

Hit the Ground Pedaling

Student entrepreneurs tout bike-share for Boston

IT'S A BOLD move to start a company as an undergraduate with no track record. But Amy Trus (SMG'09), James Sinclair (SMG'09), and Jeff Dang (SMG'09) have a vision: they want to change the way we get from here to there.

Their proposed company, BikeNow, would blanket the city with bikes that could be rented with a swipe card, then returned to any of 100 or so drop-off stations. The idea, known as bike-share, is already a hit in Europe. BikeNow is in the running to become Boston's first bike-share service, beginning next spring.

"We all ride bikes, but we're not avid cyclists wearing lime-green spandex," says Trus. The idea is to cajole other recreational riders to hop on a bike instead of driving or taking the T. An annual or daily subscription (\$40 or \$1.25) would net a swipe card to unlock one of about 1,000 bikes stationed in racks on college campuses, outside subway stations, and along busy commercial strips.

Trus and company developed the premise last spring in a course taught by Erik Molander, a School of Management lecturer in strategy and policy. They wanted to choose a sustainable project, so picking a bike-share based on the European model was easy. The hard part quickly followed — copious research, unexpected puzzles, and the daunting price of turning a bright idea into something real.

The first key question: what to charge. BikeNow's business plan says the first half hour will be free, accounting for an anticipated 75 percent of all bike trips. Every subsequent half hour would cost more. Then there's the question of drop-off locations; Sinclair studied the region's transportation patterns to find optimal spots. Need a helmet? They'll be available for a few bucks from a nearby vending machine. And don't forget the BikeNow staff in roving vans, helping riders with flat tires.

"It was a much harder process than we thought," says Trus. "You start with a basic premise. Pretty soon you see problems. Then



EDWARD BROWN

BikeNow founders and recent SMG grads (from left) Jeff Dang, Amy Trus, and James Sinclair plan to start Boston's first bike-share service.

those problems lead to other problems."

The city's bike-share ambitions are part of the recent Boston Bikes initiative of Mayor Thomas M. Menino (HON.'01), which aims to make the city and the population more bike-friendly. The first new bike lane opened on campus on Commonwealth Avenue last summer.

Some are skeptical about Boston's big plans, because the city has a mixed record of follow-through. But BikeNow's cofounders are confident change is coming. They anticipate getting nearly 18,000 annual subscribers in the first year and more than 70,000 subscribers by year five. "Simply put," they write in their business plan, "we think people will be more willing to ride if they see others doing it."

But there's a lot of work ahead: they need to raise between \$3 million and \$5.5 million to buy bikes and locks and hire employees. Much of that money will be raised from vendor financing and contracts for ads to be placed on BikeNow bikes and stations.

Dang says he's ready to do what it takes to make BikeNow a reality; he plans to make the Hub his permanent home this fall. "I'll come back to work on the bike-share program and find some kind of job just to keep me alive in the meantime," he says.

Molander, a member of BikeNow's advisory board, says the team's ambition was clear from the start. "Many students get excited by the prospect of starting a business, and then stop when they hit the first bump in the road," he says. "But these guys aren't quitters. They have the tenacity to overcome significant obstacles." CHRIS BERDIK



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