



SAN
FRANCISCO
**CHAMBER OF
COMMERCE**

August 2, 2017

Mr. Jay H. Walder
President & CEO
Motivate
220 36th Street, Suite 3A
Brooklyn, NY 11232

RE: Bike Share/Bike Rental Operational Conflicts

Dear Mr. Walder:

The San Francisco Chamber of Commerce represents 2,500 local businesses with over 200,000 employees. Within this membership are over 1,800 small businesses, including many of the city's bike rental firms.

While the Chamber welcomes Motivate and FordGoBike (hereinafter collectively referred to as "Motivate") to the Bay Area, we are concerned that bike sharing, if directed towards visitors rather than residents, will have a detrimental effect on these longstanding, local small businesses and the customers they serve. Our members are also concerned and have frequently witnessed in the past, that visitors could be easily confused about the cost of bike sharing and the transportation service they purchase for the posted \$9.95 day price. To be frank, San Francisco has a lot of issues that can hurt the visitor experience; bike share mis-marketing and overtime price impacts should not be one of them.

The Chamber has had the opportunity to attend two recent meetings with staff of the Mayor, Board of Supervisors, Motivate General Manager Emily Stapleton and numerous bike rental business owners. Your commitment to cross promotion, data sharing, regular participation with the working group and elimination of the "Go Pass" feature are greatly appreciated by the bike rental firms.

However, there remains at least three critically important issues that need to be resolved; 1) how pricing is communicated to the public, 2) marketing, 3) trip or "daisy" chaining, and, 4) future station locations.

Pricing. A review of price postings used by the Bay Area BikeShare pilot program show that steps were taken to minimize visitor confusion. The industry working group urges you to modify the existing postings to more reflect the robust level of membership vs. overtime fee information given during the pilot program. The same good reasons to make those changes back in 2014 exist today. It must be made clear that for \$9.95 the customer is buying a one day membership, not a "daily pass". With daily membership comes the right to ride within a 30-minute time period with the potential for overtime surcharges. Total cost exposure must be more clearly set forth at the docking stations.

Marketing. Along with concerns about how price is marketed, is the concern that bikeshare is being promoted to visitors as “Perfect for the Explorer”. For example, the “Explore the Bay” web site section has a “Snapshot” for the Embarcadero stating “This ride can be however long you’d like it to be – just turn around when you want to return to the Ferry Building.” Nowhere does it describe the overtime surcharges a long ride will cost the customer. We appreciate the web site information on bike sharing vs. bike rentals but our members see your overall marketing strategy as confusing to visitors and ask that you eliminate or modify these “explorer” advertisements.

Daisy chaining. Regarding daisy chaining, when fully rolled out, a savvy one day member could ride docking station to docking station, within 30 minute periods and use one of your bikes all day for \$9.95. There is no doubt that in the internet information world we live in, this way around your surcharge structure will become well known to visitors (and residents). The proposed one minute docking requirement before taking a bike for the next 30-minute ride is not of sufficient duration to discourage daisy chaining and the industry urges you to program the stations for a longer waiting period of 30 minutes.

Location of docking stations. Lastly, the impact on our local bike rental businesses will only intensify when new docking stations are installed along the waterfront to Fisherman’s Wharf and beyond. Locations that will compete with existing bike rental markets must be vetted with the working group and potential unfair competition from use of the public right-of-way mitigated.

We look forward to working with you to resolve these outstanding issues so that both bike sharing and bike renting can prosper in San Francisco. While some progress has been made in resolving industry issues, we need true constructive dialog to come to an agreement now, without further delay. The bike rental firms want to get this behind us so we can unite to mitigate the harmful impacts to the public posed by the imminent influx of stationless bike share companies.

With change on the horizon, the Chamber strongly believes that it is in everyone’s best interest to, as you said in your letter of July 24, work “-cooperatively together to continue to make San Francisco one of the best cities for biking in the nation.” In the spirit of advancing that common goal, please respond to this letter by Monday, August 14. We look forward to our meeting on August 23.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Lazarus", with a long horizontal flourish extending to the right.

Jim Lazarus
Senior Vice President of Public Policy

cc. Supervisor Aaron Peskin, Gillian Gillette, Mayor’s Office, Troy Campbell, Fisherman’s Wharf CBD, Jason Overman, Lighthouse Public Affairs, Jeanne Orellana, Bay City Bike