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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-13-2019]

Foreign-Trade Zone (FTZ) 70 – Detroit, Michigan; Notification of Proposed Production Activity; Detroit Bikes LLC (Electric and Non-Electric Cycles), Detroit, Michigan

Greater Detroit Foreign-Trade Zone, Inc., grantee of FTZ 70, submitted a notification of proposed production activity to the FTZ Board on behalf of Detroit Bikes LLC (Detroit Bikes), located in Detroit, Michigan. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on March 11, 2019.

The Detroit Bikes facility is located within Site 76 of FTZ 70. The facility is used for production of 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 Detroit Bikes 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, Detroit Bikes would be able to choose the duty rates during customs entry procedures that apply to bicycles (including electric, children's, folding, and road racing), mountain bikes, tricycles, and quadracycles (duty rate ranges from duty-free to 11.0%). Detroit Bikes would be able to

avoid duty on foreign-status components that 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; derailleur cables; handlebar tape (plastic, rubber, leather, or suede); bicycle tires; rim strips (natural or synthetic rubber); bicycle inner tubes; baskets (woven or steel wire); glass mirrors; bicycle chains; brake cables; carriers (steel or aluminum); non-electric bells; electric bike motors; lithium ion batteries; lighting (battery or generator powered); complete frames (valued over \$600); front forks (for mountain, road, BMX, or children's bicycles); small parts for frame building; rims; spokes; hubs (quick release aluminum, two-speed, three-speed, more than three-speed, or made of steel or composites); multi-speed freewheel sprockets; single speed freewheels; caliper and cantilever brake levers; brakes (caliper and cantilever style, hub type, or disk and linear pull); saddles; pedals; cotterless cranks; click style shift levers; twist grip shifters; derailleurs; derailleur levers; handlebar stems; shifters for three-speed hubs; front and rear carriers and racks; fenders; handlebars; kickstands; rear suspension shocks; chain guards; chain tension adjustors; headsets; wide-angle reflectors; seat posts; chain tensioners; and, pre-cut sets of tubing for welding into frames (duty rate ranges from duty-free to 20.0%). The request indicates that certain materials/components are subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable 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 at the address below. 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 at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and 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: March 13, 2019.

Andrew McGilvray,

Executive Secretary.

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