



# Denver Bike Sharing

**2010**

**Annual Report**

# Denver Bike Sharing

owner and operator of

DENVER **B** *cycle*

presented by



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## Corporate Profile

Denver Bike Sharing is a 501 (c) (3) non-profit that owns and operates Denver B-cycle. Denver B-cycle is a public bike sharing program consisting of 500 bicycles and 50 stations located throughout downtown Denver.

## Our Vision

The vision of Denver Bike Sharing (DBS) is to help create a shift in Denver's transportation culture that supports the City of Denver's goal to increase its bicycle commuting population to 10 percent of all commuters by 2018. Within the next 3-5 years, DBS aims to build a public bike sharing network of 1500 bikes and 150 stations that connects to public transportation and serves Downtown Denver, surrounding mixed use neighborhoods, and several outlying compatible population centers.

## Our Mission

Denver Bike Sharing operates a comprehensive, city-wide bike sharing system in Denver, to promote health, quality of life and preservation of the environment. DBS offers residents and visitors an alternative form of public transportation. Denver B-cycle complements and is integrated into the city's transportation system.

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## Letter from the Chair of the Board

Dear Friends,

When I first agreed to be Chair for Denver Bike Sharing (DBS), I did it because I wanted to offer my support to the Denver community. As a third generation Denver native, I have always deeply believed in giving back to the community. In the beginning I had no idea how important Denver B-cycle would be to this city's residents and tourists. From inception to today, I've seen Denver B-cycle become a catalyst for changing Denver's transportation culture and an example to other U.S. cities. Denver has earned well-deserved respect because of DBS's introduction of a city-wide bike sharing to the United States.

The idealized business model for DBS is simple. One time grants and contributions purchase the capital (i.e. kiosks, bikes, docks), and recurring revenues from sponsorships, membership and usage fees finance operating, general, and administrative costs. In its first season, there was a little crossover in this model. DBS raised more than \$1.5 million dollars in grants and contributions and more than \$1.6 million in sponsorship, membership, and usage fees. With this funding, DBS purchased the entire system, set up the office and shop, hired staff and got to work. As the year progressed, we secured free goods and services and tightened our belts at every opportunity.

This past year was clearly a rough financial time for most businesses in America. Many companies suffered the negative effects from their consumers being more conservative with their money. Even through this economic downturn, DBS started a new business and saw extremely positive results after its first year of operation.

Our first season was not without its trials, and not surprisingly, brought with it many typical start-up challenges, from software glitches to customers not understanding our fee structure. We have devoted an enormous amount of time and effort to understanding and addressing each of those problems. During our 2010/2011 winter hibernation, with our partners, B-cycle LLC, we implemented many of these technological solutions that will result in a more reliable system.

We are striving to create the ideal bike sharing system. With this in mind, we hope to achieve our goal of a 1,500 bike/150 station bike sharing system in Denver within three to five years. With this size of system, Denver B-cycle would be able to reach all audiences across Denver in their neighborhoods, parks, local shops and businesses. In the meantime, we are working to raise the funds for a minor expansion while we prepare for a larger expansion in 2012.

Not only as the Chair of DBS, but more importantly as a citizen of Denver, I could not be prouder to be part of a movement that will create a cleaner, healthier, and shared tomorrow. On behalf of the Board of Directors of DBS, I thank you for your interest and look forward to your support in years to come.

Cheers,



*“Denver has earned well-deserved respect because of DBS’s introduction of a city-wide bike sharing to the United States.”*



## Letter from the Executive Director

On August 25, 2008, the “1,000 Bikes” project of the greening initiative of the 2008 Democratic National Convention was kicked off in Denver by a peloton. Several hundred volunteers, bike advocates and local leaders followed then Mayor John Hickenlooper on bicycles from the River North Arts District (RINO) down Larimer Street and ultimately to the Green Frontier Fest at the Denver Center for Performing Arts’ Sculpture Park. While many of the people on that ride would play a major part in bringing bike sharing to Denver, on that day few had any clue what future they were helping create.



*“We are united in and inspired by our belief that bike sharing is a step toward manifesting a new vision of city life, an evolution from the car-centric Denver that dominated the twentieth century.”*

Since that time, some of the same individuals were joined by many others. Together, we attended meetings, shared ideas, and created plans. We rode the streets, drew maps, wrote funding proposals, drafted contracts, re-drafted contracts, wrote checks, sketched drawings, filed permits, passed ordinances, filed for and received tax exempt designation, hired staff, found space, created functioning office systems, installed stations, launched the system, and tested and improved and tested again the first on-the-ground technologies developed by and purchased from B-cycle LLC. This unprecedented coalition of elected officials and business leaders, planners, lawyers, citizens, sustainability and bicycle advocates and even tourists laid the groundwork and then installed, operated and rode Denver B-cycle, the country’s first major, city-wide bike sharing program - a system of 500 bikes and 50 stations that now lace the streets of Denver.

Two and a half years after that exhilarating ride down Larimer Street, nine months after our official 2010 Earth Day launch, Denver Bike Sharing has concluded its first season. About 33,000 residents and tourists rode our bikes more than 102,000 times. We rode to work, to meetings, to restaurants, ran errands and shopped. We rode just for the fun of it. Forty three percent of us would otherwise have driven a car. We avoided pouring carbon into the atmosphere and prevented pumping toxic air pollutants into our lungs. We pocketed real money we could spend elsewhere. We created the equivalent of 13 full time jobs.

All who have worked to create this reality are united in and inspired by our belief that bike sharing is a step toward manifesting a new vision of city life, an evolution from the car-centric Denver that dominated the twentieth century. We know that bicycles are more than a toy. Some of us believe that bicycles are a means to reclaim our urban environments and streets for people; others simply know that bikes are a fun way to promote exercise. Some of us feel that bikes are a simple action that can collectively help address climate change and peak oil. Some believe all of this is true. There is no better example of true sustainability than public bike sharing - a simple solution that simultaneously addresses environmental, economic and community challenges.

This annual report is written for everyone who brought Denver Bike Sharing to this point in time – for our funders, sponsors, partners, members and guests to show you where your decisions and actions have led. We are here because of you.

We have two major challenges ahead. In the next few years, we need to raise about \$5 million to add 1,000 more bikes and 100 more stations to better serve as a fully reliable component of Denver’s multi-modal transportation system. Our other major challenge is a massive social marketing undertaking – to work together to shift the personal transportation behavior of Denver residents from almost exclusive dependence on single occupancy vehicles to reliance on a flexible multi-modal system that uses the right tool for the job, blending walking, biking, shared and personal vehicles and public transportation.

We still need you. We have a long way to go, and moving forward, we will continue to rely on our partners. We look forward to that.

Gratefully,

## Highlights of the 2010 Season

# 50 Stations 500 Bikes

### The Numbers

- Short-term Memberships (24-hour kiosk, 24-hour online, 7-day, 30-day) Purchased: 32,922
- Annual Memberships Purchased: 1,784
- B-cycle Rides: 102,981 rides
- Miles Ridden: 211,111
- Average ride: 2.05 miles

### The Health Benefits

- 6,333,332 calories burned
- 1,810 lbs. lost

### The Results

According to a survey of our members, an estimated 43.16% of Denver B-cycle trips replaced car trips, resulting in the following environmental and economic benefits:

312,121 lbs. of carbon emissions avoided  
9,613 lbs. of toxic air pollutants avoided  
15,868 gallons of gasoline not used  
\$41,256 est. saved on gasoline  
\$311,126 est. saved on car parking

### The News and Social Media

- More than 775 news articles about or mentioning Denver B-cycle
- More than 2,450 Facebook fans
- More than 2,500 Twitter followers



## Membership and Usage

Andy Duvall, a PhD student at the Center for Infrastructure Systems at the University of Colorado, is doing his PhD thesis on public bike sharing using our data. Mr. Duvall's study population was users who registered an email address with DBS. There was a 30% response rate with 69% of respondents having purchased an annual membership. Through his first survey conducted on Sep. 1, we have been able to collect the following data:

### The Typical Denver B-cycle Rider

#### Working age

- 89% are between the ages of 25 and 64
- Compared to 58.3% within the Denver population\*

#### College educated

- 87% hold a Bachelor's degree or higher
- Compared to 40.3% within the Denver population\*

#### Above median income

- 79.4% report household income of \$50,000 or more
- Compared to \$46,410 Denver median household income\*

#### Healthy

- 96.6% report excellent, very good or good health

#### Spend money while on bicycle trips

- 41% shop or do errands by bike  $\geq 2$  times per week

#### Are less car-dependent than typical commuter

- 21.1% commute by private bike; 9.7% by Denver B-cycle (30.7% combined bicycle commute mode share)
- Only 13.7% drove alone to commute
- 88% walk or bike to routine destinations

#### Use other forms of transit

- More than 20% bike to or from bus or rail stops
- 21% depend on a bicycle connection to transit

#### Have access to other vehicles

- 96% own a car
- 80% own a bicycle

\*U.S. Census 2009 American Community Survey

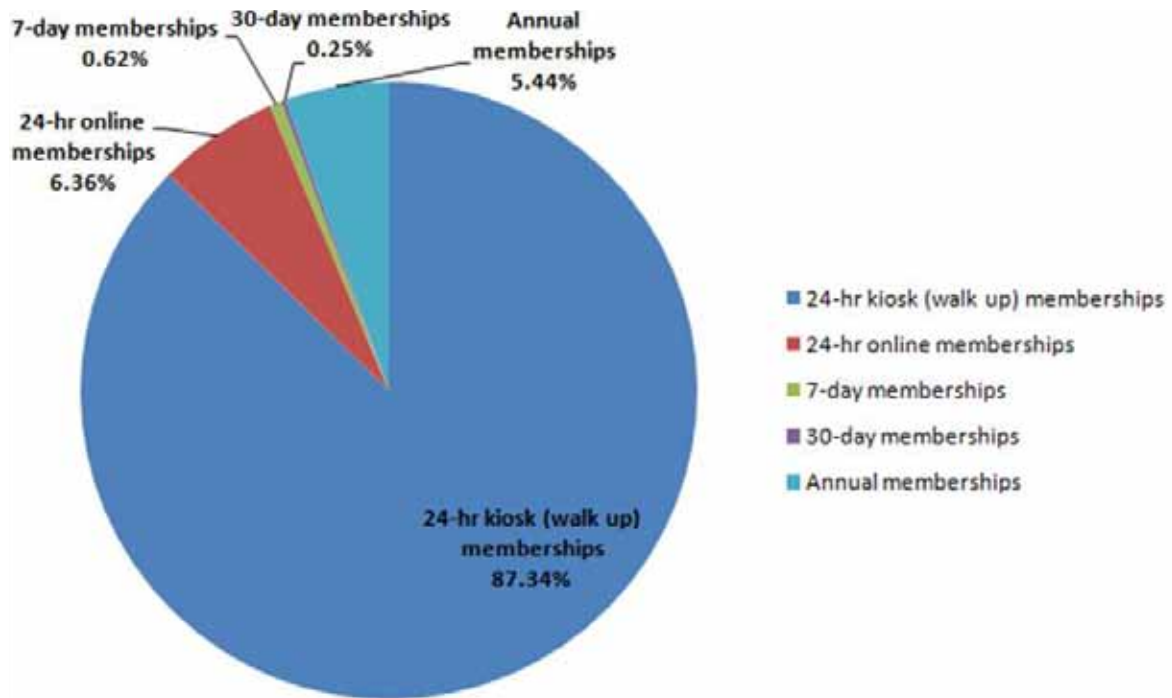


## Memberships and Usage (cont.)

### Total Memberships Purchased/Redeemed During 2010 Season

|                                   |               |
|-----------------------------------|---------------|
| 24-hr kiosk (walk up) memberships | 28,662        |
| 24-hr online memberships          | 2,086         |
| 7-day memberships                 | 204           |
| 30-day memberships                | 81            |
| Annual memberships                | 1,784         |
| <b>Total</b>                      | <b>32,817</b> |

\* These numbers include free day passes, discounted memberships, or giveaways.

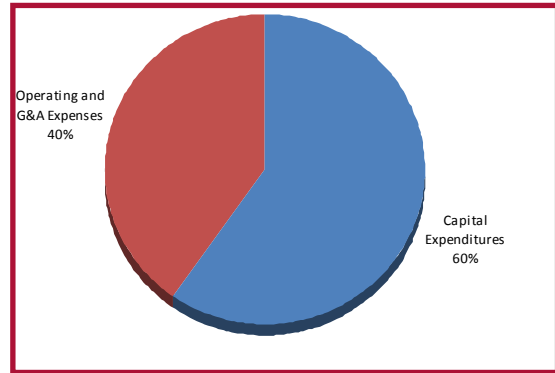


# Financials

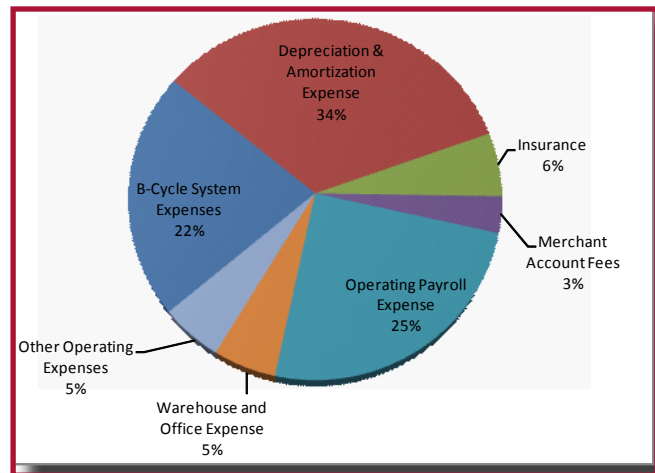
Denver Bike Sharing's (DBS) business model relies on grants and gifts to finance capital acquisitions, while recurring annual revenue generated by sponsorships and memberships and usage fees pay for operating and general and administrative expenses. Prior to our first season when operating revenues started to flow, we received foundation support to put in place the organizational infrastructure needed to build and manage the system.

DBS received capital contributions of more than \$1.5 million to fund its purchase of the bike sharing system. Operating and General & Administrative activities during Season 1 were primarily supported by contributions, sponsorships, member fees, and bike usage fees totaling approximately \$1.27 million. The main components of total expenses were payroll, non-capital B-Cycle system operating costs, insurance, rent, marketing, and professional services. Operating revenue and general and administrative expenses do not include approximately \$350,000 of contributed professional services. DBS is entering its second season with a healthy financial position and a budget for 2011 that anticipates moderate growth in operating revenues.

### Capital vs. Operating/G&A Expenses



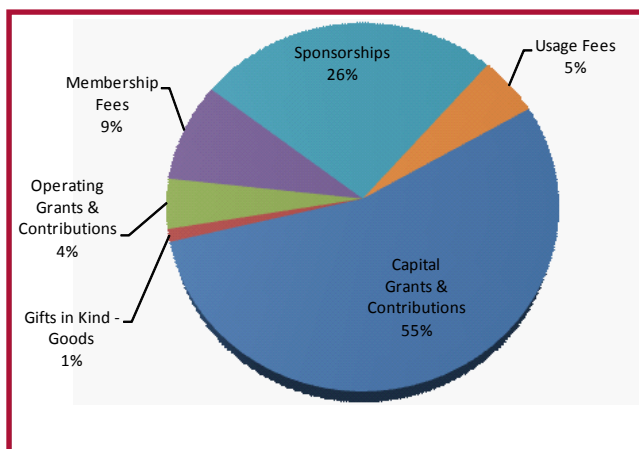
### Operating Expenses



### General & Administrative Expenses



### Total Resources



## Financials (cont.)

### Statement of Activities for Season I For the period including March 2009 through December 31, 2010

|                                     |                  |
|-------------------------------------|------------------|
| <b>INCOME</b>                       |                  |
| Capital Grants & Contributions      | 1,529,500        |
| Operating Resources                 |                  |
| Gifts in Kind - Goods               | 31,295           |
| Operating Grants & Contributions    | 122,517          |
| Membership Fees                     | 243,900          |
| Sponsorships                        | 727,791          |
| Usage Fees                          | 146,626          |
| Total Operating Resources           | 1,272,129        |
| <b>TOTAL INCOME</b>                 | <b>2,801,629</b> |
| <b>EXPENSE</b>                      |                  |
| Operating Expenses                  |                  |
| B-cycle System Expenses             | 188,518          |
| Depreciation & Amortization Expense | 286,722          |
| Insurance                           | 48,652           |
| Merchant Account Fees               | 27,961           |
| Operating Payroll Expense           | 211,739          |
| Warehouse and Office Expense        | 45,255           |
| Other Operating Expenses            | 44,838           |
| Total Operating Expenses            | 853,684          |
| General and Administrative          |                  |
| G&A Payroll Expense                 | 203,318          |
| Insurance                           | 13,682           |
| Marketing                           | 77,631           |
| Office Expenses                     | 19,395           |
| Professional Services               | 61,116           |
| Other G&A Expenses                  | 23,626           |
| Total General and Administrative    | 398,769          |
| <b>TOTAL EXPENSE</b>                | <b>1,252,452</b> |
| <b>NET INCOME*</b>                  | <b>1,549,177</b> |

### Statement of Financial Position as of December 31, 2010

|   |                  |
|---|------------------|
| <b>ASSETS</b>                             |                  |
| Current Assets                            |                  |
| Checking/Savings                          | 357,931          |
| Accounts Receivable                       | 94,214           |
| Other Current Assets                      | 76,804           |
| Total Current Assets                      | 528,949          |
| Property & Equipment                      |                  |
| Bikes                                     | 424,436          |
| Leasehold Improvements                    | 15,926           |
| Office Equipment                          | 60,217           |
| Shop Equipment                            | 3,323            |
| Stations                                  | 1,296,086        |
| Transportation Equipment                  | 52,125           |
| Total Property & Equipment                | 1,852,112        |
| Accumulated Depreciation                  | (286,344)        |
| Net Property & Equipment                  | 1,565,768        |
| Other Assets                              | 4,430            |
| <b>TOTAL ASSETS</b>                       | <b>2,099,147</b> |
| <b>LIABILITIES &amp; NET ASSETS</b>       |                  |
| Liabilities                               |                  |
| Current Liabilities                       | 410,665          |
| Long Term Liabilities                     | 139,305          |
| Total Liabilities                         | 549,971          |
| Unrestricted Net Assets                   | 1,549,176        |
| <b>TOTAL LIABILITIES &amp; NET ASSETS</b> | <b>2,099,147</b> |

\*The cost of the bike sharing system is not expensed when incurred but is depreciated over the system's expected useful life. This significantly contributed to DBS's \$1.5 million net income for Season 1.

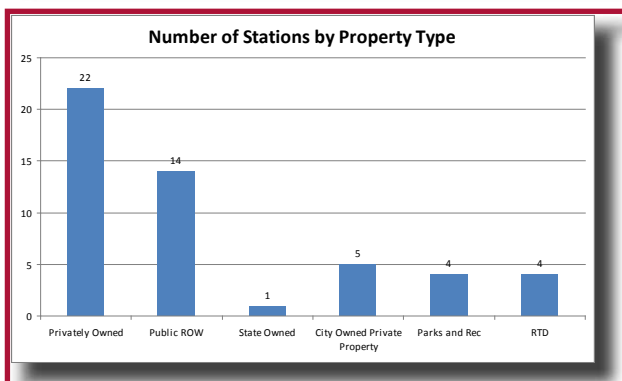
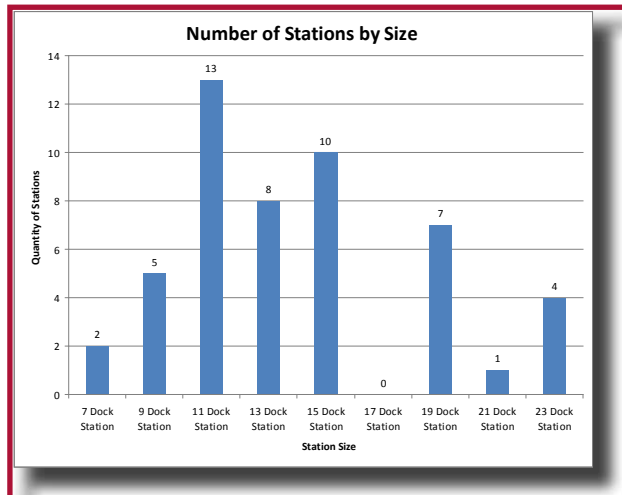
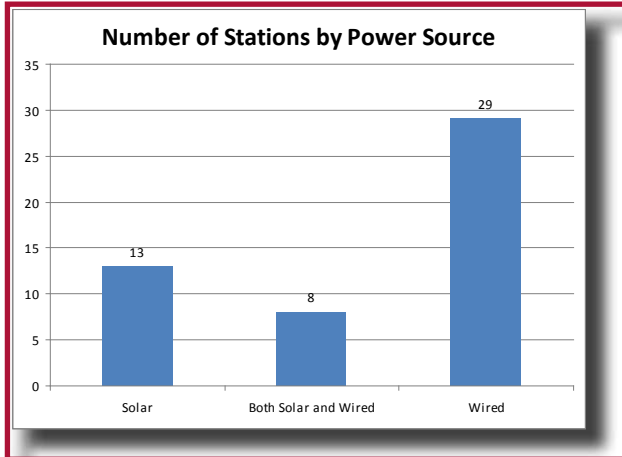
## System Design and Station Management

The Denver Bike Sharing (DBS) system contains 50 stations, with the majority centered in downtown Denver, and supporting stations in surrounding neighborhoods. Stations are situated near densely populated areas that people travel to or from on a regular basis, as well as next to existing bus and light rail stops. The system serves as a transportation alternative for some, and a transportation supplement for others.

Station siting was part science and part art. Being the first city in the U.S. to install a bike sharing system, DBS looked to European bike sharing models to provide system design criteria, with the understanding that there are inherent physical and cultural differences to take into account. To make our early decisions about station locations, we assembled bike advocates, city planners, traffic engineers, transportation planners, sustainability advocates, and a global public bike sharing scholar. We brainstormed for hours and decided upon the following criteria.

- Near an origin and a destination
- Close to high use transit stops
- In a high density neighborhood
- Close to bike friendly streets & trails
- Connect to employment centers, parks, or cultural, sports facilities
- High visibility

We took GIS maps and drew circles around potential locations that fit our criteria. Teams of people rode bikes throughout Denver. Then we measured and limited our efforts to locations with enough space for a station AND that met city rules and regulations or had landowners willing to host us. In the end, our system is described in the following charts:



## System Design and Station Management (cont.)

### Timeline

- September 2009 – Station location development and input from partners acquired.
- October 2009 – Property owner outreach to acquire space. Licensing begins. City and County of Denver permitting process begins.
- December 2009 – Station hardware is purchased. Manufacturing begins.
- January/February 2010 – Securing legal contracts and licenses to locate stations.
- March 2010 – Site preparations begin. Station installation begins.
- April 22nd 2010 – The bike sharing system launches with 40 stations.
- May and beyond – Ten additional stations installed. Search begins to secure funding to purchase more bike sharing stations. Data collection and system analysis begins.



### Process

It takes between 2 and 9 months to find a location, acquire proper permits, finalize contracts/liabilities/licenses, prepare the site, and install a station. There were 89 potential locations identified. Out of those 89 locations, relationships between property owners began, permits and legal agreements were drafted, and cost estimates were provided. 39 of those 89 locations did hit a roadblock at some point in the process, and Denver Bike Sharing was denied access to those locations. The station management process involves relationships, planning, collaboration, and deliverables from the following groups:

- |                            |  |
|----------------------------|--|
| • Architects               | • Mayor's Office   |
| • City Attorney's Office   | • Office of Economic Development   |
| • City Council Members     | • Parks and Recreation   |
| • Construction Contractors | • Permitting and Surveying Property Owners/Leasers and Facilities Managers |
| • Equipment Providers      | • Public Works   |
| • Human Rights/ADA         | • Community Planning and Development                                       |
| • Landmark Preservation    |  |
| • Legal Teams              |  |

## System Design and Station Management (cont.)

### General characteristics of higher-performing stations

- High visibility for pedestrians
- Consistent and concentrated pedestrian activity
- Medium to high density, mixed land use
- High interconnectivity with other stations
- Temporal consistency of destination attractions
- Strong transit connectivity

### General characteristics of lower-performing stations

- Low visibility for pedestrians
- Inconsistent or sparse pedestrian activity
- Homogenous, low density land use
- Low interconnectivity with other stations
- Temporal inconsistency of destination attractions
- Nearly all have transit connectivity, some strong

### Future Opportunities

As we continue to collect user data and analyze how our system is being used, Denver Bike Sharing can plan accordingly for future expansion to 1,500 bikes and 150 stations. As we analyze what makes particular stations more popular than others, we are able to determine areas in Denver that have similar traits and focus our expansion efforts on them. To accomplish this, it is imperative that we make strides to:

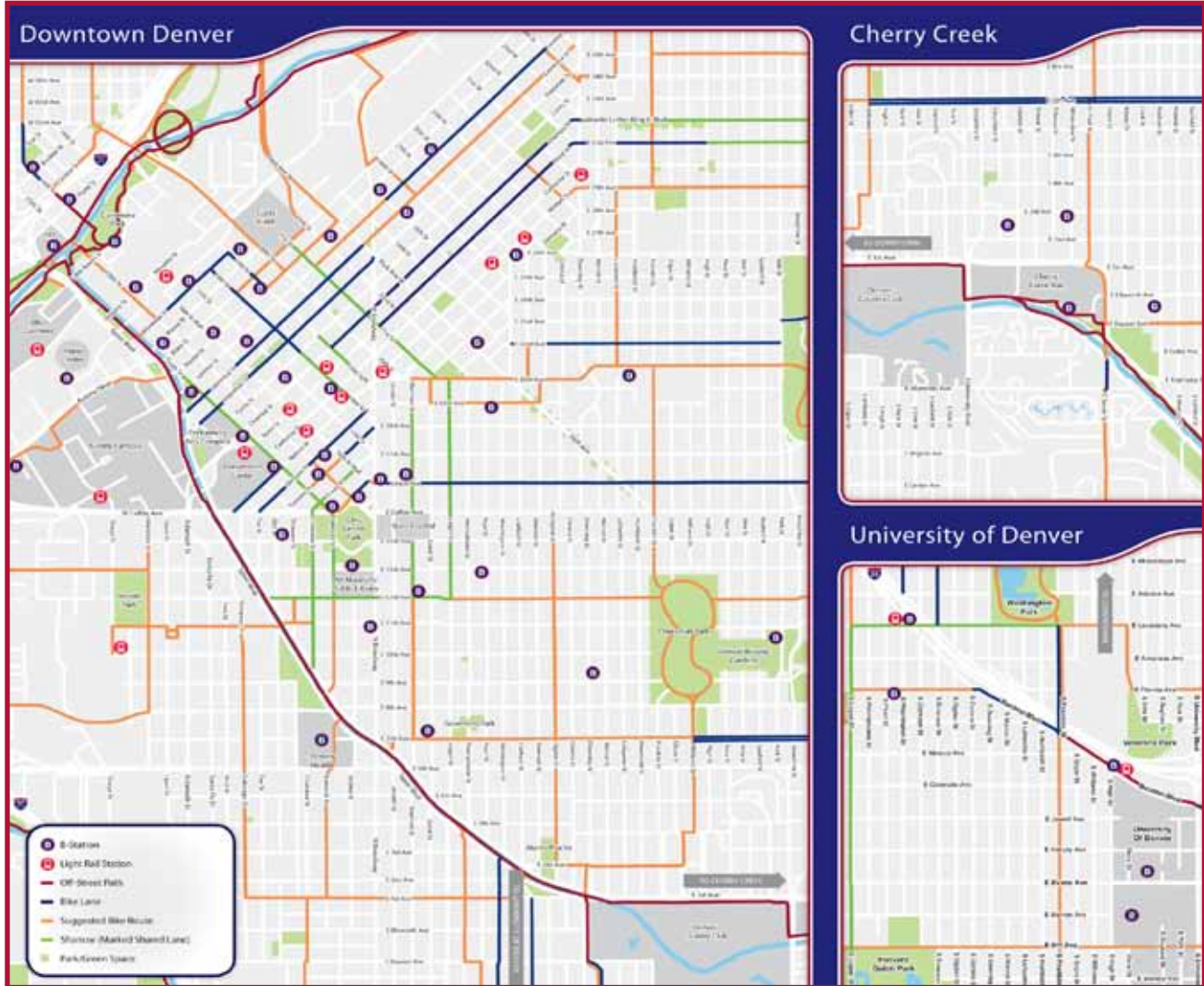
- Secure funding to purchase more stations and bikes
- Expand the network of stations to forecasted areas that can drive new membership, revenue, and add value to existing rider flows
- Continue to build strong relationships with our property owners and the City of Denver as we fine tune station locations and sizes

**After a season of operation, we have learned that the following factors determine station usage. These will be applied systematically to future station siting decisions.**

- Bicycle multidirectional access (infrastructure)
- Bicycle multidirectional egress (infrastructure)
- Observation of bicycle traffic
- Destination intensity
- Destination temporality
- Destination variety (mixture of land use)
- Location incivilities (graffiti, litter, vandalism)
- Location park/trail proximity
- Location prestige (socially or structurally notable)
- Location proximate car speed limit
- Location solar exposure
- Pedestrian traffic consistency
- Pedestrian traffic volume
- Population (employment) density
- Population (residential) density
- Transit (bus) proximity
- Transit (Denver B-cycle) proximity
- Transit (rail) proximity
- Visibility from adjacent street
- Visibility from adjacent walkways

# System Design and Station Management (cont.)

## Current Map of B-cycle Stations



## Operations

Bicycle and station operations management and maintenance was the key to our success during the first year of Denver Bike Sharing (DBS). The bikes were kept clean and in good working order all season long. System data was continually analyzed to develop efficient and effective operation techniques. DBS and B-cycle, LLC worked closely to identify, fix, and improve on any and all system issues which hindered operations. Our primary goal was to bring the best service possible to Denver B-cycle members.

### Staffing

The staffing profile was configured to provide two technicians on-duty, seven days a week, during operational hours, utilizing four full-time technicians and six intermittent technicians. Technicians were assigned to a 10 hour shift, four days a week. The 10 hour day shift and 10 hour night shift overlapped by two hours a day. The overlap time, in addition to providing more staff for balancing and repair duties, enabled DBS to hold staff “huddles” to exchange information, define priorities, and share best practices.

Staffing levels in 2010 were adequate in meeting repair and balancing needs. As with any startup endeavor, there were warranty repairs, retrofits, and technology problems that needed to be addressed in order to keep the system in operation. B-cycle was constantly looking for ways to create a better system; and in 2011 a majority of problems with the bicycles and stations will be addressed.



### Maintenance and Repair

The B-cycle bicycle is built by the Trek Bicycle Corporation specifically for bike sharing, which resulted in unique requirements when it came to repair. The B-cycle digital platform software was designed not only to track the location of all bicycles at any given time, but also enabled the staff of DBS to manage all operational issues, from customer service to bike inspections and repairs. In the shop, whenever a bicycle needed a repair, maintenance tickets were created to track what needed to be done. While there were instances where multiple bicycles were placed out of service for repair, DBS had enough bikes to maintain service.

### Tickets/Repairs:

- 8,772 maintenance tickets created
- 6,571 bike inspections
- 664 broken brake levers replaced
- 131 seat tube hones
- 144 flat tires
- 154 electrical problems
- 101 missing/broken keys
- 31 defective frames

**Liability Issues** - all of the following issues fell under Denver Bike Sharing's liability deductible limits:

- One stolen bike
- Two vandalized bikes
- Five vandalized kiosk screens
- One accident
- No reported injuries



## Operations (cont.)

### Stations

With a unique and innovative system, 2010 was a learning year for station operations. There were times when kiosk functionality was a customer hindrance, with kiosks losing connection and sometimes needing our staff to reboot a station. Through constant evaluation and tweaking of the system, connectivity has greatly improved. Kiosk screens were evaluated and were deemed unable to meet demands of the system. With this evaluation, there is a goal for improved kiosk screens, user interface, and overall customer experience in 2011. Kiosk screens will be replaced with a much stronger, easier to use screen by the opening of the 2011 season. A new CPU will also be installed by opening day, 2011, and will improve reliability. Docks proved to be very reliable, and required very little attention from DBS Techs.

### Data Management and Analysis

With access to real-time data, DBS will be able to maximize efficiencies discovered in 2010, and will be positioned to expand in a rational and effective manner.



Data is important in the analysis of the system. With the collective data, DBS was able to identify what works, what doesn't, and specific areas for improvement. This information/analysis was key in maintaining system balance as well as creating schedules and tasks that support the effectiveness of the overall network.

### Winter Activities

Far from being a quiet season, winter in the bike sharing world is an intensely busy period. The following activities take place during hibernation:

- 31 bikes were built from new replacement frames
- Chains and crank arms have been removed for cleaning on all 469 bikes
- New centering spring anchors will be installed on 500 bikes
- New headlight/basket brackets will be installed on 500 bikes
- New grips will be installed on 500 bikes
- Front fenders will be trimmed on approximately 60 bikes
- Seat tubes will be honed on approximately 15 bikes
- Fork drain holes will be drilled on 500 bikes
- Fork bumpers will be installed on 500 bikes
- Brake levers will be replaced on 500 bikes
- Kickstands will be replaced on 470 bikes
- Seat post binder bolts will be replaced on 500 bikes
- Bell hammers will be replaced on approximately 400 bikes
- All bikes will be cleaned and tuned
- Ad plates will be attached to 500 bikes
- Bike computers will be installed on 500 bikes

## Customer Service/System Functionality

### *Summary of System Functionality from 2010 Season as Related to Customer Relations*

#### **Beginning**

With a first-in-the-nation system and technology, there were typical start up challenges. Technical issues caused a diversion of staff resources to mitigate issues that arose from user difficulties. The technical issues had the greatest effect on 24-hour kiosk users and secondly on 24-hour, 7-day, and 30-day online users. The dominant technical issue were disconnects in communication between the kiosks at each station and the server that runs the system. Annual members had a much better overall experience because they had a B-card which did not require use of the kiosk to check out a bike.

In addition to technical issues, the other major user issue which arose was a customer misunderstanding of usage fees. Many first time users perceived the system as a bike rental instead of a bike sharing system and were under the impression that they were able to keep a bike for an entire 24-hour period for the total cost of \$5. This resulted in high usage fee charges to the customer and an upset call to customer service. Denver Bike Sharing offered refunds routinely to confused customers who called customer service. Several factors accounted for this misunderstanding:

- User error – Failure to read provided usage fee information on station decal, in user agreement, on website, and various other documents.
- Bike Sharing is a brand new concept in the U.S. and thus, users associate the bikes with a bike rental, which does not have usage fees.
- No usage fee information provided on kiosk screens other than user agreement, which is often accepted without reading.
- Misinformation provided by hotels, friends, and others.

#### **Improvements Throughout the Season**

B-cycle, in partnership with Denver Bike Sharing, worked continuously to make major improvements to the system. Total disconnects dropped considerably after a server upgrade took place on 6/20/2010 (see Disconnect graph on the following page), with further updates after that date. Several other technical issues that affected users as well as backend system management were also addressed.

Furthermore, Denver Bike Sharing took several steps to improve messaging to users to increase awareness of usage fees. These steps included additional signage, redesigned signage, and priority in key talking points, among other tactics.

## Marketing

Marketing and Public Relations played an integral role in Denver B-cycle's first year of operation. Audience education and awareness were key objectives for Denver Bike Sharing (DBS). Bike sharing is a unique program that is not a widely known service in the U.S. While very popular in European cities and countries in both hemispheres, bike sharing is not prevalent in the U.S., with the exception of a 10 station pilot project in Washington D.C.

As with any other unfamiliar product, it is important to create awareness of Denver B-cycle and to educate Denver residents and visitors on how to use Denver B-cycle and how it fits into their everyday life. DBS utilized multiple strategies and tactics to educate and create awareness, which in turn resulted in increased memberships and rides.

### Objectives:

- Educate audiences on the benefits of bike sharing, B-cycle brand, and how to use the system
- Design and implement a launch experience to generate maximum publicity and drive consumer demand
- Use marketing to assist in achieving 5,280 annual members equivalent during first year of operations. Annual member equivalent factors in one, seven, and 30 day users and divides by full cost of annual member cost total.
- Stimulate trial and use of the system among tourists and visitors

### Events

Denver Bike Sharing participated in more than 50 festivals, special events, and tours throughout Denver, starting with the April 22 Earth Day Denver B-cycle launch event. Although there was rain, B-cycles flooded Civic Center Park and the City and County Building's front steps along with hundreds of bicycle supporters. Afterward, Mayor Hickenlooper led hundreds of bicycle supporters, some of them on red B-cycle bikes and others on their own bikes, on a kick-off bicycle parade around Civic Center Park.

To increase brand awareness and educate people about the system, Denver Bike Sharing participated in multiple events. It was also a good opportunity to get feedback from people and talk with them one-on-one. Events offered a chance to sell annual memberships through on-site registration when appropriate.

A highlight of some of the events Denver Bike Sharing participated in:

- Westword Music Showcase
- Bike to Work Day
- NALEO Event
- Race for the Place
- Park Hill Parade
- Trust for Public Land National Board Bike Ride
- VISIT DENVER Media Ride
- Kaiser Permanente Moonlight Classic
- Levi Strauss Directors Board Bike Ride
- Safety Training Classes
- Civic Center EATS
- Summer Toast
- Local Flavor Festival
- Rocky Mountain Hospital for Children Grand Opening
- Green Route EcoFest
- ARTCRANK
- Bicycle Film Festival
- Tour de Fat
- Chipotle Fundraiser Event
- University of Denver Freshman Orientation Day
- National League of Cities Expo
- Yelp Helps!



## Marketing (cont.)

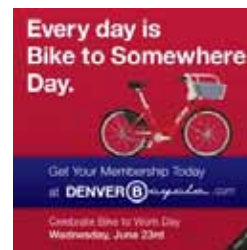


### Marketing Campaigns

In its first year of operation, Denver Bike Sharing (DBS) achieved the importance of marketing in achieving brand awareness, stimulating use of the system,— and achieving a 5,280 annual member equivalent by winter closure. DBS used multiple strategies and tactics to meet these goals. Keys to this process were the evaluation of each tactic to determine effectiveness and ways to continually improve.

### Highlight of Marketing Tactics

- Location-based marketing
  - Businesses located close to B-stations
  - Residential buildings located close to B-stations
- Partnerships
  - BikeDenver
  - Bicycle Colorado
  - Downtown Denver Partnership
- Sponsors synergies
- Corporation outreach
- Business Incentive Program
- Hotel/tourism/convention outreach
- Email and e-newsletter outreach
- Discount promotions surrounding key events
- Volunteer campaign
- Seasonal gift promotions
- B-cycle displays
- Tour de B-cycle
- Special Rides
- Closure campaign



# Marketing (cont.)

## Public Relations

Public relations played a big role in creating brand awareness in Denver and across the nation. Denver B-cycle received coverage in more than 775 news articles. Even more of a success, 99% of that coverage was positive. Media coverage started before the launch and stayed consistent throughout the year, making Denver B-cycle a top local news story. Additionally, Visit Denver, the city's tourism and convention bureau, constantly promoted Denver B-cycle to tourists and travel media. Being the first in the nation with a large-scale citywide bike sharing program, Denver was frequently mentioned in articles about other cities and their plans to launch bike sharing. Consistent local media coverage was a key to annual memberships throughout the year.



## Social Media

Denver B-cycle utilized social media vehicles Facebook and Twitter to reach 5,000+ followers at the drop of a hat. Denver Bike Sharing (DBS) used social media on a daily basis to promote a wide variety of topics, including upcoming events, membership deals, annual membership incentives, bike sharing news, sponsorship news, images and calls to action, among other things. Not only is social media an easy and immediate way to reach out to the public, it is a great tool to acquire user feedback. The two-way communication that takes place on social media has helped DBS listen to its users and address any thoughts, concerns or ideas they have. Social media was instrumental in creating awareness of the Denver B-cycle brand and its promotions, news and events.

As of 1/12/2011 – Facebook: 2,435 followers, Twitter: 2,498 followers.



## Board of Directors

Denver Bike Sharing's volunteer Board of Directors includes business leadership and highly skilled legal and pro bono accounting expertise as well as two Mayoral appointees, including the City's bike planner. Denver Bike Sharing's Board meets once a month and is an active Board in finalizing decisions made for the organization.

The composition of the Board is engineered to link to and reflect the community, while providing the necessary legal, development, accounting, and community leadership expertise necessary to support the organization. According to the by-laws, there will always be two directors appointed by the Mayor.

| <i>Name and Information</i>   | <i>Board Title</i>            |
|---|-------------------------------|
| Ken Gart<br>President<br>Gart Properties  | Officer and Chair of Board    |
| Parry Burnap<br>Executive Director<br>Denver Bike Sharing                                   | Director and Executive of DBS |
| Steve Sander<br>Director of Strategic Marketing<br>Denver Office of Economic Development    | Officer and Secretary         |
| Michael Fahndrich<br>Director<br>CBIZ MHM, LLC  | Officer and Treasurer         |
| Peter Coakley<br>Principal<br>Inverness Properties  | Director                      |
| Adam Devoe<br>Attorney<br>Brownstein Hyatt Farber & Schreck, LLP                            | Director                      |
| Andy Duvall<br>PhD Candidate<br>Completion - May 2011, CU-Denver                            | Director                      |
| Dr. Eric France<br>Chief, Population & Preventative Services,<br>Kaiser Permanente Colorado | Director                      |
| Jay Kenney<br>Jay Kenney Fund   | Director                      |
| Emily Snyder<br>Senior City Planner<br>City & County of Denver                              | Director                      |
| Robin Thurston<br>Co-Founder & CEO<br>Map My Fitness  | Director                      |
| Tom Walton<br>The Walton Family Foundation  | Director                      |

## 2010 Donors, Partners, and Sponsors



At the very heart of our success in our first year was the support that we received from the City and County of Denver. Denver Bike Sharing was incubated within the City and County of Denver and received staff, program, and office support for a year and a half. Inspired and encouraged by the leadership of Mayor John W. Hickenlooper, we got our start within the Greenprint Denver, the Mayor's Sustainability Program. The following offices gave us direction and collaborated with us whenever we needed guidance or help.

Denver City Council; Denver's Office of Strategic Marketing; City Attorney's Office; Public Works Department; Community Planning Department; Environmental Health Department; Parks and Recreation Department; Office of Economic Development; General Services' Facilities Management Department; Mayor's Bicycle Advisory Committee

Other invaluable institutional community partners included; BikeDenver; Bicycle Colorado; Regional Transportation District; Downtown Denver Partnership; Visit Denver (Denver Metro Conventions & Visitors Bureau); and Bikes Belong Coalition.

Without an existing US model to emulate or local experience to draw from, Denver Bike Sharing needed and received a tremendous amount of support from all sectors of our community. The following organizations, foundations, and businesses stepped forward to make our first year possible. Gifts and grants enabled the purchase of our system while pro bono partners provided essential and otherwise costly services at no charge. Sponsor fees covered our operating costs or provided marketing services in exchange for marketing opportunities, including brand visibility on B-cycle baskets, B-stations, web site, social media, events, promotional material and media coverage.

### Gifts & Grants:

- Denver 2008 Convention Host Committee
- The Walton Family Foundation
- The Anschutz Foundation
- Gates Family Foundation
- The University of Colorado Hospital
- The Gary Williams Company
- DOE Energy Efficiency and Conservation Block Grant – administered by Greenprint Denver

### Pro Bono Partners:

Brownstein | Hyatt  
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Presenting Sponsor



## The Team

### THANKS TO...

There were no instructions or peer examples for launching bike sharing in the U.S. This team made it happen together in a year and a half, growing slowly and making it up as we went along, with imagination, intelligence, skill and long, long hours.



Pictured here (from left to right, front to back): Mark Kittler, Technician; Andrea Thibaudeau, Customer Relations Manager; Steve Sander, Sponsorship and Partnership Director; Amanda Caldwell, Development & Marketing Manager; Phillip Marino, Technician; Parry Burnap, Executive Director; Daniel Noriega, Technician; Nick Bohnenkamp, Station Manager; James Kunz, Technician; Gary Rossmiller, Technician; Tyler Reeder, Customer Relations and Program Assistant; Brent Tongco, Interim Marketing and Communications Director; Keith Goertz, Business Manager.

Not pictured here: John Watson, Operations Director; part-time techs Andrew Arell, Jeff Cleary, Jonathan Honz, Jeff Orłowski and Nick Soloninka; Stephanie Woods, Customer Service consultant; and our Partners at B-Cycle LLC

Our interns, who worked every bit as hard as the staff, doing whatever it was that needed to be done for no money, only passion and a shared belief that bikes have a bigger place in our city's future.



Pictured here: Kaitlyn Stechmesser, Alex Gelmers, Courtney Harkins, Joe Teynor, Tyler Reeder  
Not pictured: Matt Virlee, Rob Price

## Acknowledgements

A final thank you goes out to all those who supported Denver Bike Sharing in its inaugural year. Below is a listing of the people who dedicated many hours to make Denver B-cycle a wonderful program. Their passion and dedication helped elevate Denver as one of the national leaders in bike sharing.



Roger Adams, Francesca Aguirre-Wong, Will Anderson, Mike Anthony, Geoff Bailey, Lori Baker, Jennifer Barbour, Clay Beatty, Jake Beddingfield, Brenda Boeck, Carol Boigon Cindy Bosco, Camille & John Bright-Smith, Libby Brown, Tim Brown, Charlie Brown, Bob Burns, Steven Burrell, Daniel Bush, Jeff Calderone, Rebecca Cales, Malia Campbell, Mark Chapman, Robert Clark, Peter Coakley, Greg Chrichlow, Andrew Davison, Andrew DaMelina Dempsey, Daniel DeJean, Adam Devoe, Mike Dino, Tami Door, Bruce Douglas, Lee Driscoll, Lisa Dumont, Andy Duvall, Nathalie Eddy, Brad Evans, Jeanne Faatz, Mike Fahndrich, Laureen Ferris, David Fine, Eric France, Dick Gannon, Ken Gart, Meredith Giske, Tom Gougeon, Dan Grunig, Michael Hancock, Will Handsfield, John Hayden, Christian Hendrickson, Derek Henry, Aaron Henry, Governor John Hickenlooper, Leslie Horna, Carlyne Janssen, Jon Jeunette, Carl Johnson, Marcia Johnson, Lee Jones, Tom Kaesmeyer, Lind Kanamine, Mike Keller, Jay Kenney, Jeff Kirkwood, Ellen Kramer, Nate Kvamme, Nelson Laux, Peggy Lehmann, Angela Lieurance, Dennis Lima, Corina Lindley, Doug Linkhart, Greg Loomis, Paul D. Lopez, Kirk MacDonald, Carla Madison, Debbie Main, Aylene McCallum, Jim McCotter, Alexis Long, Josh Mattison, David Miller, Judy Montero, Scott Morrissey, Lise & Joe Neer, Chris Nevitt, Bill Obermann, Megan O'Connor, Dan Oftedahl, Cindy Parsons, Kevin Patterson, jim Perlberg, Mitch Plum, Julie Poppe, Keith Pryor, Ruben Ramirez, David Rapp, Gary Reed, Alex Reshetniak, Jeanne Robb, John Robbins, Dan Roberts, Scott Robson, Gary Rossmiller, Hassan Salem, Richard Scharf, Todd Selden, Nancy Severson, Jason Sherman, Douglas Shinkle, Lindsay Smith, Ryan Smith, Shelley Smith, Mark Smith, Emily Snyder, Maren Stewart, Scott Taylor, James Taurman, Maggie Thompson, Robin Thurston, Ryan Tobin, Ben Turner, Chantal Unfug, Christopher Urbina, Piep van Heuven, Mayor Bill Vidal, Ray Vigil, Tom Wagner, Tom Walton, Elbra Wedgeworth, Michele Weingarden, Jennifer Wiczorek, Roxane White, Joyce Witte, Lewis Wolman, and anyone else we may have forgotten...

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