Ofo leaving US cities amid crackdown on bike shares

2018-08-10

China Daily USA |  
 Updated: 2018-08-10 13:20

The dockless ("station-free", as ofo calls it) bike-sharing company from Beijing was one of a handful of such companies that skedaddled when Dallas, Texas recently required registration fees ($808), per-bike fees ($21), insurance and security deposits.  
Three of the five companies that unloaded about 20,000 rental bikes in Dallas a year ago - ofo, Mobike (also from Beijing) and San Francisco-based Spin - have ridden off.  
"They made a pretty good mess of downtown Dallas sidewalks when it was a free-for-all, when the City Council decided to stay hands-off and let the market pick a winner. Then they decided not to play by the rules when there finally were some - rules they helped write, by the way," Dallas Morning News columnist Robert Wilonsky wrote Monday of the wave of bike-share companies that converged on the city.  
But the shiny remnants of ofo's Dallas operation didn't get shipped back to China or elsewhere - many ended up in a gnarled heap at a recycling center, with the rest pledged to charity.  
Ofo sold some of its estimated 5,000 bikes in Dallas for scrap metal to Commercial Metals Co in Irving, Texas, and has pledged to donate the remaining bicycles to local charities CitySquare and Bikes for Tykes.  
Ofo's move appears to be a simple cost-benefit analysis.  
"As ofo starts to wind down select markets, we remain committed to environmental sustainability and will continue to donate ofo bikes in good working condition to local communities and recycle all bikes when they're beyond repair or no longer able to use," ofo North American spokesman Taylor Bennett told China Daily on Tuesday.  
"As we continue to bring bikeshare to communities across the globe, ofo has begun to re-evaluate markets that present obstacles to new, green transit solutions and prioritize growth in viable markets that support alternative transportation and allow us to continue to serve our customers. As a result, we will not be seeking a permit to operate in Dallas, and we thank the city for allowing us to introduce bikeshare to millions of people in Texas."  
Dallas Mayor Mike Rawlings saw it differently.  
"They were disingenuous and didn't want to work with the city to create a more bikeable city," he told Wilonsky. "They wanted to take what they could, and when it didn't work out, throw it in the trash bin."  
Dallas became the third major US city that ofo left in a month - there was Washington DC on July 23 and Chicago on July 9. Mobike also left the US capital, on July 25.  
Ofo cited Chicago's permit terms released on June 29 that limited "wheel-lock" vendors, such as ofo, to 50 bikes, while "lock-to" vendors, ones with docking stations, were able to increase their fleet from 250 to 350.  
Technology is at the core of the dockless bike concept. In ofo's case, customers use their ofo smartphone app to locate nearby bicycles. Each bike has a QR code on the frame, which the customer scans to unlock it.  
But station-free companies have come under increasing pressure, accused of cluttering streets. The dockless bikes also are more susceptible to theft.  
Now it seems the companies are having to pedal off before the regulations catch up to them.

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