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# Public Bike Scheme in Regional Cities

November 2011



# Bike Schemes funding models

Combination of some or all of:

- Subscription, rental charges
- Advertising – Dublin, Paris, etc
- Sponsorship – London
- Public Funding – London, Stuttgart, Barcelona, etc
- Car Parking Charges – Barcelona



# dublinbikes

- Launched September 2009
- Partnership between Dublin City Council and outdoor advertising company JC Decaux
- Initially comprised 450 bikes and 40 bike stations
- Currently 550 bikes and 44 stations
- DCC is seeking to expand the scheme to 5,000 bikes and 300 stations over the next 5 years
- Fully funded by user charges and advertising



# London Bike Scheme

- Comprises 6,000 bikes and 400 bike stations
- Unlike the Dublin scheme, the London Bike Scheme “Barclays Cycle Hire” does not include advertising as part of its contract
- Serco operating contract value - £140m over 6 years
- Barclays sponsored the scheme - £25m over 5 years
- User charges, sponsorship and public funding



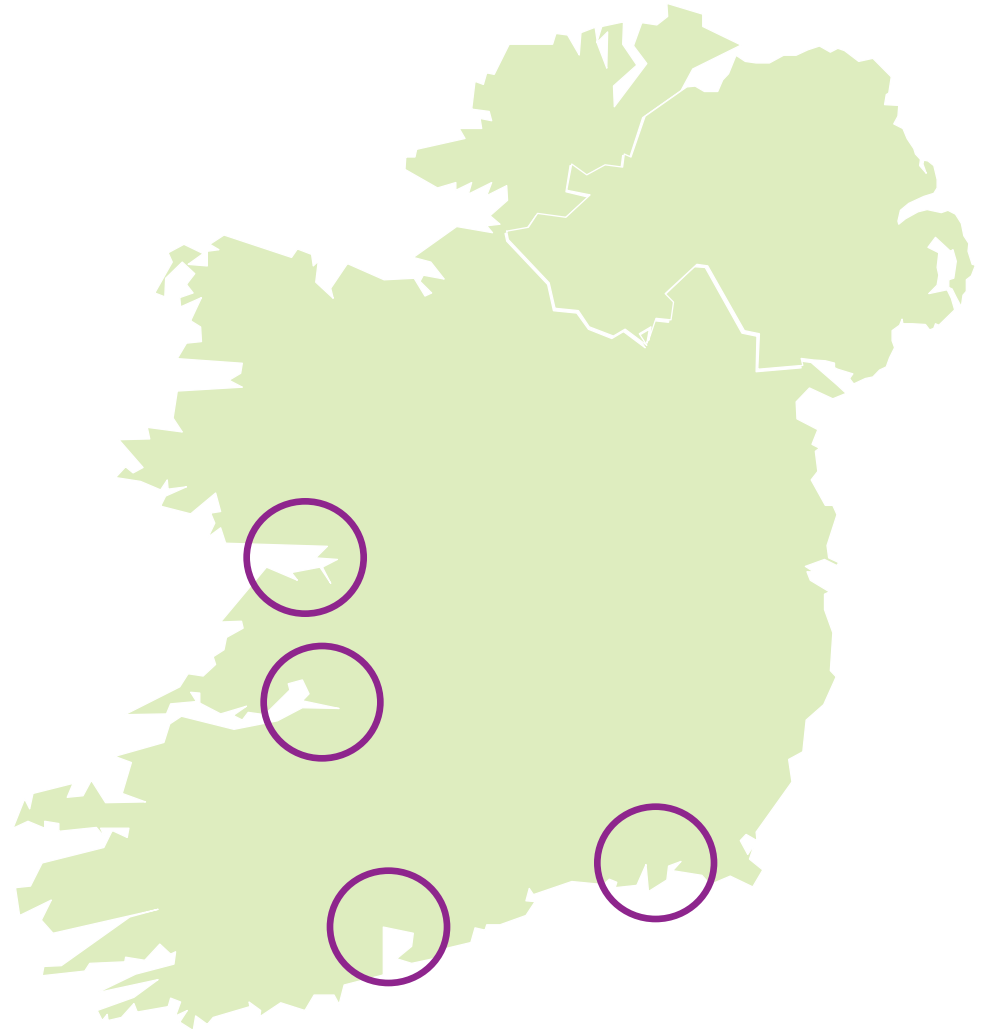
## Other Cities – funding, in addition to subscription / user charges

City	Scheme Size	Operator	Funding
Paris	Stations – 1,450 Bikes – 20,600	JC Decaux	Advertising
Lyon	Stations – 400 Bikes – 4,000	JC Decaux	Advertising
Barcelona	Stations – 400 Bikes – 6,000	Clear Channel	Public Funding, On-Street Car Parking
Milan	Stations – 103 Bikes – 1,400	Clear Channel	Public Funding, Advertising
Stuttgart	Stations – 64 Bikes – 400	Deutsche Bahn	Public Funding

# Regional Expansion

The four cities where Bike Sharing Schemes are being considered are:

- Cork;
- Limerick;
- Galway; and
- Waterford.



# Key Costs of Schemes

Key costs of schemes will include:

Capital – bikes, stations, control centre, system

Operating – staffing, bike maintenance, redistribution, control centre, IT



# Potential Sources of Funding

1. Outdoor Advertising
2. Advertising on the bikes
3. Subscriptions and usage fees
4. Scheme Sponsorship/Naming rights
5. Business contributions
6. Public Funding



# Potential Sources of Funding

- Outdoor Advertising / Advertising on the bikes
  - Advertising marketplace remains challenging
  - May simply displace advertising revenue from other areas
  - Remains a possibility as part of a solution
- Subscription and Usage Fees
  - Definite possibility to increase
  - Balance has to be achieved between price/demand



# Scheme Sponsorship

- Barclays' Cycle Hire sponsorship deal includes:
  - Naming the Scheme
  - Designing the bikes' branding space
  - Branding all marketing and communication material
  - Branding maintenance support vehicles and uniforms
- Could be by city or for all regional cities with a Bike Sharing Scheme
- Excellent opportunity for raising brand awareness



# Business Contributions

- Bike stations adjacent to premises if fits within planned network
- Potential factor in attracting staff
- Potential to name/brand station (depending on route chosen regarding sponsorship)
- Would not give additional rights regarding usage of bikes
- Details to be worked through



# Potential Sources of Funding

- Public Funds
  - Obviously remains challenging
- Solution likely to be a combination of some / all of the options



# Procurement Options

- Three potential procurement options have been identified:
  1. Combined Bike Sharing Scheme and advertising contract
  2. Publicly funded Bike Sharing Scheme
  3. Bike Sharing Scheme contract with a separate but linked advertising contract
- The above schemes could all be combined with a Naming Rights/Sponsorship Competition which would supplement the cost to the Authority

# Questions?

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