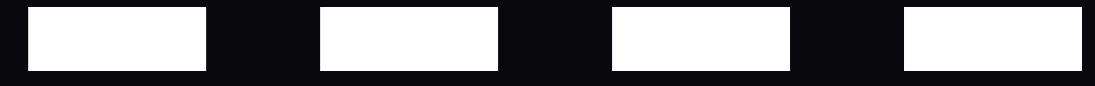




ELECTRIC AVENUE



EMBRACED BY commuters of all stripes, e-scooters are more than just a fad—and they're probably coming soon to a city near you.

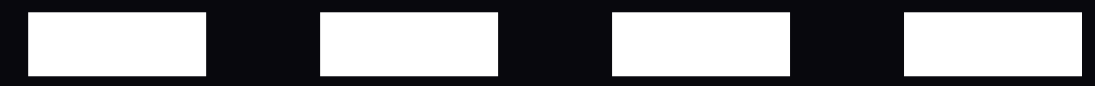
BY ANN-MARIE ALCÁNTARA

IF YOU'VE BEEN TO A MAJOR AMERICAN CITY IN THE PAST YEAR, YOU'VE NOTICED IT: sidewalks strewn with discarded pay-per-use electric scooters. Riders seemingly drop them to the ground as soon as they're done with them, no matter where they are. It's kind of like a parade of visitors coming to your house and throwing their jackets on the floor wherever they please, multiplied many times over: It's a mess, someone's bound to trip and it feels chaotic.

It makes you wonder: Who's riding these things anyway, and why are they so popular? First of all, you're not wrong about the ubiquity of e-scooters. Companies that provide rentable e-scooters have reported millions of rides across the country since the pay-per-use vehicles were introduced in March 2018 by companies like Bird, Lime and Spin in San Francisco. Bird, for example, has notched more than 10 million rides since September 2017. And ride-sharing services Uber and Lyft, sensing an opportunity, have also joined the e-scooter craze. Lyft—which finalized its acquisition of Motivate, the country's largest bike-share provider, with footprints including Citi Bike in New York and Ford GoBike in San Francisco—is in nine cities with its scooter program. It reported more than 200,000 scooter rides since September.

Uber operates two separate scooter programs: one in conjunction with Jump e-bikes, the company the ride-share behemoth bought in early 2018, and Uber-branded scooters with Lime. Its programs have tallied more than 4.1 million miles of use. Also in the overall e-scooter mix: Scoot, which rents electric, Vespa-style vehicles and scooters in three cities, and Spin, which operates in 10 cities and five college campuses across the U.S.

Regardless of which company you choose, most scooters cost just \$1 to unlock and are then 15 cents per minute after that, with an average ride costing about \$5 for what amounts to door-to-door service when you consider that you don't have to return the scooter to a designated docking station, as with bike shares. (E-scooters are tracked via GPS, so the next rider simply uses their mobile device to find one nearby, scans it and is on their way.) In cities like San Francisco and New York, where population growth has overwhelmed the transportation system—think rush-hour traffic jams and mass-transit delays and breakdowns—scooters are a swift, easy and inexpensive alternative. —>





“The biggest challenge for cities in particular is the pace of change,” says Andrew Glass Hastings, senior mobility strategist at Remix, a planning platform for cities. “There has been more change in urban transportation in the last 12 months than there has been in the last 12 years. It’s not the city’s fault—it’s just the bureaucracy wasn’t set up to be able to respond in a flexible enough and quick enough way to the pace of change we’re seeing today.”

Culturally, scooters also have a perceived lower barrier to entry—you can scoot no matter who you are or what you wear, even in a suit or dress. “Scooters have no associations with them,” says Arielle Fleisher, senior transportation policy associate at the San Francisco Bay Area Planning and



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Urban Research Association (SPUR), “so they’ve been able to capture the hearts of a wide variety of people in that respect.”

They’ve also proved to be profitable. Bird is valued at more than \$2 billion, and there’s speculation that Uber may buy it. Lime is valued at \$1.1 billion, which includes a \$335 million investment from Uber and Alphabet’s Google Ventures. And Spin, the only company acquired so far, was bought by Ford for a rumored \$100 million.

And while there are signs the investment rounds are slowing down, these companies are still poised to grow. The e-scooter phenomenon has already reached Oakland, Calif.; Washington, D.C.; Austin, Texas; Seattle; and Nashville, Tenn. And Spin and Skip are set to enter the Los Angeles market soon. Spin wants to be in 100 markets by the end of 2019, and companies like Bird are courting New York. To gain an edge, some of these companies are offering low-cost pricing or enabling cash payments as part of a deal to enter cities like San Francisco.

But as e-scooters have surged in popularity, there have been many bumps along the way, literally and figuratively. Trauma centers across the country have seen an uptick in scooter injuries, ranging from scraped hands to broken bones. The Centers for Disease Control and Prevention is

currently conducting a study on the safety of scooters, using Austin as its model. And last March, when Bird, Lime and Spin brought their scooters to San Francisco—and, in the case of Bird and Lime, Oakland—some residents were so angry about scooter-cluttered sidewalks that they clipped the scooters’ brakes or simply threw them in the garbage (or in Oakland’s Lake Merritt).

For its part, Lime is combating the perception that scooters are unsafe or a nuisance with its “Respect the Ride” campaign, which asks people to ride safely. The company has also promised to distribute 250,000 free helmets to riders in all the countries in which it operates. Lime has so far shipped more than 50,000, a number Bird has matched with its own helmet initiative.

Cities are also taking steps to adapt to the scooter phenomenon. Fleisher says some have created protected bike lanes or “red carpets” designated as bus-only lanes. San Francisco established 10 guiding principles toward “emerging mobility,” and New York launched a “Vision Zero” public safety campaign, which aims to bring the number of people killed or injured by traffic to zero. Some cities, including San Francisco, are also exploring ways to eliminate the sidewalk clutter caused by discarded scooters, such as mandating that scooters have a locking mechanism so they can be secured to a bike rack.

Some cities—including Austin and Oakland—have also instituted permitting processes to manage the influx of scooter companies. In response to public dissent about Bird, Lime and Spin’s unsanctioned presence in the city earlier this year, San Francisco introduced a law in June banning scooters and launched a permitting process. Twelve companies applied to the city’s new Scooter Share Permit and Pilot Program, but—surprise—Bird, Lime and Spin did not make the cut. (Each of them has either filed cases to challenge the program or have held protests on the steps of city hall.)

Scoot and Skip, the only companies granted permits by the San Francisco Municipal Transportation Agency’s (SFMTA) Powered Scooter Share Permit and Pilot Program, launched in the city on Oct. 15, 2018, with a total cap of 1,250 scooters, meaning each company can distribute 625 scooters in the first six months. If there are no issues, the cap could increase to 2,500 in the second half of the pilot program.

“The world is changing very quickly, but we know that local government has a role in upholding public interest,” says Ben Jose, an SFMTA spokesperson. “Our jurisdiction and our responsibility is to ensure that any use of the public right of way is in the public interest.”

Some companies, including Lyft, are opting to work with city governments and agencies before launching. Kyle Rowe, head of government partnerships at Spin, says the company does not launch anywhere without permission, with San Francisco being the sole outlier—Spin placed scooters there after Bird and Lime began operations there in March. And since the company was bought by Ford, it is under direct or-

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FLEET DREAMS
So far, there have been close to 300 applications for Bird Platform’s franchise opportunity.

Now You Can Have Your Very Own E-Scooter Fleet

Bird looks to expand by franchising.

As the scooter wars heat up, at least one major player is attempting to gain dominance through the good old-fashioned franchise model. In November, Bird announced the launch of Bird Platform, which allows people to independently operate their very own scooter fleet.

According to TechCrunch, franchisees will have “free rein to brand as they please, as well as access to the company’s marketplace of chargers and mechanics, in exchange for 20 percent of the cost of each ride.” And so far, says Bird CEO Travis VanderZanden, there have been nearly 300 “interested parties.”

If the franchise concept does catch on, it will be interesting to see what effect it has on existing safety issues, as well as urban infrastructure. After all, cities are still just catching up with the scooter phenomenon and are looking into permitting processes or debating whether permits are needed at all.

Arielle Fleisher, senior transportation policy associate at the San Francisco Bay Area Planning and Urban Research Association, says transit innovations like these spur cities to evolve the public transportation system. “I think what we’re moving to is a really flexible transportation system where transportation is consumed as a menu of options,” she says.

Franchised fleets are a departure for the e-scooter business as a whole. With few exceptions—including Lime and Spin—most companies don’t even let riders charge the scooters themselves.

“We don’t think that this—managing an electric vehicle that lots of people are riding on city streets—is something that you should be able to download an app and pretend that you’re a mechanic or pretend that you know how to recharge the vehicle,” says Scoot founder and CEO Michael Keating.

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For Scoot, not going into a city without permission is part of its ethos. Michael Keating, Scoot’s CEO, says the company doesn’t want to treat the vehicles as a “disposable asset,” and he believes that since shared mobility will be about 25 percent of all transportation in a city “in a decade or two,” it’s important to have the dialogue right now.

“When you’re sharing public space with the rest of the city, you have to do it in a way that’s respectful,” he says.

The Los Angeles Department of Transportation (LADOT) is starting its own pilot program in 2019. As part of a data-sharing agreement with Lime, Remix and Spin, LADOT can see which areas are using the scooters the most, as well as other information.

Public complaints, permitting issues and safety concerns aside, there’s no arguing that the success of scooter- and bike-share services has highlighted many cities’ transportation flaws. “We can’t provide subway service everywhere,” notes Michael Repogle, deputy commissioner of New York’s Department of Transportation. “We have a shortage of bicycle parking in many parts of the city, especially the outer boroughs, and [scooters] to me [are] another important way to expand the last-mile access.”

New York City Council member Rafael Espinal Jr. has introduced two different bills involving e-scooters: one to legalize scooters under 15 miles per hour, in co-sponsorship with council member Fernando Cabrera, under the guise that it benefits the outer boroughs and the immigrant community; and another to create an e-scooter pilot program.

“This will create a transit alternative for New Yorkers who don’t see bike shares as an incentive option for them and will see scooters as being an easier way to get around,” says Espinal Jr. “This would serve communities who don’t have access to other options and allow them to get around New York a lot easier.”

Since scooter use only seems to be expanding, some cities are choosing to be proactive. The District Department of Transportation (DDOT) in Washington, D.C., promoted a demonstration program of scooters and bikes, recording 940,000 trips on dockless bikes and scooters from September 2017 through this past August.

“We have seen the public embrace that concept—not just scooters, but bikes, dockless bikes and e-bikes,” says Jeff Marootian, director of the DDOT. “People have seen it as a new way to get around the city, and that’s what we were hoping to create by starting the demonstration period.”

The demonstration period was a hit with scooter- and bike-share services, too. From September to August, the city received 16 applications for permits from 12 companies seeking to operate either a scooter or bike program or both in D.C. The city is revising the permit program to require companies to share data with the DDOT, says Marootian, and eventually work toward a “dynamic cap.” The DDOT sees bringing these dockless vehicles to the city as part of modernizing for the future when more innovations like autonomous cars enter the fray.

“Fundamentally,” says Marootian, “what we are consistently aiming to do is create a program that is safe and sustainable and gives people as many transportation options as possible while balancing all of the other needs that our transportation system has.”

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