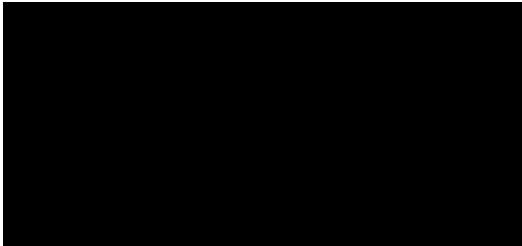


1 August 2024



### **Official Information Act #24.004 - Response**

1. We refer to your request received on 4 July 2024 for information about complaints received by the Commerce Commission (the Commission) about pedal bicycle safety. Specifically, you asked for:
  - 1.1 “a repeat of the information provided in your previous OIA request on the same topic but for the period 1 August 2019 to 3 July 2024, being:
    - 1.1.1 how many store audits referred to in the Commission’s annual reports from January 2014 to 22 July 2019 have completed inspection of both:
      - boxed not assembled pedal bicycles (for assembly by the consumer); and
      - pre-assembled pedal bicycles (no assembly required by the consumer); and
    - 1.1.2 how many complaints the Commission has received about pedal bicycles during the same period.
  - 1.2 Also, can you please supply me with details of any proactive measures you have taken to monitor or enforce the mandatory NZ/AUS standards that apply to all bicycles that are imported/sold into NZ in this period.
  - 1.3 More specifically can you make a brief comment as to the following recalls that have occurred since 2019 and what steps were taken by com com to prevent a repeat of such recalls since the Feb 2019 recall of multiple TWL (Warehouse) bikes with cranks that were falling off.
  - 1.4 Does Com Com have an independent testing authority do any tests in bikes itself ? (or dose com com take the word of the imported ..when bikes are

recalled do you ask to see the evidence that the failed bike complies with the NZ/AUS standards ?

- 1.5 What physical checks are done by Com Com on the bikes inspected inspected...assume you have a checklist / flowchart/test method documents your staff use can I please have those as well .
- 1.6 Which of the following recalls did Com com precipitate isefelt ...or had instances of the fault reported to com com prior the the recall being started by the importer . and what overall % or recalled bikes sold are returned for repair if you have that data .....do you monitor the success rate of recall ?

2. We have treated this as a request for information under the Official Information Act 1982 (OIA).

### **Our response**

#### *Store audits*

3. The Commission does not hold data which breaks down the number of individual boxed and pre-assembled bicycles inspected. Inspection data held shows:

| <b>Year</b> | <b>Number of bike stores inspected</b> | <b>Total number of bikes inspected</b> |
|-------------|--|--|
| 2019/2020   | 4                                      | NC <sup>1</sup>                        |
| 2020/2021   | 12                                     | NC                                     |
| 2021/2022   | 8                                      | NC                                     |
| 2022/2023   | 1                                      | NC                                     |
| 2023/2024   | 4                                      | 11                                     |

#### *Number of complaints*

4. The Commission has received 17 consumer enquiries from 1 August 2019 to 3 July 2024. A further 20 self-initiated enquiries have been recorded by the Commission as a result of recalls and business monitoring.

#### *Monitoring the sale of bicycles*

5. The Commission undertakes a programme of inspection work each year across the product safety portfolio, including bicycles. The Commission also monitors recalls in NZ and overseas, including Australia. All enquiries to the Commission are assessed

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<sup>1</sup> Data not captured

and prioritised accordingly. We prioritise issues of non-compliance in accordance with our enforcement response guidelines.

6. In recent years, the Commission has investigated several businesses for the supply of non-compliant bicycles. Notably:
  - 6.1 In August 2019, a prominent retailer was provided compliance advice following the recalls of multiple bicycle models;
  - 6.2 In December 2019, Torpedo7 Limited t/a 1-day was fined \$80k for the supply of non-compliant bicycles: [Commerce Commission - Torpedo7 Limited \(comcom.govt.nz\)](https://www.comcom.govt.nz);
  - 6.3 In January 2020, Container Door Limited was fined \$54k for the supply of non-compliant bicycles: [Commerce Commission - Container Door Limited \(comcom.govt.nz\)](https://www.comcom.govt.nz);
  - 6.4 In November 2020, Mighty Ape Limited was warned following the supply of non-compliant bicycles: [Commerce Commission - Mighty Ape Limited \(comcom.govt.nz\)](https://www.comcom.govt.nz);
  - 6.5 In November 2022 Evolution Cycles Limited was warned and provided undertakings following the supply of non-compliant bicycles: [Commerce Commission - Evolution Cycles Limited \(comcom.govt.nz\)](https://www.comcom.govt.nz).

*Recalls that have occurred since 2019*

7. Since 2019 there have been 26 recalls of bikes, as highlighted in your request. These recalls have resulted in:
  - 7.1 One trader being issued a Compliance Advice Letter.<sup>2</sup> This was actioned following a report received through the contact centre.
  - 7.2 One trader issued with a warning letter about two separate recalls.<sup>3</sup> This was actioned following Commission monitoring of recalls.
  - 7.3 23 recalls that did not result in any further action from the Commission.

*Testing*

8. The Commission has not, in recent years, engaged the services of an independent testing authority. In the event that we require to have a product (of any kind) tested, we would employ a laboratory based on their ability and qualifications to undertake testing, such as holding appropriate accreditations to conducts test to the mandatory safety standard (AS/NZS 1927:1998 Pedal bicycles—Safety requirements)

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<sup>2</sup> Project 43944

<sup>3</sup> Mighty Ape Limited, see para 7.4 above

### *Physical assessments*

9. The physical assessment the Commission undertakes on bikes on inspections is limited to key aspects that do not require tools, such as: brakes are present for both wheels and the hand levers are correctly orientated (and a child's bike has a back pedal brake), the brakes function, no sharp components, no protrusions, correct chain guards fitted for type of bike, reflectors are fitted, seat post limit marks, quick release levers, clearance of pedal from the floor and front wheel, instruction manual supplied. A full assessment on a bike instore is not feasible. We don't utilise a check sheet but have used the attached aide to assist as reminder.

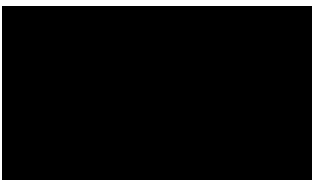
### *Recalls*

10. All of the recalls identified are voluntary recalls by the supplier, the Commission does not typically receive advance notification of recalls. We do not believe that any of the recalls listed have been initiated by the Commission. We do not hold data on the percentage of bicycles returned or the success of a recall; the recalls database is maintained by the Ministry of Business, Innovation and Employment (MBIE).

### **Further information**

11. Please note the Commission will be publishing this response to your request on its website. Your personal details will be redacted from the published response.
12. Please do not hesitate to contact us at [oa@comcom.govt.nz](mailto:oa@comcom.govt.nz) if you have any questions about this request.

Yours sincerely



OIA and Information Coordinator