



DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-40-2021]

Foreign-Trade Zone (FTZ) 107 – Polk County, Iowa; Notification of Proposed Production Activity Cycle Force Group, LLC (Electric and Non-Electric Cycles), Ames, Iowa

Cycle Force Group, LLC (Cycle Force) submitted a notification of proposed production activity to the FTZ Board for its facilities in Ames, Iowa. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on May 13, 2021.

A separate application has been submitted for FTZ designation at the company's facilities under FTZ 107. The facilities are used for production of bicycles, electric bicycles, tricycles, and quadracycles. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Cycle Force from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Cycle Force would be able to choose the duty rates during customs entry procedures that apply to bicycles (electric, children's, BMX, mountain, folding, and road racing), tricycles, and quadracycles (duty rate ranges from duty-free to 11.00%). Cycle Force would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include: plastic water bottles; cables (derailleur; brake); handlebar tape (plastic; rubber; leather; suede); bicycle tires; rubber rim strips (natural; synthetic); bicycle inner tubes; baskets (woven wicker; plastic; steel wire); glass mirrors; bicycle chains; carriers and racks (iron; steel; aluminum; steel wire; vinyl covered wire); bike spoke nipples (brass; aluminum); non-electric bells; electric bike motors; lithium-ion batteries; battery or generator powered lighting; complete frames (aluminum; steel; magnesium; carbon fiber); front forks for mountain, road, BMX, and children's bicycles; alloy or steel eyelets, bosses, and plugs for frame building; pre-cut sets of steel tubing for frames; rims and spokes (aluminum; steel; carbon fiber); aluminum hubs (quick-release; two-speed; three-speed); hubs with more than three speeds (steel; composite); freewheel sprockets (single speed; multi-speed); brakes and brake levers (caliper; cantilever); brakes (hub type; disk; linear pull); saddles or seats for bicycles; pedals; cotterless cranks; levers (click-style shift; derailleur); twist grip shifters; derailleurs; aluminum handlebar stems; shifters for three-speed hubs; fenders (polycarbonate; plastic; steel; aluminum; lead); handlebars (steel; aluminum; carbon fiber); kickstands (steel; aluminum); rear suspension shocks; chain guards; chain tension adjusters; bicycle headsets for stems and forks; wide-angle reflectors; seat posts; chain tensioners; and, assembled wheels (duty rate ranges from duty-free to 10%). The request indicates that certain materials/components are subject to duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) or Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing

period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION
IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378.

Dated: May 17, 2021.

Andrew McGilvray,

Executive Secretary.

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