



Bicycle Association Year in Review

2020



MENU

FOREWORD

ADVOCACY

MARKET DATA SERVICE

RETAILER SUPPORT

TECHNICAL SERVICE

SUSTAINABILITY



STEVE GARIDIS

**Executive Director,
Bicycle Association**

2020 was an unprecedented year for cycling; a word often overused, and not chosen lightly.

At the forefront of the response to COVID-19, cycling became one of just three Government mandated legitimate activities beyond getting food, essential work, and receiving medical attention. The necessities of life: food, shelter, health and... cycling. This equally brought our industry to the fore. As Covid struck Europe in early 2020, the Bicycle Association - alarmed at the closure of all retailers in Italy and France - made a case to the UK Government that cycling businesses must be recognised as essential, allowed to remain open in the event of any lockdown.

This was just an extension of our economic arguments made the previous year—that the bike industry should be seen as a national strategic industry—but now in 2020 made starkly relevant by Covid. We were successful, paving the way for a UK cycling boom.

The wider impact on Government policy for cycling was also huge. The ‘Gear Change’ announcements in the summer committed the Government to an (unprecedented) £2 billion of funding for cycling by 2025, and importantly, a long-term strategy for active travel alongside that for road, rail, and aviation.

Many of the Bicycle Association's advocacy objectives and policy proposals were met – including short term measures like £25m of vouchers for people to get their bikes fixed – a direct cash injection for UK bike retailers, to long-term gains worth hundreds of millions of pounds in investment – such as 'Bikeability' funding available for the first time for all children to learn to ride, and a national e-bike and e-cargo bike support programme to accelerate these new markets.

The key to winning these arguments was the Bicycle Association's role as the industry's trusted adviser to Government, underpinned by reliable industry-specific data. Here the Association's new Market Data Service (MDS) came into its own. The result of 3 years work, the MDS launched in April and bike sales swiftly became an important measure of the UK's response to the pandemic.

The Service also has real direct commercial value to our members. We have captured over £1.6 billion of sales in the 12 months to end of March 2021 (the whole market is up an incredible 51% year on year). And our subscribers can break this down in various different ways; by category, product, price-point, brand; by channel and region. At an individual business level it is changing the way our members are able to make key business decisions.

Our aim, at an industry level, is that the MDS continues to underpin and strengthen our advocacy work, but also allows us to tackle wider industry issues like oversupply, and our carbon footprint, by supporting better forecasting and efficiency.

Turning to the future. The world is changing fast, and part of the Bicycle Association's role is to ensure our industry is well prepared, and able to develop or seize new opportunities. There are big tasks ahead: ensuring 2020's advocacy success is matched by Government action; continuing to use industry weight and arguments to push the cycling agenda and get more people cycling; understanding and creating opportunities from Brexit, tracking new markets like micro-mobility; and tackling the industry's carbon footprint. These are just some of the big challenges. There are some threats, and many opportunities.

We need the whole industry's backing to mitigate the former and exploit the latter. At stake is the sustainability of our industry.

BA 2020 ADVOCACY TIMELINE

January

Direct BA lobbying at Ministerial level secured an election manifesto commitment to expand the **Bikeability** scheme.

In April 2021 DfT commits to fully fund Bikeability by 2025 for every child.

February

E-bikes legalised in Northern Ireland following BA support and consultation with local officials.

March

Lockdown: BA immediately lobbied for essential status, resulting in Government guidance to ensure bikes shops remain open.

To support open shops BA launched COVID Hub on website with industry information, offered free legal/HR support, developed Open Bike Shops finder with ACT and supported **Bikes4KeyWorkers**.

April

BA developed and proposed to Government a package of measures to support COVID use of bikes for transport including pop-up lanes, e-bike incentives, VAT reductions, repair vouchers.

May

- **Government announces £250m Emergency Active Travel Fund for pop-up infrastructure**
- **Government announces £25 mln. Fix Your Bike repair voucher scheme**

June

BA Market Data Service operational. DfT requests retailer servicing data to support **Fix Your Bike** scheme.

BA 2020 ADVOCACY TIMELINE

July

Government announces “Gear Change” policy document with £2 billion by 2025 for infrastructure (with quality standards), e-bike incentive commitments (& more).

- **Fix Your Bike voucher scheme releases first batch**
- **BA provides evidence to Transport Select Committee e-scooter enquiry**
- **BA submits response to DfT’s Future of Transport Regulatory Review**

August

After a year of BA work on cycle parking and security, funding secured via CRWG for UK cycle parking standard development.

September

BA lobbies to secure cycle shops essential status ahead of possible future lockdowns in England and Wales.

October

BA launches industry sustainability initiative and publishes commissioned research.

November

- **Minister and senior officials speak at BA Conference**
- **BA engages with DfT ahead of spending review, with proposals for e-bikes and e-cargo, supported by Market Data Service**

December

BA members receive earliest possible info and analysis as Brexit transition end approaches.

BA engages further with DfT and the devolved administrations on potential future e-bike and e-cargo bike incentive schemes, and establishes that these will be worth at least £11m in the next 12 months.



UK market value reached £2.31 bn, +45% YoY, in an exceptional year for cycling driven by the pandemic.



Mechanical bikes surpassed £1bn for first time in history as people turned to cycling during lockdown with every bike category selling strongly in every price bracket.



All cycling market categories saw double digit growth with e-bikes reaching an estimated 160k units, a value increase of 96%.



Supply chains were unable to meet the surge in demand with many retailers believing they could have sold double if stocks had been sufficient.



The government's Fix Your Bike voucher scheme launched at the end of July helped drive demand for repair work over 60% YoY.



PACs benefitted from sales linked to new bikes, the revival of dormant bikes needing new parts and accessories and a boost given to indoor cycling due to gyms being closed and races cancelled.



E-scooters saw similar numbers sold and YoY growth to e-bikes in spite of continued legal restrictions around their use on roads.



Lockdowns flipped the online vs store sales mix 40/60 to 60/40.

2020 HIGHLIGHTS

SIZE OF UK CYCLING INDUSTRY



3.1 million bikes

sold in 2020 according to MDS



on average a bike sold every **ten** seconds



Every

3 min.

an electric bike is sold



~160K

electric bikes sold in 2020



108k electric cars were sold in the same year



64,000

cycling jobs in UK



Twice as many as the British automotive industry

CLEAR INDUSTRY VOICE

The Bicycle Association works to ensure the cycling industry has a voice at the highest political level, ensuring member business interests are represented.

BIKE SHOPS ESSENTIAL AND OPEN

In the lead up to the first lockdown in March 2020, the bicycle industry was understandably nervous. People had been urged to stay at home, work from home, and travel only in emergencies or to get groceries. The list of ‘non-essential’ retailers that had to close was long. Thanks to BA advocacy to key decision-makers, bike shops weren’t on that list. The BA lobbied the Governments in England, Wales, Scotland and Northern Ireland to ensure that the value and essential nature of bike shops was recognised. Bicycle retailers were deemed essential and allowed to stay open, to sell, service and repair bikes.

THE FUTURE IS ELECTRIC

The BA predicts that the electric bike market will triple in the next three years. The range of e-bikes continues to expand as the notion of e-bikes as heavy and cumbersome is dispelled. Alongside this, the opportunities for e-cargo transport continue to grow.

The BA works to ensure that the benefits of e-bikes and e-cargo are recognised at all levels of Government. Since 2008, van mileage has increased by a fifth, and vans now make up about 15% of traffic and cause over 30% of NOx and particulate emissions. Electrically-assisted cargo bikes offer a solution to the van problem. They take up less road space, are zero-emission, and are less intrusive than vans in city centres.

Fully Charged: The BA helped Government to administer the eCargo Bike Grant scheme, a £2 million fund available to support organisations with the purchase of eCargo bikes for business use.

BIKEABILITY

Knowing that the path to a lifetime of cycling enjoyment begins in childhood, the BA played a prominent role in lobbying Government to extend funding for Bikeability training to all children. Our research shows that if children don’t learn to ride by age 11, they probably never will. In April 2021 the Department for Transport committed to fully funding Bikeability by 2025, which will allow every child in England to learn to ride their bikes safely and well.

“I agree that cycle shops provide an essential service and, as in the first lockdown period, I will do my utmost to ensure that they can stay open in the advent of any future lockdown.”

CHRIS HEATON-HARRIS
MP, Minister of State
for Transport



Planning for the BA's UK Cycling market data service started in early 2018 and we are delighted that, after 2 years of hard work between the BA, the Industry and Sports Marketing Surveys Inc, we launched the service in April 2020.

One year into the operation, we estimate coverage to be around 70% of the market with £1.6bn of sales data having been collected from nearly 2,000 bricks and mortar and 17 on-line stores across 864,000 product lines.

The BA has also commissioned 2 reports in the past 12 months, free for subscribers, assimilating the market data stats alongside other statistical sources such as cycling usage, weather, economic data and industry interviews to give unparalleled insights into the market in 2020.

The service is free to access for independent bike shops who contribute their data. The service is a valuable asset for both them and the subscribing UK cycling companies to access insights and benchmark their own performance.

It is from this base of knowledge that the BA is now able to lobby government on its advocacy programme using robust data and insight to make a strong case on behalf of the industry.



AMOUNT OF CYCLING PARTS AND ACCESSORIES SOLD

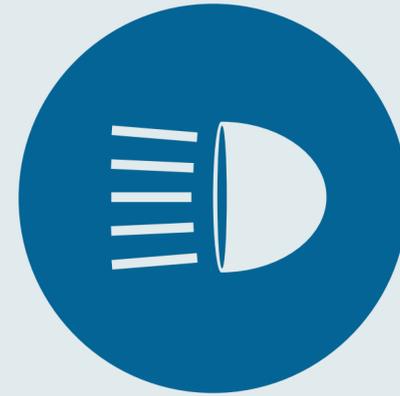


4 million

inner tubes were sold in 2020



enough to stretch around
the world **100 times!**



1.2 million

lights and reflectives sold in 2020



more than the
Blackpool illuminations



800K

bicycle locks sold in 2020



enough to detain the
population of **Newcastle**



76,812 km

bicycle chains sold last year



enough chains to stretch the length
of the **River Thames 2222 times**

DIRECT FROM MEMBERS

“I spotted that my selling price for helmets was £10 below the average for all other independent bike shops. Discussing the issue with my team we realised that they were always selling the entry level helmet with a new bike sale rather than the next model up. Within a month our average selling price was up in line with the IBD average! I would never have spotted that without the market data service”

PAUL KENCHINGTON

The Bicycle Chain,
Somerset

“At Halfords we have been using the BA Market Data tool now for several months, and it has given us the confidence and understanding of where we fit into the market. We have been able to drive growth in categories using this data as our foundation, and will continue to use the various reports throughout our buying decisions. It’s been especially useful to use as part of our ongoing, digital first approach”

JULIA WILLIAMS

Assistant Buyer,
Halfords



Mountain bikes are
40%
of all bikes sales



Turbo trainers
121%
value growth



Kids bikes
35% up
during initial lockdown



We sold enough
saddles
to seat a packed Old Trafford
stadium 3 times over

1

Provide insights that aren't available anywhere else to UK cycling businesses to spot opportunities and mitigate risks.

2

Harness the industry's data to influence government and grow the overall cycling market over the long term.

WORKING WITH RETAILERS

2020 was a tumultuous year for retail, an unprecedented period in which the BA acted decisively to support the cycle retail sector.



We also launched a series of new initiatives to make a step change in how we involve retailers in our activities. The objective of this improved engagement is to deliver a true ‘one industry’ programme of advocacy and support. Involving retailers directly with our work to grow cycling is paramount, and we are committed to listening to and supporting retailers in the years ahead.

Securing ‘essential service’ status for bike shops was the platform for a 45% increase in sales YOY. This widely reported increase did indeed turn the cycle retail world upside down: scarcity replaced oversupply, waiting lists replaced discount lists.

Our role in establishing that crucial status was an immediate demonstration of relevance to retailers. However, long term growth will be underpinned by the structural changes stemming from ‘Gear Change’, the £2 billion Government investment programme in England over the next three years. Realising the proposals within the Gear Change programme will be more achievable with retailers contributing to the process. The projects we initiated in 2020 aim to build that powerful collective voice for guiding and delivering change.

WORKING WITH RETAILERS

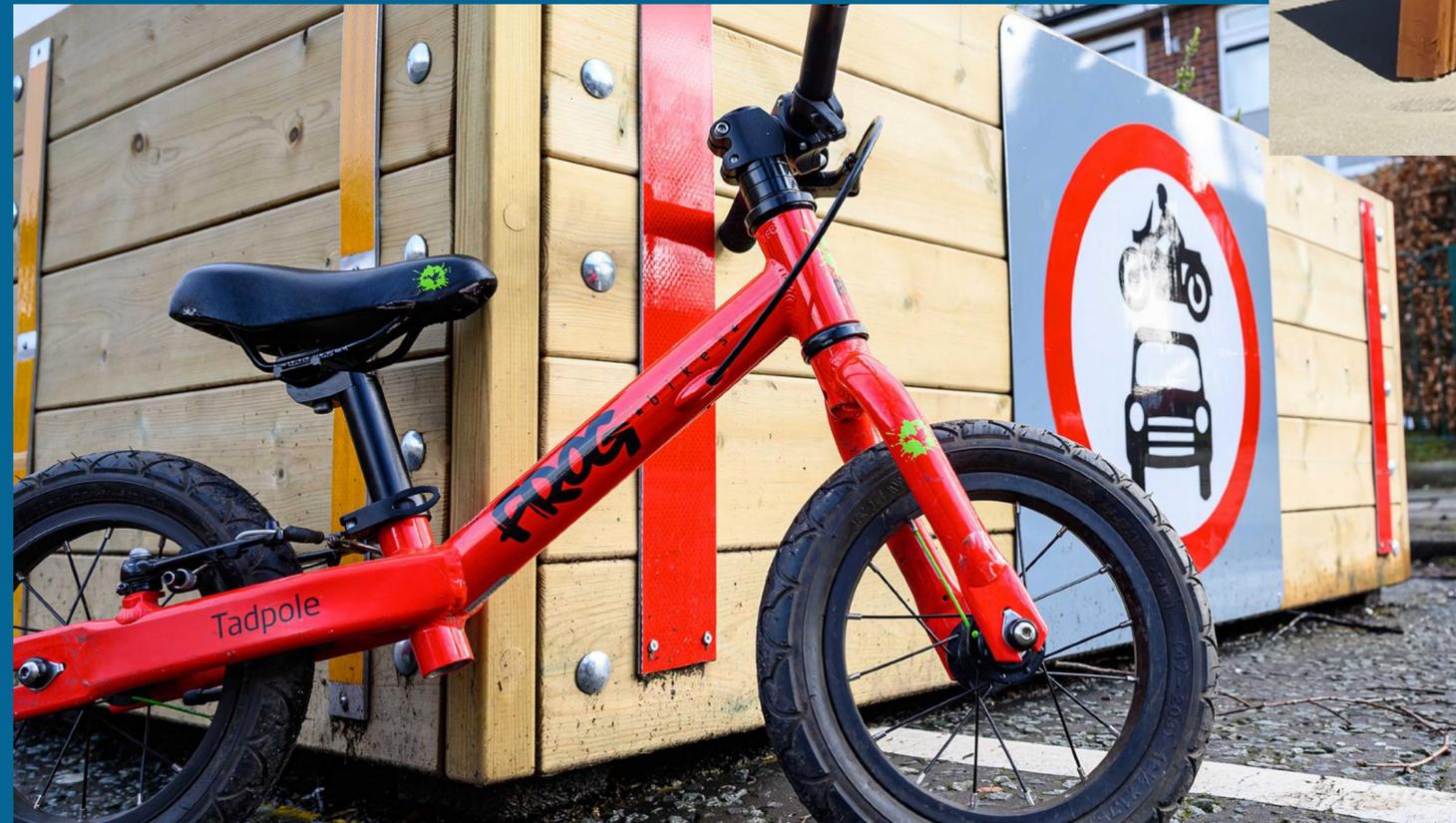
At our annual conference in November we hosted our first independent retail panel, launching our retailer engagement project by listening to the challenges and opportunities relayed by Mark James, Heather Baker and Alan Nestor in a well attended session. Following this event we held the first quarterly Independent Retailer Forum (IRF) at which more than a dozen retailers, helped inform our programme for 2021. The IRF continues into the current year with work streams including the development of Open Source documentation (including 'BA guides'), support for recruiting workshop staff and the tackling of security in bike shops.

Through their Retailer Advocacy Fund contributions retailers have long made a significant investment to our advocacy work. In return, some 512 bike shops have been able to access industry-leading consumer finance rates through our Klarna partnership, legal advice with Law Express and human resources and health and safety advice in conjunction with Avensure. In 2021 we aim to expand the support we provide to the retail sector through the addition of new services, the sharing of best practice and the facilitation of a space, through our forums, for retailers to both help shape and deliver our projects to grow cycling.



WORKING WITH RETAILERS

There has never been a better or more relevant time to engage retailers to seize the unique opportunity for lasting change that current exists and to make our association stronger as a result.

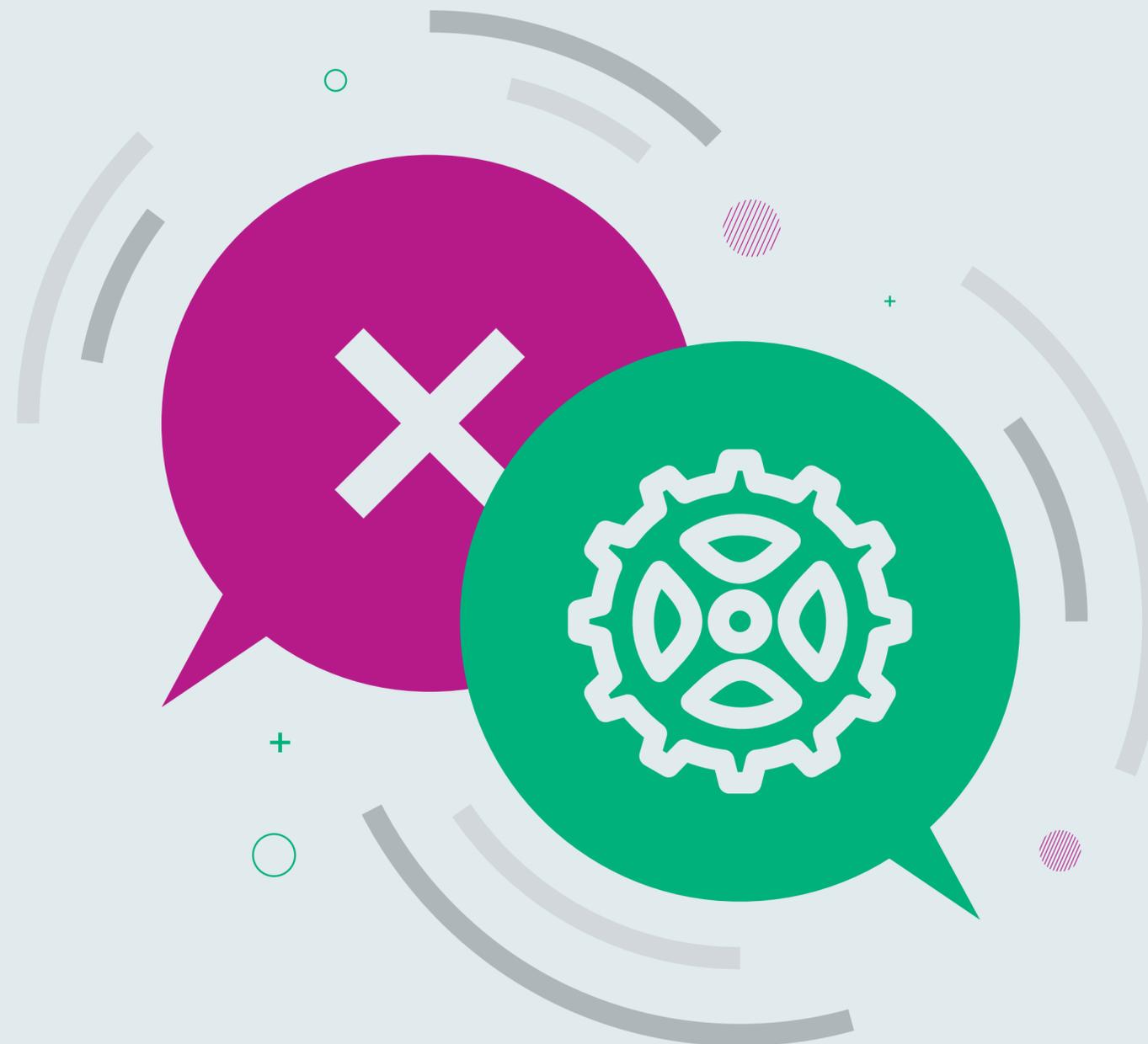


THE BA'S TECHNICAL SERVICE IN 2020

One of the Bicycle Association's core services is its technical department, available to all members as part of their BA membership.

As well as providing membership-wide updates with early intelligence on all regulatory, product safety and compliance matters, our technical service also provides helpful one-on-one support if members need more direct assistance.

2020 was the busiest year yet for the BA's technical staff in the run-up to the end of the Brexit transition period.



THE BA'S TECHNICAL SERVICE IN 2020

KEY TOPICS INCLUDED:

BREXIT:

We provided members with rapid information on future tariffs and procedures, including many detailed aspects such as GSP tariffs and Rules of Origin. Plus, guidance on the UKCA mark and post-Brexit product safety compliance, trading between Great Britain and Northern Ireland, and on the funding available to help companies prepare.

ANTI-DUMPING:

We kept members fully informed through the DIT review process as they considered whether to terminate or retain these measures against Chinese bikes, parts and e-bikes.

STANDARDS' DEVELOPMENT:

BA experts participated actively at UK, European and World level and provided regular updates to members. Despite some COVID delays, Standards work in 2020 focused on the revision of ISO 4210 for normal bikes, EN15194 for e-bikes and the start of work on a new EN standard for cargo bikes. This work is important in keeping technical staff at BA member companies up to date on the detail, a vital safeguard against possible future liability risks and so that any upcoming changes can be anticipated well in advance.

FUTURE REGULATIONS:

The BA monitors developments at European level closely, as these will inevitably continue to affect member companies, and influence UK legislation, even after Brexit. A key topic was moves by the European Commission which could have resulted in e-bikes becoming subject to type approval, and the BA participated actively with colleagues at the EU cycle industry trade association umbrella body CONEBI to avert this.

E-BIKES LEGALIZED IN IRELAND:

There was welcome news in May that e-bikes had been fully legalised in Northern Ireland. The BA had been in touch with NI officials on this for several years.

E-SCOOTERS:

2020 saw growing sales of privately owned e-scooters (despite their use on the public highway still being illegal), and the announcement of rental trials. The BA proposed a possible future regulatory approach for private e-scooters to ensure safe participation in traffic alongside bikes and e-bikes. Our approach gained wide support and we participated in several consultations and were called to give oral evidence to the Transport Select Committee.

THE BA'S TECHNICAL SERVICE IN 2020

AND FINALLY:

The BA technical department's clarification of misleading media reports about celebrity Simon Cowell's accident on an "e-bike" (it was actually an electric motorcycle) was widely reported and resulted in the highest ever traffic on the BA's website. The BA works to ensure that responsible suppliers of UK-legal e-bikes operate with appropriate Government regulation.



9,687

total emails sent to and from the BA's technical service.



87

detailed updates on technical and regulatory developments sent out to BA members.



24 hours

how long it took for the BA's technical service to provide first detailed analysis of the rules of origin in the Brexit 'deal' after the treaty text was released over the Christmas weekend.

The BA Leadership Group asked us to prioritise reducing the impact of cycling and find ways to support the industry to become more forward-looking around sustainability.



We commissioned a Sustainability Report and identified the main areas of both influence and impact and where focused efforts might achieve the best results.

The Sustainability Report also highlighted just how complex these issues are. So the BA is committed to creating a Sustainability Toolbox and a space to share best practice to help members spend less time figuring out what to do and more time making positive changes.

BICYCLE INDUSTRY FUND 2020

INCOME AND EXPENDITURE SUMMARY FOR THE YEAR TO 31 DECEMBER 2020

2020 Industry contributions

Leadership Group	£190 000
Retailer levy	£183 400
Total	£373 400

2020 Programme Expenditure

Advocacy: Lobbying & policy	£162 573
Advocacy: Data & Research	£116 531
Industry Support: Retailers	£80 615
Industry Support: Sustainability	£23 116
Admin	£5 816
Total	£388 651

2020 Surplus of Income over Expenditure

Total	£-15 251
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THANK YOU!!

