

## Pedal Pusher

By FRANCISCO VARA-ORTA - 2/8/2010

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It seems like a no-brainer: set up a station next to a public transit facility and offer secure bicycle parking, repair services and even showers for cyclists heading to work.

Then charge \$1 a day, or \$100 for an annual membership. What bike commuter wouldn't use it?

Indeed, it's a concept that Mobis Transportation Alternative Inc. successfully realized 14 years ago in Long Beach when it was a non-profit – and has since spread coast to coast, including a station that opened in Washington, D.C., in summer 2009, drawing the attention of the Obama administration.

Mobis, now a for-profit business, appears to be pedaling to even faster growth. It doubled its revenue in the last year, hired more staff, and will be opening two of its branded Bikestations this month along the Metrolink line in Covina and Claremont. It also plans a second round of fundraising this year to jump-start plans to build 200 stations nationwide.

"We're seeing an unprecedented amount of momentum behind us as people want to junk their cars," said Andrea White-Kjoss, the company's chief executive. "People also want to exercise more, and cycling is a good way to do that. These are all shifts in environmental and health awareness that we've seen sweep the nation in the last few years."

In the last three years and during one of the nation's worst recessions, Mobis experienced substantial growth. It built eight Bikestations nationwide and expanded staff from 15 to 25 to meet with the increased demand.

There's a concentration of Bikestations in Los Angeles County, with a total of three that will be open by the end of the month – and one more on the way in Santa Monica by the end of 2010. That's no small feat given the region's notorious dependence on the automobile.

While some transit agencies across the country have developed their own small bike rooms, Bikestation is regarded by the cycling and transportation community as a leader.

"Even Portland, with its bike-friendly reputation, does not yet have a Bikestation or anything like it, and it's not for a lack of demand," said Carl Larson, a spokesman for the Portland, Ore.-based Bicycle Transportation Alliance.

The idea of a bike station offering secure parking, repair and rental services near mass transit lines was the brainchild of John Case and his wife, Georgia, Long Beach residents who learned about successful European and Japanese urban bike stations.

The first station opened in Long Beach after city officials agreed to funnel local and federal transit dollars to the project. At the time, the venture was a non-profit called the Bikestation Coalition, with John Case serving as executive director until 1999.

### Other stations

The coalition opened several other stations in Santa Barbara and the Bay Area, and consulted with transit agencies in Chicago and Denver on stations independently built and operated. (Nine of the 14 stations it worked on bear the Bikestation name.) But after White-Kjoss was hired, she pushed the coalition to expand the brand and create a national network.

The coalition had used its non-profit status to partner mainly with cities or transit agencies to build stations, but found that its structure and \$300,000 annual budget wasn't ideal for an aggressive expansion. So the board formed Mobis as a for-profit and raised \$500,000 from Tech Coast Angels in Irvine in late 2008.

"This is about innovation," said Ramlee Marcus, a Hermosa Beach resident and lead investor with Tech Coast Angels. "Regardless of the association people have with Los Angeles, the West Coast tends to lead the nation on most trends, and I think Bikestation is one of those innovations that seem like an obvious need."

The Bikestations are not a cookie-cutter product and can be customized according to available funding. Stations have been opened in retail developments and as stand-alone units; they are as small as 250 square feet, as in Covina, to as large as 1,600 square feet, as in D.C. The station can have a staff member to help with repairs, shower facilities and rentals, or it can be similar to an unstaffed storage closet with keycard access.

The cost to build a station varies as well. Covina's "Bikestation-in-a-box," so called by White-Kjoss, is the company's smallest, a standalone unit the size of a large parking space that costs \$120,000. But its large, fully staffed D.C. station, which even sells bike accessories, cost \$3 million, not including site improvements.

White-Kjoss said the company has been profitable since it was founded but would not release figures.

Since the company was formed, it has used a hybrid model that involves raising capital from investors, charging members and creating public-private partnerships for constructing stations. It also has maintained a non-profit arm for educational outreach that could make it eligible for some funding that it couldn't access as a for-profit.

Mobis also is saving on payroll in D.C. by partnering with a local bike rental agency to staff the station. It plans on having similar arrangements at future stations.

Now, the company is hoping to raise at least \$500,000 in another round of fundraising led by Tech Coast Angels. The goal is to open three more stations before this year's end, one each in Santa Monica; St. Louis; and Louisville, Ky. It also has the seal of approval from Ray LaHood, Obama's transportation secretary.

"What is really important to America is not what (Bikestation) provides, but what it makes possible," LaHood wrote on his blog after the D.C. station opened. "This is a smart investment in truly multimodal commuting. It is attractive; it is green; it provides what bicycling commuters need."

Still, it's not at all clear that Mobis will have a smooth ride in meeting its aggressive growth goals. A major obstacle is the lack of designated bike paths for urban commuters, as well as inadequate mass transportation systems, said John Forester, a bicycle transportation engineer from Lemon Grove in San Diego County.

"I think there is a lot of talk and hot air right now about harnessing bikes as a mode of alternative transportation," Forester said. "But what will only lead to Bikestation's growth will be its development going hand in hand with a strong mass transit system that works well and doesn't leave people too far from their destination."

Despite those obstacles, White-Kjoss said that Mobis is actively planning dozens of stations, and hopes to reach its goal of 200 stations dotting the nation's transit systems by 2015.

"It's an enormous task," she conceded. "But if we were able to expand like this during the recession because of people's commitment to using bikes as a mode of alternative transportation, that's pretty promising for our future as the economy heals."

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