical and policy issues and networking and services to help cycling businesses thrive.

TOWARDS A DATA-LED INDUSTRY: THE MARKET DATA SERVICE YEAR IN REVIEW



Simon Irons, Associate Director and MDS Lead, has exciting plans in store for Market Data in 2023.

Having launched the service in uncertain times at the start of the COVID-19 pandemic in 2020, it was fantastic to mark our two-year Market Data Service (MDS) anniversary in 2022 with the key achievement of over 70% market coverage.

Over the past year, we have uploaded over 1 m SKUs and 50 m rows of sales data and have started to use it meaningfully in the BA's advocacy agenda at a national and local level.

We have also been encouraged to hear about the many ways our subscribers have been getting value out of the service to help their businesses. This has included understanding and adapting to customer trends as they have evolved during an incredibly unusual period, and finding more ways to use MDS to make money by identifying areas of underperformance compared to the market and making changes to close the gap.

With John Worthington joining our team from Mintel in 2022 as Head of Insights, the BA has been able to raise the bar significantly on the quality of our analysis and interpretation of trends. We have published two comprehensive market reports and monthly newsletters; have led thought-provoking discussions at our members' conference in June and webinar in September; and have held many one-to-one conversations with subscribers throughout the year. John will lead a session at the BA conference in February launching our Annual Market Review of 2022, so please do come along to hear his interpretation of the trends and outlook for the next three years.

70%
MARKET COVERAGE
ACHIEVED AT VALUE LEVEL

An important development in 2022 has been the use of our market data to power our advocacy work. In late 2021, we partnered with Transport for Quality of Life to help put a value on the economic contribution and green jobs potential of hitting the Mayor's own 2030 net zero carbon targets in London. This led to some interesting activity on the ground in London in 2022 and it shows what we can do with industry data in our advocacy programme. MDS is now supporting our advocacy work in a number of areas, including analysing the children's bike market ahead of our industry workshop and highlighting the impact of the government's investment in e-cargo purchase incentives. More on these projects can be found elsewhere in this Annual Report.

2022 Market Reports Published:

- Is there Growth Beyond the Boom? UK Cycling Market Report 2021'
- 'A Bumpier Ride: Challenges and Prospects in the UK Cycling Market 2022'



To make MDS fit for the long term, based on feedback from our users and service provider, we have begun the process of migration to an updated cloud-based platform: MDS2.0. In simple terms, MDS2.0 means:

- Three new tiers of access to MDS in addition to dashboard subscription:
 - A new, free-to-view MDS reporting suite for BA members and Investors in Cycling on the BA website, alongside a range of other helpful resources
 - A new super-user access level for subscribers who want maximum flexibility on analysing the data alongside their own internal data, via an API feed
 - One-off category reports, available to purchase without subscription from the BA website
- All data will be cloud based, so that additional SKUs and retailers can be added quickly, with no service disruption.
- We will combine MDS with other datasets like imports, weather and cycling usage stats to find more ways to understand trends and spot new opportunities.
- We will launch a new dashboard that is easier to use, helping users quickly identify the big opportunities for their business.
- We will add new sub-categories in areas such as tyres and wheels, e-bike batteries, kids' bikes, stock analysis for IBDs and more localised regional analysis.

COMING IN 2023

NEW DASHBOARD, NEW DATASETS AND NEW ACCESS LEVELS

MDS2.0: WHEN DOES IT ALL HAPPEN?

The main thing our subscribers will have seen so far is moving all of our contracts and billing in-house on the back of a new 5-year framework agreement with Sporting Insights. This change in contracting arrangement enables the BA to own the end-to-end customer service for MDS and also to build on Sporting Insights' strengths in database management by bringing in other technology partners such as Loft Digital, who have been helping us put in place our new MDS strategy for the next 3-5 years.

We have also plugged our existing dashboard into the cloud during December 2022 which has meant we've been able to reload 2018 data. The pandemic has made 2018 and 2019 baseline years extra important to understand post-pandemic trends.

From Spring 2023 we expect to launch the superuser API feed; the new dashboard with the extra functionality and easier navigation should be ready towards Summer 2023.



GET IN TOUCH - WE'RE HERE TO HELP

NEW USERS

If you're not involved with MDS yet, please do get in touch to discuss. If you're a retailer and share your data, no-one else gets to see it apart from you and it means you can get free basic access or half-price full access. If you're a brand or distributor, subscribe to get insights to help build your marketing plans that are just not available anywhere else.

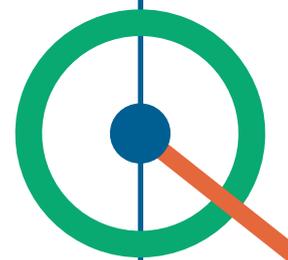
GOT A TECHNICAL ISSUE OR NEW IDEA?

MDS2.0 gives the BA a lot more flexibility to improve things so if you use it and have a particular bug bear you want us to fix or want to see a different way of analysing things, please do drop us a line.

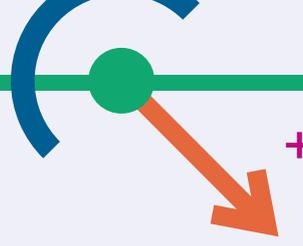
GET MORE VALUE FROM MDS

If you have access but don't log in very often and/or haven't yet found the value from MDS for your business, please do reach out for a one-to-one session to see if we can help. We have never failed to find a way for a subscriber to make money out of MDS!

Contact the BA's Data & Insights Team at info@bicycleassociation.org.uk







INVESTORS IN CYCLING: WORKING TOGETHER TO GROW THE UK CYCLING MARKET IN 2022



**INVESTORS
IN CYCLING**



David Middlemiss, BA Associate Director thanks the Investors in Cycling Leadership Group, and all the Investors helping the BA meet and exceed advocacy targets in 2022.

2022 saw us recognise, engage and reward those businesses that contribute to our advocacy work on behalf of the whole industry, through the launch of the Investors in Cycling programme.

This is the clearest manifestation of how companies are working together to grow the cycling market, contributing according to their means to ensure cycling has a seat at the table in crucial policy decisions that impact their business. Until the launch of this scheme, participation was opaque, recognition and reward low and the possibility of expansion remote. While we have moved the dial significantly in the last 12 months, much remains to be done and we'll accomplish that through a wide range of initiatives in 2023.

RECOGNITION

At the forefront of the Investors in Cycling initiative, leading change, are our 12 Leadership Group companies, who have all made substantial commitments in time, resources and funding to support and shape our programme. Meeting regularly to inform our work, our Leaders have continued to help drive our agenda forward in 2022 and are engaged across all of our key projects, from expert groups to new forums, addressing topics as diverse as data, reshoring and inclusion.

INVESTORS IN CYCLING LEADERSHIP GROUP

GIANT

RALEIGH

SPECIALIZED

TREK

BROMPTON

CSG
CYCLING SPORTS GROUP

FROG
BIKES

halfords

ISLABIKES

SCHWALBE

SRAM

wiggle



“ Investors in Cycling is bringing bike businesses together to fund real change for the cycling industry, informed by the cycling industry - that's why we're proud to be in the Leadership Group.

Nikki Hawyes, Country Leader UK, Cycle Sports Group



“ As members of the BA, we're proud to be leaders of a new initiative, Investors in Cycling, which gives the industry a meaningful voice in policy making.

Ian Beasant, Managing Director, Giant Bicycles UK

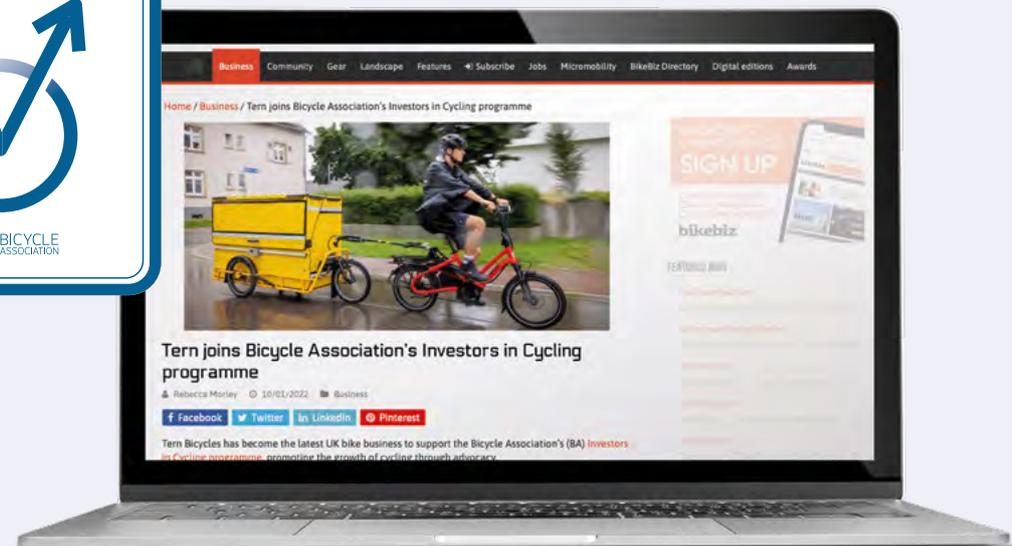


In addition, 2022 saw us recognise for the first time the incredible number of retailers and workshops that support our work by allowing participating Leadership Group members to collect the Retail Advocacy Fund. This levy, adding 0.1% to the value of invoices, provides crucial resilience to our activities and, after much work behind the scenes, we were delighted to be able to surface these contributors in our first Investors in Cycling Directory published in July. This reinforced the programme of inclusion commenced at the start of the year through the distribution of an initial report, window stickers and digital assets to an overall constituency of 1,005 Investors in Cycling.

1,005

UK CYCLE COMPANIES CONTRIBUTED TO THE ADVOCACY WORK OF THE BA AS INVESTORS IN CYCLING IN 2022

Finally, we were extremely pleased to receive pledges to our advocacy work through Investors in Cycling from an increased number of BA members. A manner in which to facilitate such annual pledges, based on turnover, has long been an ambition for the BA, so it was great to see the following companies commit to advocacy support in 2022:





ENGAGEMENT

Investors in Cycling have not only been kept up to date with our advocacy work through hard copy and digital updates, they've been actively engaged in that very work, participating in new ways that reinforce our efforts and lend us momentum. The work in establishing our new network of Investors paid dividends when we were able to bring more bike businesses to the London roundtable and subsequent workstreams on green jobs and recruitment.

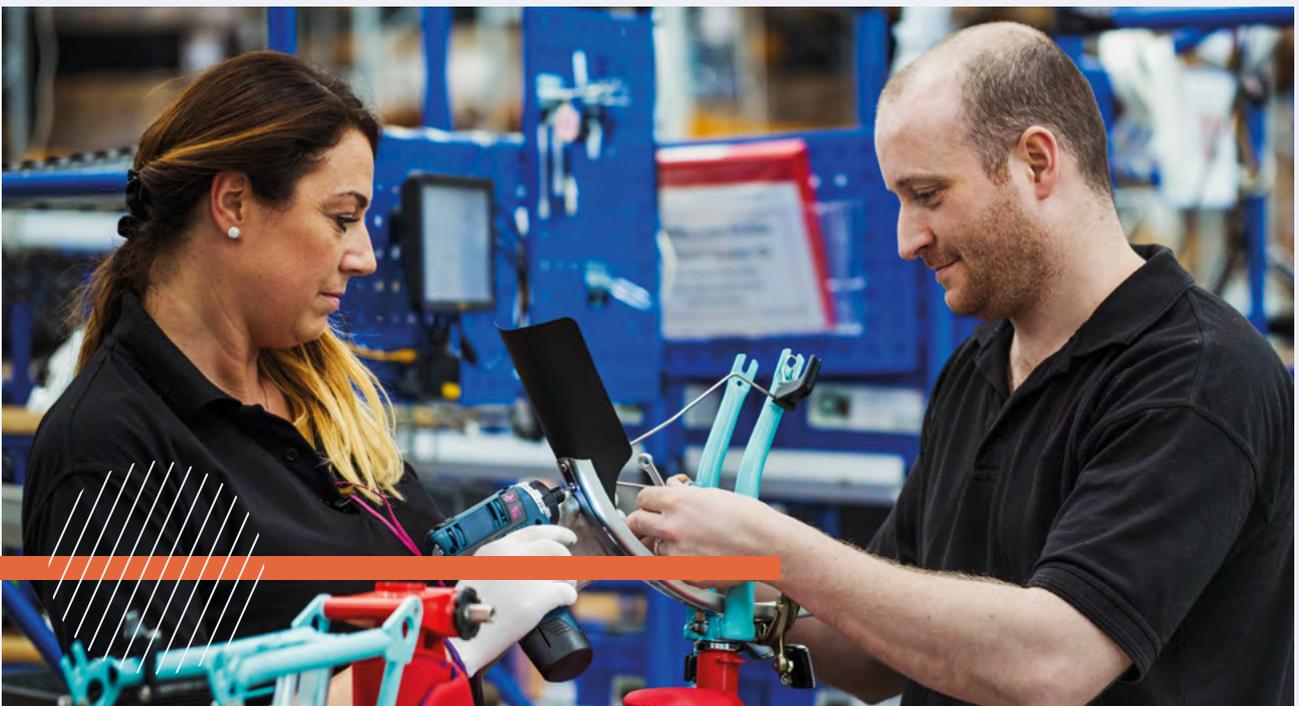
Over 300 Investors in Cycling in the London area are being updated on the funding opportunities we're unlocking in this project, described in more depth elsewhere in this report. We've also been listening to and engaging with Investors on emerging topics including inclusivity in the workplace, battery collection, security in the cycle sector, innovation and technology, children's cycling, cargo bikes... the list goes on.

REWARDS

While we are proud to say that the primary benefits for Investors in Cycling come from the many advocacy wins achieved by the BA and only attainable with their support, we're also driven to retain and extend this network by providing more immediate rewards. That's why we've secured an improved consumer finance offer a new partnership with Novuna and continue to provide free legal and HR helplines for Investors in Cycling. While BA members retain privileged access to one-to-one advice, in-person meetings and reports and resources, we have been pleased to extend BA guides, webinars and high-level data to the Investors community and we're looking forward to building on that in the year ahead.

300

INVESTORS IN CYCLING
ENGAGED IN THE LONDON
BIKE ECONOMY PROJECT





NEW MONTHLY WEBINAR

LAST FRIDAY OF EVERY MONTH,
STARTING MARCH 2023

WHAT'S NEXT?

In 2023 we aim to expand the number of contributors to Investors in Cycling to build resilience for Industry Advocacy. As we reach out to explain our work, we're launching a new series of webinars for the industry, inviting all Investors to forums that will both share insights on key industry issues and invite their input. Ranging from unlocking the economic value of improved diversity through what the industry needs to know about e-scooter legislation and lithium-ion fires, to the disruptions and opportunities from emerging consumer trends, these monthly Friday lunchtime webinars will both support the sector and build the Investors network. They'll be backed up by a new podcast focused on these topics that matter to the trade.

As we navigate the challenges and opportunities of economic uncertainty, ongoing Brexit adjustments and our net zero commitments, our Investors in Cycling programme is crucial to help the industry smooth the bumps in the road and emerge strongly.

NATIONAL BATTERY COLLECTION AND RECYCLING PROGRAMME



Tom Payton, Head of Market Data Operations, outlines proposals for electric bike battery collection and recycling.

Electric bike volumes continue to rise and will represent a significant share of all bike sales in years to come. Therefore, in 2022 the BA worked in collaboration with members and service providers to ensure that the industry is well placed

to address the emerging issue of electric bike battery collection and recycling. 2023 will see the development of an industry wide collection scheme following a detailed tender process currently underway.

Electric bike batteries are classed as 'industrial' (as opposed to 'consumer') and as such have very different handling, storage and recycling requirements. The BA has published a guide to electric bike batteries, which we encourage every member to read to understand their current legislative obligations.

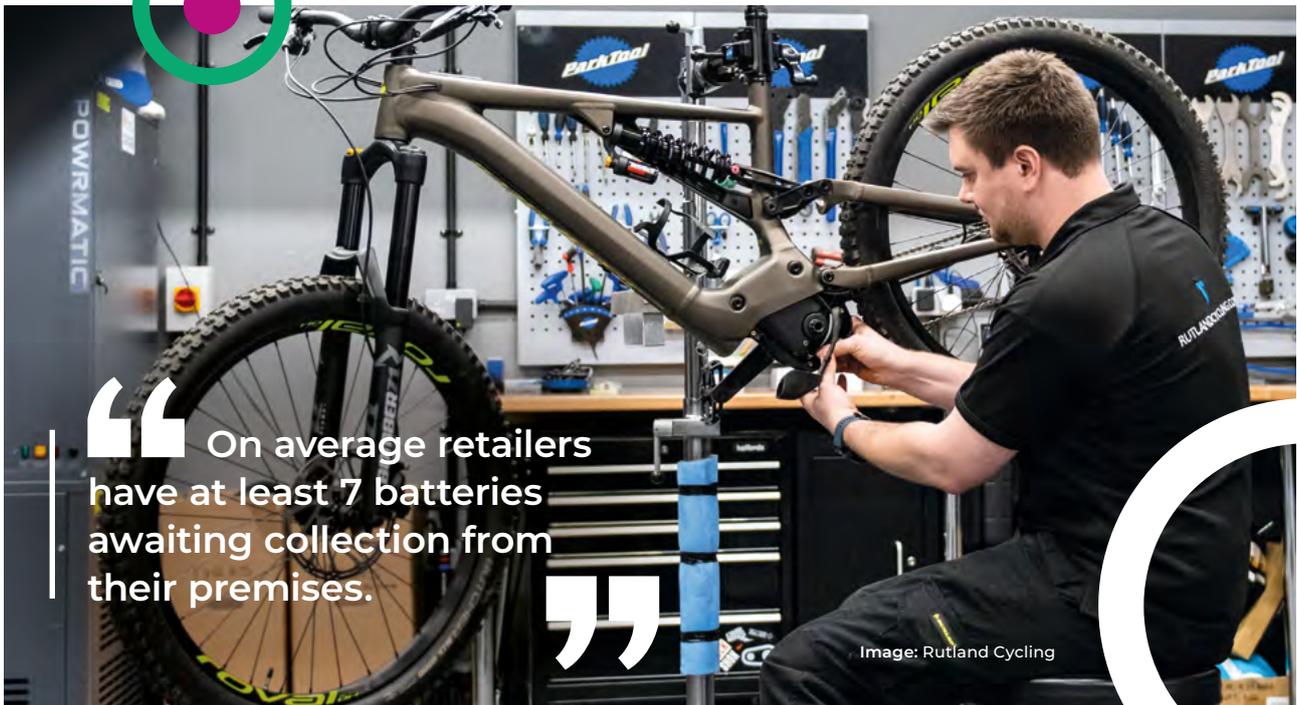
www.bicyclessociation.org.uk/download/ba-guide-e-bike-batteries

As the batteries on these bikes age, they will eventually fail and need to be replaced. Further, many of our members are dealing with small volumes of batteries that fail early in their life. The collection, safe storage and disposal of batteries in both of these scenarios is a growing concern for members and retailers. A BA survey in 2021, highlighted that 68% of retailers had batteries returned to them, with an average of 7 awaiting collection from their premises. The latter is a significant concern given the safety hazard such batteries represent - and these numbers will grow significantly in line with sales growth (albeit with a 'lag' of several years before the batteries expire).

In line with their legal 'take back' requirements, those members classed as 'producers', (defined as those companies who placed the bikes onto the market) have already engaged with companies who will collect batteries from retailers for them. This is currently a costly exercise for a small number of returns. Producers also have legal registration and reporting obligations.

“ 68% of retailers already have batteries requiring collection. ”





“ On average retailers have at least 7 batteries awaiting collection from their premises. ”

Image: Rutland Cycling

The BA was asked to investigate the feasibility of setting up a national battery collection programme. At the outset we spoke to other trade associations in markets where electric bike sales were significantly bigger.

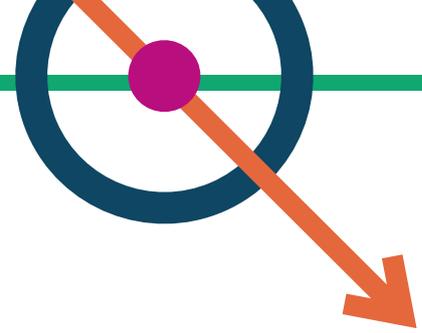
In Germany, France, The Netherlands and Belgium we found the trade bodies helping to coordinate such programmes based on the following principles:

- A third party specialist operating a collection programme with all associated administration, marketing and reporting
- A national network of retail collection points available to consumers for the safe return and storage of failed/end-of-life electric bike batteries
- Compliant storage equipment given to retailers, with collection and exchange when needed
- Programmes funded by producers

The benefits to producers of such programmes were seen as:

- Removal of administration in a heavily regulated area
- Reduction in costs as part of an industry-wide effort
- Guarantee of safe collection and recycling of all batteries going forward
- One process for retailers and consumers to understand

The BA met with potential providers of such a programme, after which a detailed tender document was written, detailing our industry requirements. In December 2022 this tender was issued, with the goal that the BA appoints an organisation to manage this programme on behalf of its members in Q1 of 2023.



SUSTAINABILITY IN THE CYCLE INDUSTRY



Alec Seaman, BA's Sustainability Lead, discusses the key sustainability achievements of 2022 and what we still need to tackle.

The last 12 months have seen many positive steps by Bicycle Association members and the broader Industry as we collectively strive to uncover lower-impact and more sustainable ways of working.

In 2022 we have seen members release Impact Reports, introduce new ways of working and even change their fundamental business structures, including signing the industry-wide Plastic Pledge, or committing to long-term, externally validated initiatives like B-Corp. All this before considering the incredible number of products released over the last 12 months that demonstrate life-cycle design, incorporate recycled materials and utilise materials that can be more readily recycled.

Collaboration has been a key theme in 2022, with considerable appetite across the industry and from international partners including CIE, CONEBI and People for Bikes to work together to increase our overall effectiveness, while reducing duplicated effort and the likelihood that paths diverge between regions.

Most importantly, in 2022 we have seen sustainability move up the strategic agenda of businesses and policymakers, so that it is no longer seen as a bolt-on or nice-to-have, but as a fully-integrated part of a resilient business. Recent events, including COVID-19, ongoing supply chain disruption and the energy crisis, have challenged established business practices. As businesses look at new ways to insulate themselves against future shocks, a new lexicon has emerged, with phrases like resilience, strategic dependency and critical raw materials, especially in relation to smart and connected technologies.

While presenting a considerable challenge, these new risks could also offer significant sustainability windfalls. For example, onshoring could be a powerful tool in reducing strategic dependency, but it would also reduce supply chain length and deliver considerable CO2 savings in an area notoriously difficult to address.



“ BA elected as Chair of the CIE/CONEBI Responsible Supply Chain Priority Group ”





KEY SUSTAINABILITY ACHIEVEMENTS THROUGH THE YEAR ARE AS FOLLOWS:

- **Strengthening of strategic international partnerships with CIE and CONEBI:**
- **The BA was elected as Chair of the newly-formed CIE/CONEBI Responsible Supply Chain Priority Group, tasked with creating a shared strategy for the industry**
- **The BA updated the broader membership of CIE and CONEBI on the activities of the priority groups (Circular Economy, CO2 & LCA, and Responsible Supply Chains) at an in-person meeting of its Sustainability Expert Working Group**
- **The BA participated in the CIE Annual Summit, which strongly underlined the importance EU lawmakers were attributing to cycling as a key mechanism for achieving net zero targets and healthy cities**
- **The BA joined the panel discussion at Setting the Scene for a Sustainable Cycle Industry, an oversubscribed event at Eurobike 2022, co-hosted by CIE and CONEBI**
- **An industry-wide Plastic Pledge was created, as a result of the efforts of the Sustainability Expert Working Group, with signatories comprising the Bicycle Association and a growing number of our members**
- **A new podcast series was broadcast to showcase industry-leading sustainability initiatives, with episodes featuring Bikmo's work to achieve B-Corp certification, Schwalbe's tyre recycling programme, Hope Technology's onshoring strategy and Brompton Bike Hire's smart and connected technologies**

THE MEMBERSHIP IN 2022: GROWTH, NETWORKING AND NEW BENEFITS



Stephen Holt, Retail Trade Manager for the BA, updates us on Membership news

We're delighted to report that BA membership has more than doubled in the last two years. We now support 145 organisations engaged in manufacturing, distribution, retail or service provision throughout our sector, with more joining each week.

A fundamental part of our service is responding one-to-one to members' queries. Ensuring we maintain our high levels of service and responsiveness as we grow has been a key deliverable in 2022.

We've done that not only by answering many thousands of emails and phone calls in a timely fashion, but also by extending our live chat availability online, which you can find on our website. We've also improved our CRM and task management systems so that new users can rely on the same speed of service that our long-standing members have valued across the years.

116%

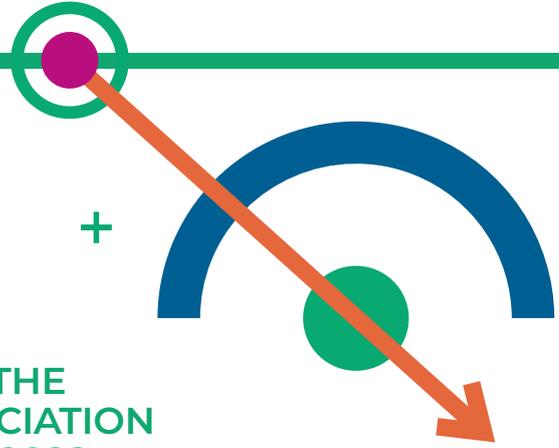
GROWTH IN MEMBERSHIP OVER TWO YEARS

MEMBER EVENTS:

We were pleased to get back to in-person events in 2022, and saw over half our members attend our mid-year conference in Birmingham in June. Ongoing, we will now be moving back to an annual conference early in the year and a mid-year Summer meeting. We are focused on delivering market and technical reports with associated expert insights quicker than ever, while also providing the unique networking opportunities at these meetings that we know members value. With a programme of exciting webinars being planned for 2023, the BA team are working hard to ensure a higher profile for members than ever before.

With a large, growing and diverse membership, it's important to get feedback that we are delivering the things needed to best support your business. We are thinking about how best to do this, so look out for requests next year that give you a chance to tell us how we are doing and contribute new ideas.





145

MEMBERS OF THE
BICYCLE ASSOCIATION
IN DECEMBER 2022

MEMBER BENEFITS

Throughout 2022 we have continued to develop a small but valuable range of exclusive member benefits and networking opportunities. As a reminder, these are:

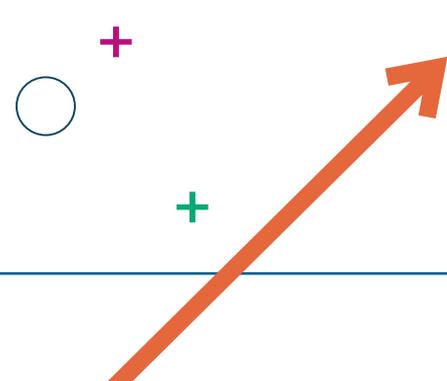
- **An invitation to our in-person annual conference and summer meeting**
- **Member-only webinars and e-newsletters**
- **Big savings with our Novuna consumer finance offer**
- **Free legal and HR helplines with Law Express and Avensure**
- **BA logos and assets for your company marketing**
- **Access to the UK's electric bike battery collection programme (coming soon)**

More will be added in the future, where we identify that no offer exists currently, or where we believe there is a market failure that the BA's scale can help to address. In 2022 we worked hard to procure a logistics offer for the sector - an area that has traditionally been an issue for members. We ran a procurement process and selected a provider, but decided not to proceed as we were unable to deliver meaningful savings to you.

The year ended on a fantastic note as, on the conclusion of our previous Klarna Finance offer, we ran a successful procurement exercise to appoint a new retail finance partner. We are delighted to now be working with Novuna (formerly Hitachi Capital Finance) and have negotiated fees for a suite of products that could see members save up to 5% profit versus existing market offers.

SAVE UP TO 5%

PROFIT WITH BA'S NOVUNA
FINANCE OFFER



SECURITY UPDATE



Stephen Holt, Retail Trade Manager for the BA, on how the BA has helped progress measures to deter theft.

Cycle theft continues to present a barrier to getting more people cycling. The prospect of having a bike stolen prevents people switching their journeys to two wheels, while the experience of having a bike stolen

negatively impacts on subsequent cycling: a 2016 study identified that 25% of participants who were victims of bicycle theft gave up cycling altogether, while 66% cycled less.

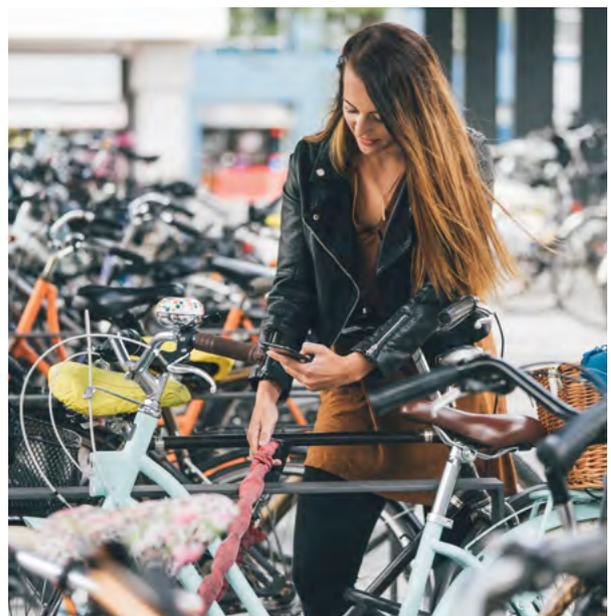
In 2022, the Bicycle Association continued its work with UK Police and Government to help tackle this important topic. On behalf of the industry, we attended a quarterly National Cycle Crime Steering Group and in October the BA convened its own working group, with 15 member companies discussing how we could work together to reduce theft.

The working group identified bike registration as a key area for the industry to focus on in 2023. A visibly-marked bike is a deterrent to thieves, and BikeRegister, which holds a Police-approved national cycle database, claims that a bike owner is 83% more likely to have their bike stolen if it is not BikeRegister marked. Yet we estimate just 100,000 bikes are registered by bike owners each year.

We believe the industry can work together to achieve a step change in the number of bicycles registered, so watch this space for a forthcoming BA Guide to Cycle Security, detailing what members and retailers can do to help.

“ When my bike was stolen I never thought I’d see it again, so I was so happy when I got it back. If it hadn’t been registered, the Police would not have been able to return it. ”

Sarah, BikeRegister user





“ Registered bikes are 83% less likely to be stolen ”





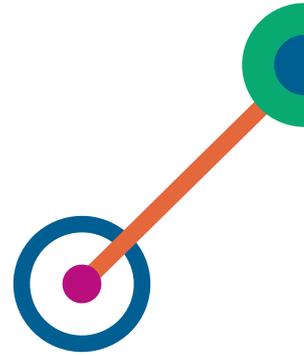
3.

+ **SHAPING** THE INDUSTRY

The Bicycle Association believes passionately in a growing, dynamic and diverse cycle industry of the future. Helping shape the sector by working alongside our members is a key part of our work.



GEARING UP THE LOCAL CYCLE ECONOMY: LONDON UPDATE



Kirsty Ratti, BA Project Manager, discusses how the BA helped unlock a potential 25,000 green jobs in the London Bicycle Economy project.

In 2021 the Government allocated a £3.8 bn fund for local authorities across the UK to invest in walking and cycling. It was clear from the outset that these local authorities would need help to build the economic case to be awarded a

portion of this fund. In 2022, the BA has been delivering that support through its Gearing Up the Local Cycle Economy project.

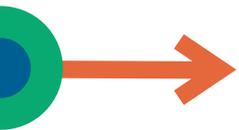
Following a meeting with Dr. Ashok Sinha, CEO of the London Cycling Campaign (LCC), the decision was made to initiate the project in London and a collaboration was formed, with the objective of providing the 33 London boroughs with a toolset to support their funding applications. With data from the 200+ Greater London cycling businesses participating in our Market Data Service, we commissioned Transport for Quality of Life to produce our London Cycling Economy report late in 2021, which shows that increasing cycling is an essential component in achieving London's 2030 net zero carbon target. By extrapolating the required cycling level to meet these needs, the increase would create 25,000 new green jobs in London's bicycle economy and an economic dividend of £4.8 bn a year, representing £500 per Londoner, while growing cycling-related revenues by 300% and breathing fresh life into local high streets.

This next step was to host an industry round-table event in March, bringing cycling industry leaders, Investors in Cycling and policymakers from the Greater London Authority together to discuss the economic and employment agenda – a first in the UK. The action plan arising from this round-table session has raised awareness of the green jobs potential of the cycling sector for the first time, and has opened local access to programmes previously unavailable to cycling businesses (e.g. London's 'green academy funding', and the national SWAP placement scheme). The economic arguments have played their part in London's continuing commitment to active travel, including Bikeability funding, despite the massive funding squeeze on TfL.

There is much to do in this space. We have proved the worth of this project by triggering many follow-up leads and areas of interest. As the political landscape shifts and with it the funding focus, we can draw the London project to a close as we now look to continue some of these themes in the next region. We have selected the West Midlands Combined Authority (WMCA) as our next area and have held early meetings with WMCA officials who are keen to support this work.

25,000

POTENTIAL NEW GREEN JOBS IN LONDON'S CYCLING ECONOMY IDENTIFIED



We see the West Midlands as a case study where we can also 'bring to life' the national economic arguments which we will bring up to date in 2023 using a similar approach to London.

FUNDING AND TRAINING THROUGH NEW GREEN HUBS

Green skills hubs and academies were set up by the London Mayor and by several other local authorities in direct response to the pandemic. They are focused on getting people back into employment. There are several types of hubs and academies and cycling sits squarely in the green category, where there is funding to help transition people from carbon intensive to low carbon roles.

One route to access this funding is via a Sector-based Academy Programme (SWAP), a national government-funded programme in which jobseekers receive training from Green Skills Academies and then go on to attend short

industry placements (up to six weeks). There is no financial burden or commitment for an employer to participate. The two key criteria are that there is a real job vacancy available; and that a job interview is offered at the end. If the jobseeker is in receipt of benefits, then these continue for the duration of the training and placement, and they may also receive assistance with travel and childcare. We hope that in time we can provide case study material to show how employers in the cycling industry are engaging with, and benefiting from, SWAPs.

300%
POTENTIAL INCREASE
IN LONDON CYCLE
MARKET REVENUES



£4.8 Bn P.A.

POTENTIAL ECONOMIC DIVIDEND AS A RESULT
OF A SIGNIFICANT INCREASE IN CYCLING



DIVERSITY IN CYCLING: CREATING AN INCLUSIVE, EQUITABLE INDUSTRY TO UNLOCK MORE VALUE FOR US ALL



Sally Middlemiss, BA's Inclusion Lead, tackles gender equity, diversity and inclusion in the cycling industry.

Today, women make up 49% of the UK workforce. Yet in the UK cycling industry, just 8% of workshop-based roles and 19% of customer-facing roles are occupied by women. Women hold 40% of the industry's administrative roles, but only a small handful have progressed to senior leadership positions.

Though no direct data for the cycling industry exists, research points to multiple causative factors, including difficulty finding a work-life balance; lack of appropriate working environment; lack of training and life-long learning opportunities or inadequate targeted recruitment; persistence of stereotypes; harassment; and bullying. Other studies highlight gender discrimination, lack of supportive policies and facilities and female role models as key barriers for women. We also know that there are not enough Black, Asian and ethnically diverse people; too few individuals with disabilities or from low socio-economic backgrounds; and a lack of LGBTQ+ people, joining or leading our industry today.

The Bicycle Association believes that a more diverse, equal and inclusive industry supports our core purpose of achieving industry growth, unlocking additional value by:

- Increasing the talent pipeline and addressing skills shortages;
- Improving business performance, with more diverse teams bringing new perspectives and better decision making;
- Expanding the customer base, reaching out to and better representing local communities.



“ The cycling industry is very male-dominated. In a lot of the discussions I have, I bring a different perspective, style and approach. I really think the diverse thinking and skillset makes our business more successful. ”

Irene McAleese, Co-Founder,
See.Sense



INCLUSIVE BUSINESS CULTURES LEAD TO A **59% INCREASE** IN CREATIVITY, INNOVATION, AND OPENNESS

Since September 2022, the BA has engaged in a scoping project to build a clearer picture of the needs, perceptions and challenges around gender equity, diversity and inclusion, as specific to the UK cycling industry. Of 41 women interviewed, 100% agreed that there was a need for proactive action to increase female representation in the industry, an even stronger endorsement than the 2020 survey of women carried out by Cycle Industries Europe, in which 85% of respondents agreed with the need for an initiative like Diversity in Cycling. BA members and Investors in Cycling consulted have also responded positively, with several keen to share examples of the positive impacts that inclusive policies are bringing to their businesses and others eager to address the lack of diversity in the talent pipeline.

Attracting, developing and retaining more bright, ambitious women and people from underrepresented groups both supports and protects the BA's core purpose of achieving industry growth, offering the cycling industry a way to turbo-charge every aspect of our industrial growth strategy, addressing supply-side skills shortages while increasing consumer demand and loyalty and unlocking improved performance and additional value. Looking ahead, if we are ambitious we have the chance to become inclusivity leaders, taking pride in our efforts and achievements and inspiring others to follow our model.

“ We'll never know the talent we haven't had, or the sales or loyalty we've lost, by not having a more representative cross-section of people working in our company. ”

Richard Balfe, Founder, Balfe's Bikes

The potential is clear – yet the challenges are significant. The gender gap in cycling is a systemic issue, with low female participation in everyday cycling - males aged five or over make two times as many cycle trips each year as females (source: DfT, 2021), and 73% of women living in cities never ride a bike (source: Sustrans, 2018) - impacting upon the desirability of a career in the cycling industry for women today. In addition, low levels of awareness within the industry perpetuate the status quo: in the 2021 Census, just 21% of BA members considered women as a growth customer segment, while 72% did not identify any under-represented demographics in their customer base. Despite a 2021 TfL study identifying young Black, Asian, and mixed ethnicity women as 'strong targets' to encourage into cycling, only 9% of BA members run classes targeting people from diverse ethnic backgrounds. To overcome this systemic inequity, this project will also seek to support and align with the many organisations working to achieve diversity, equity and inclusion across the cycling ecosystem.

+ SHAPING THE INDUSTRY

In summary, through its Diversity in Cycling programme, the BA seeks to unite the industry behind a shared commitment to creating a diverse inclusive workplace culture where everyone feels respected, supported and empowered to build a sustainable, resilient, competitive cycling industry, unlocking more value for us all.

Following a scoping phase, with broad consultation across the cycling sector, the programme will launch formally on 8th March 2023, to coincide with International Women's Day.

“ The best business decision I ever made was to employ Alexandra. Before, we were breaking even, now we are cash positive. And this is almost all down to Alex. ”

Adam, Co-Founder, Cloud9 Cycles

KEY PRIORITIES FOR 2023

- **Publish a three-year diversity, equity and inclusion action plan for the cycling industry, with an initial focus on gender equity**
- **Align the industry behind a diversity pledge, which we hope all members and Investors in Cycling will sign**
- **Form a Diversity in Cycling advisory group, with broad representation from across the cycling sector, to track progress with our action plan, engage in advocacy work and advise the BA's governance group on diversity, equity and inclusion in the context of its wider strategy**
- **Launch the Employers' Equity Index, a collaborative project across the wider transport sector, enabling employers to benchmark against global equity standards, celebrating successes while working strategically to address gaps**
- **Launch a perception survey of women* working in the cycling industry, to better understand women's experiences and needs**
- **Create a supportive network of women and under-represented groups in the industry, to advance careers, enable more diverse voices to be heard by policymakers and at industry events, and inspire a more representative cross-section of ambitious young people to enter the cycling trade**
- **Produce a range of resources to help our members unlock additional value by becoming more diverse, equitable, inclusive organisations**

To learn more or get involved in this project, contact sally@bicycleassociation.org.uk

* By women, we mean all who identify and/or experience oppression as a woman (including cis, trans, intersex, non-binary or gender non-conforming individuals)

41%

OF SHOPPERS REMOVED AT LEAST 10% OF THEIR BUSINESS FROM A RETAILER FOR THEIR LACK OF FOCUS ON DIVERSITY, EQUITY AND INCLUSION

Source: Accenture

2019 ANALYSIS BY MCKINSEY FOUND THAT COMPANIES IN THE TOP QUARTILE FOR GENDER DIVERSITY ON EXECUTIVE TEAMS WERE

25% MORE LIKELY

TO HAVE ABOVE-AVERAGE PROFITABILITY THAN COMPANIES IN THE FOURTH QUARTILE — UP FROM 21% IN 2017 AND 15% IN 2014



RESHORING MORE VALUE IN THE UK



Scott Cain, BA Project Manager, updates us on exciting new developments on this element of our economic strategy.

The BA has long been instrumental in championing the vital demand-side activities that deliver long-term cycling growth and adoption, working closely with the DfT, and more recently Active Travel England and the devolved administrations, to secure sustained investment in safe and protected infrastructure; and the kind of incentives now proven elsewhere to accelerate uptake of e-bikes at scale. But that's just half the story.

“ France aims to reshore manufacture of 2m cycles a year by 2030 ”

Source: Plan vélo



Championing the supply-side of the industrial opportunity of cycling is every bit as vital, and is rising in timeliness and significance. Building on the BA's work with Transport for Quality of Life on the economic returns of cycling, supply-side work in 2022 focused on building the case for a deliberate and planned research and development (R&D) effort.

Under the umbrella title 'UK Bike Valley', this aims to make the case for reshoring more of the value, production and innovation, as part of a UK cycle industry growth strategy. The potential prize? Growing the UK's productive capacity and market share, adding resilience to supply chains, achieving new levels of sustainability and greater resource efficiency, and creating green jobs.

“ For each 1,000 bicycles reshored/produced each year, 3-5 skilled jobs are created; for e-bikes this rises to 6-9 skilled jobs ”

Source: CONEBI

WHAT TYPE OF INNOVATION IS NEEDED?

With electric, smart and connected technologies and advanced automation at the fore, the UK has potential to retain more value by building on its high-value manufacturing capabilities, expertise in battery safety and performance, and diverse forms of design. In doing so the UK cycling industry would deliver green jobs, a just transition from more carbon intensive industries, resilient supply, and a more circular, sustainable production - one that benefits from an increasingly low-carbon energy grid. All working towards a better, fairer, net zero future for people, places and business in which cycling as an industry grows in significance, profile, reach and commercial returns. Like much in life, a balance is called for: to meet immediate and practical needs of today, whilst shaping a long term vision and the conditions – often termed the ‘ecosystem’ – for innovators to succeed.

Specifically, the UK Bike Valley project has developed an outline case for reshoring more of the testing, production and assembly of bikes, e-bikes, e-cargo and low-speed zero emission vehicles (LZEVs) on more price-competitive, accessible terms. Three capabilities have been identified for further scoping in 2023:

- an electrification performance centre for e-cargo, e-bike and LZEV applications, covering batteries, electronics and motors, as well as smart and connected technologies, focused on safety and whole life performance;
- a leading-edge, highly-automated ‘lights out factory’ to produce prototypes, medium scale and full production runs - with capacity for more automated assembly that is open to the market as a service, and;
- a full-service standards-based test capability for e-cargo, e-bikes and LZEVs, with focused investment in component vehicle and real-world testing.

“ Reshoring just 10% of e-bike production by 2030 would create 2-3,000 additional high value jobs ”

This is a long-term effort, which calls for a detailed scoping of the interventions and research, development and innovation capabilities that are currently absent or insufficiently developed in the UK. Scoping will include defining the operating models for each of the capabilities; the commercial model beyond initial establishment; and alignment and points-of-difference with capabilities in adjacent sectors, including automotive.

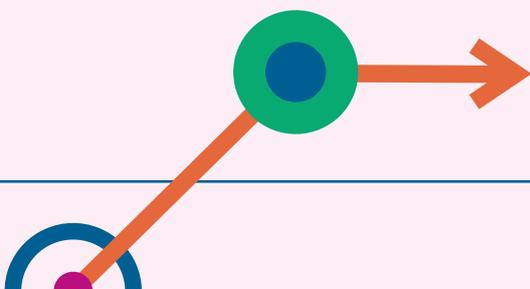
WHERE DO WE START TO ATTRACT PUBLIC CO-INVESTMENT?

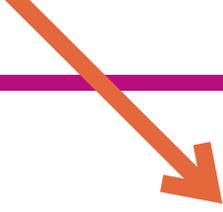
The Bicycle Association, along with the High Value Manufacturing and Connected Places Catapult centres, will continue to build a ‘coalition of the willing’ to which BA members, the wider sector and ecosystem partners (including growth agencies like Scottish Enterprise, city region mayors, cycling and walking commissioners and academic research units like Warwick Manufacturing Group) are invited. This includes evidence and intelligence to unlock appropriate R&D and innovation funding opportunities for the sector.

Meanwhile, we can’t lose sight of the structural shifts that policy makers, major businesses and place leaders are tuned into; or as the Financial Times’ Leo Lewis put it at the turn of the year: “bicycles have friends in high places — national sponsors of large-scale growth in ownership and the construction of more attractive cycling infrastructure as a route to decarbonisation.”

KEEN TO LEARN MORE AND GET INVOLVED?

Get in touch with scott@bicycleassociation.org.uk to pick up the conversation about this whole supply-side opportunity, and to play your part in the research, development and innovation strand of the UK cycle sector’s industrial growth strategy.





EXPERT GROUPS UPDATE

2022 has seen an amplification of our Expert Groups, the mechanism by which subject experts from BA member companies can help shape BA policy and activities, and develop specific projects. They are formed 'on demand' and are always open to any BA member to participate - and if members agree, external participants may also be invited to contribute.

In many cases, their discussions are informed by the BA's exclusive access to data from the Market Data Service. The increasing number and diversity of BA members has accelerated and informed activity, a positive trend we expect to see continue.

Over the last year, the groups below have been active.

CARGO BIKES AND CYCLE LOGISTICS EXPERT GROUP

2022 summary: In late 2022 the BA welcomed new members who had joined following the merger with the UK Cycle Logistics Federation, and this renamed group (previously just Cargo Bikes) resolved to set up working teams of members to take forward a number of main priorities:

- Develop UK Codes of Practice for riders and operators, building on existing materials - with a view to developing this into wider work on formal training/qualifications
- Support and develop work already started to develop the Facilities Management sector as a market for cycle logistics
- Preparing for the Landor Links UK Cargo Bike Summit in March 2023

2023 outlook: The BA will co-ordinate the working groups of members, and investigate the possibility of dedicating extra resources to this fast-growing sector. On advocacy, with a cargo bike enthusiast (Jesse Norman MP) as Transport Minister, the BA will continue to press for national Government support for cargo bikes and cycle logistics.

CHILDREN'S CYCLING EXPERT GROUP

Learning to ride in childhood should, the BA believes, be available to every child as a strategic industry priority, securing the pipeline of future customers and preparing a generation for a future in which cycling and active travel will be ever more important for personal mobility.

2022 summary: Building on member-wide discussions at our 2022 summer members meeting, a BA group of subject specialists met and considered a number of possible industry interventions. Two resulting priorities for advocacy are, firstly, holding the Government to their commitment to Bikeability training for every child - and, secondly, as a longer-term objective, working with others to ensure that learning to cycle is a mandatory element of the National Curriculum for schools. Secondary objectives include a VAT reduction on children's bikes and other interventions around affordability, maintenance and availability of bikes for specific groups.

2023 outlook: The BA will work hard make the case to protect Bikeability funding in a challenging financial climate, and develop links with partner organisations. The Expert Group will reconvene to discuss developments.



CYCLE THEFT/SECURITY EXPERT GROUP

2022 summary: As referenced elsewhere in this report, the main development on the cycle theft front was that a project instigated by the BA was taken up by the Police, funded by them, and is now moving towards implementation. This is the creation of an IT structure via which data from the multiple current cycle registration scheme providers can be brought together so that the police and other authorised users can make a single database query to check a registered bike's details. Several BA member companies are also actively promoting initiatives to drive registration of cycles at retail, and to promote point of sale messages. The BA continues to engage at a national level with police and other stakeholders.

2023 outlook: Continuing to work together to achieve a step change in the number of bicycles registered, and the forthcoming BA Guide to Cycle Security, detailing what members and retailers can do to help, are key activities for the year ahead.

“UK BIKE VALLEY” EXPERT GROUPS

- Frames
- Batteries & powertrain
- Smart & connected

2022 summary: Around 70 businesses have contributed to over 20 workshops across these three groups, contributing time, expertise, insights, connections, costings and forecasts. We are now bidding for a significant UK Research and Innovation fund for first stage funding to develop a fuller business case under the working title 'UK Bike Valley'. A full description of the activities and objectives of these groups can be found elsewhere in this report.

“ Over 100 businesses
have participated in BA
Expert Groups in 2022 ”



MEMBERS LIST

LEADERSHIP GROUP

Brompton Bicycle Ltd
Cycling Sports Group
Frog Bikes
Giant UK
Halfords
Islabikes Ltd
Raleigh UK
Schwalbe UK
Specialized UK
SRAM
Trek Bicycle Corporation Ltd
Wiggle CRC

MEMBERS

A

Abus (UK)
Airhead Design
AlsoBikes Ltd (Advanced Bikes UK)
Amped Cycles
Atherton Bikes

B

BabelBike
Batribike Ltd
Beryl Bikes
BikeRegister
Bikes2Go Ltd
 Bikmo
BlackHawk
Bleubird
 Blike
Bobbin Bicycles
 Bosch UK
 Boundless Mobility
 Brompton Bicycle Ltd
 BuzzBike

C

Canyon Bikes UK
Citrus Lime
Cube
CycleCentric
Cyclemotion
Cycleurope UK Ltd
 Cycling Sports Group

D

Datag
Decathlon UK Ltd
Derby Cycles
Dillglove Ltd

E

eBay
 E-Bikes Direct (MTF Enterprises)
EBC Ltd
Ecofleet
Electrify UK (Mana Kaha Ltd)
Emu Bike Company





- Endura
- Eskuta
- Extra UK
- F**
- Falco UK Ltd
- Farr Out Deliveries
- Fettle Bike Repair
- Fibrax Ltd
- Flit
- Frog Bikes
- G**
- Garmin UK
- T**
- Two Three Bird and Gator
- Bikesure
- G**
- Giant UK
- Gocycle
- Go Outdoors
- H**
- Halfords
- Hereford Pedicabs & Cargo
- Hope Technology (IPCO) Ltd
- Honbike
- Hövdning
- I**
- Indeproducts International
- Insync Bikes
- Islabikes Ltd
- Ison Distribution Ltd
- J**
- Jorvik Tricycles
- Juicy Bike
- Jungle Products
- Just Ride The Bike
- K**
- Kryptonite
- L**
- Leopard Technology
- Look
- Love to Ride
- Lyon Equipment
- M**
- Madison Cycles plc
- Manchester Bikes & Bambino Biking
- Marin UK
- Mark2
- Merida UK
- MiRiDER
- Mission Cycles
- Monimoto
- Moore Large & Co.Ltd
- Muc-Off
- Muelaner Engineering Ltd
- N**
- Newlane Ltd
- Nexus Mingda
- Nexzu
- Nocomoto Ltd
- O**
- Orbea
- Orbit Tandems
- Oxford Products
- P**
- Pashley Holdings Ltd
- PedalMe
- Pier Sales
- Pierer E-bikes
- Pinarello UK
- Planet X
- Professional Cycle Marketing
- Pure Electric
- R**
- Raleigh UK
- Rapha
- Reece Cycles
- Reilly Cycleworks
- Rolling Revolution Ltd
- Route Cycles
- Royal Dutch Gazelle
- Rutland Cycling
- S**
- Schwalbe UK
- See Sense
- Selle Royale Group
- Seventies BMX Distribution
- Sigma Sports
- Silverfish UK
- Sold Secure
- Specialized UK
- SRAM
- Stomp
- Swapfiets
- 7th Iteration Consulting
- T**
- Target Composites
- Tern Bicycles
- The Bicycle Chain
- The Bike Club
- TheRiderFirm
- (ITS Cycling)
- The Powerhouse
- (Jersey Electricity)
- Torque Electric
- Trek Bicycle Corporation Ltd
- Turvec
- U**
- United Wheels Inc
- Unitrax
- V**
- Velobrand
- VO Vehicles Ltd
- VOK Bikes UK
- W**
- Weldtite Products Ltd
- Wisper Bikes
- Whyte Bikes
- WiggleCRC
- X**
- XO Bikes
- Y**
- Yamaha UK
- Yellow Jersey
- Z**
- Zedify
- Zyro Fisher Ltd



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