

# Electric scooter-sharing moves into the fast lane

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Electric scooters rented by smartphone app are becoming a trend in Washington DC and other cities

How fast is the electric scooter-sharing craze growing?

Fast enough to be declared a nuisance and kicked off the streets of San Francisco and a handful of others cities to allow local officials to mull regulations. And fast enough to draw big investments to allow nimble startups to reach billion-dollar valuations.

In the US capital Washington, the electric two-wheelers have become a fixture on city bike paths, zipping along at speeds up to 25 kilometers (15 miles) per hour, sometimes veering onto sidewalks despite warnings to the contrary.

The scooters are "dockless," meaning they can be rented and left at any location, unlocked with a smartphone app which also indicates the location of the vehicles, in a model similar to new-style bike-sharing startups.

Most systems charge \$1 to unlock the scooter and 15 cents per minute, so a 10-minute trip would cost \$2.50.

"The economics work very well" for both the consumer and the companies, said Sanjay Dastoor, founder and chief executive of Skip Scooters, one of four startups authorized by Washington to deploy up to 400 dockless scooters.

Dastoor offered no specific figures but said riders get inexpensive transportation for short-term trips and companies are able to recoup the costs of the scooter quickly.

Just this year, dockless scooter programs have been launched in a dozen US cities and college campuses. On Friday, California-based Limebike was set to launch scooters in Paris as part of a global expansion plan.

Some say these gadgets, a tech-infused version of the child's kick-scooter, could become an elegant solution to "last mile" transportation to

fill gaps in public transit and discourage automobile use.

"I've been working on last-mile transportation for the last seven years and have been looking for the magic of the right vehicle and I think this is the moment," Dastoor told AFP.



Electric scooters, available via smartphone app, can be an alternative to bike-sharing in cities

## **Scooter 'unicorns'**

Investors have taken notice and begun pouring in cash to scooter start-ups at an unprecedented rate.

According to the research firm Lagniappe Labs, Bird Scooter is aiming for a \$2 billion valuation in its latest funding round and Lime was seeking a \$1 billion worth.

Even for Silicon Valley, the pace of funding is at a staggering speed, giving birth to scooter "unicorns," the term used for venture-funded startups hitting valuations of \$1 billion.

"Investors are pouring record levels of capital into bike and scooter technology," said a report from the research firm CB Insights.

"People are increasingly turning to these emerging methods of transportation to cut costs and travel shorter-distance trips."

Car-sharing giants Uber and Lyft are reportedly interested in scooters as well.

Scooter-mania has been made possible by improvements in battery technology—they still need to be recharged daily—and low-cost GPS chips which connect with smartphones.

Some reports suggest a healthy profit margin for scooters which cost less than \$500 and can pay for themselves in a few weeks with rental fees.

Silicon Valley-based Lime planned its scooter launch Friday in Paris after working with local officials on the deployment of the "trotinettes electriques" which have a similar pricing structure to those in the US.





An electric scooter belonging to the startup Bird waits for a rider on a street of

downtown Washington, DC

"What we're proposing is a smart mobility solution that's been missing here in Paris," said Arthur-Louis Jacquier, Lime manager for France.

## Clutter or not?

Some local officials are less than thrilled by the scooter invasion, which has come in some cases has surprised cities and led to sidewalk clutter and hazards.

San Francisco in earlier this month ordered all scooters off its streets as it pondered new regulations on insurance, parking and a plan for low-income residents. Denver, Nashville and Santa Monica have taken similar actions.

San Francisco transportation official Tom Maguire said the city would issue permits, adding that companies offering scooters "must demonstrate how they will minimize their impact on San Francisco's sidewalks, while maximizing their transparency to the public."

Euwyn Poon, co-founder of the bike- and [scooter](#)-sharing group Spin, said companies need to work responsibly to avert a backlash on scooters.

"Scooter-sharing offers tremendous potential for solving first/last-mile transportation problems, but if we don't clean up our act as an industry, there's a chance we'll blow it," Poon said in a blog post.

Daniel Sperling, who heads the Institute for Transportation Studies at the University of California-Davis, said the regulatory effort in San Francisco and elsewhere appears misguided.

"The issue of scooters cluttering up cities is off-base," Sperling told AFP. "We have cities strewn with cars but people have become accustomed to that."

Sperling said he believes that scooters will not end up as a fad but will play a role in urban mobility, even if they don't necessarily replace bicycles and shared vehicles.

"It offers people more choices," Sperling said. "And the more choice people have the more willing they are to give up their cars."

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