

# BICYCLING MEANS BETTER BUSINESS

October 18, 2012

by Jay Walljasper

*Cities across the U.S. discover that good biking attracts great jobs and top talent to their communities.*

“Biking is definitely part of our strategy to attract and retain businesses in order to compete in a mobile world,” says Minneapolis Mayor R.T. Rybak as we glide across the Mississippi river on a bike-and-pedestrian bridge—one of two that

**SHARE** connect downtown to the University of Minnesota. “We want young talent to come here and stay. And good biking is one of the least expensive ways to send that message.”

As we turn onto to a riverside bike path to inspect another span the mayor wants to convert to a bike-ped bridge, he recounts a recent conversation. “I was having dinner with a creative director that a local firm was eager to hire for a key post. He was an American living in Europe, and we spent most of the evening talking about the importance of biking and walking to the life of a city,” Rybak says, smiling. “He took the job.”

Minneapolis has invested heavily in biking—creating a network of off-street trails criss-crossing the city, adding 180 miles of bike lanes to city streets with plans to double that, launching one of the country’s first large-scale bikeshare programs, and creating protected lanes to separate people riding bikes from motor traffic—which is why it lands near the top of all lists ranking America’s best bike cities.

That ratchets up the city’s appeal to businesses in many fields, Rybak says.

“We moved from the suburbs to downtown Minneapolis to allow our employees to take advantage of the area’s many trails and to put the office in a more convenient location for commuting by pedal or foot,” explained Christine Fruechte, CEO of large advertising firm Colle + McVoy, in a newspaper op-ed. “Our employees are healthier, happier and more productive. We are attracting some of the best talents in the industry.”

David A. Wilson, who directs 1,600 employees at the Minneapolis office of the Accenture management consulting company, says good biking opportunities are important to the well-educated 25-35 year-olds he seeks to hire. “Five years ago, I don’t think business people were even thinking about bikes as a part of business. Today it’s definitely part of the discussion.” He notes that Accenture recently relocated their Boston and Washington, D.C. offices from suburbs to the city to offer employees better opportunities for biking, walking and transit.

## A creative generation loses its car keys

Young people today are driving significantly less than previous generations, according to a flurry of recent reports. Even *Motor Trend* magazine notes that young professionals flocking to cities today are less inclined to buy cars and “more likely to spend the money on smartphones, tablets, laptops and \$2,000-plus bikes.” Annual miles traveled by car among all 16- to 34-year olds dropped

23 percent from 2001 to 2009 according to a study from the “Frontier Group” think tank—and that does not even count the past three years of recession and \$4 gallon gas. The Federal Highway Administration found the miles traveled by drivers under 30 dropped from 21 percent to 14 percent of the total between 1995 and 2009.

These young people represent the creative class talent pool that many companies covet. That’s why civic, business and political leaders in cities around the country are paying attention to the next generation’s wishes for lively, livable places to work and play. This means diverse cultural opportunities, plentiful cafes and restaurants, a tolerant social climate, a variety of housing choices and ample transportation options like biking—not only for commuting to work, but also for recreation after work and, in some cases, over the lunch hour.

Richard Florida, the economic forecaster who coined the phrase *creative class*, recently described these sought-after workers in the *Wall Street Journal* as “less interested in owning cars and big houses. They prefer to live in central locations, where they can rent an apartment and use transit or walk or bike to work.”

Florida sees bicycling as critical for thriving cities, which is why he joined New York City’s heated debate last year about the proliferation of bike lanes across the city. “New York has become a haven for creative-class professionals,” he wrote in the *Daily News*, which makes good biking facilities important to the city’s future. He added that biking remains important to workers in creative fields even as they grow older. “When they put their kids in child seats or jogging strollers, traffic-free bike paths become especially important to them.”

Thirty-three executives at New York high-tech companies—including Foursquare, Meetup and Tumblr—also weighed in on biking issues, urging Mayor Bloomberg to “support a bikeshare system as a way to attract and retain the investment and talent for New York City to remain competitive in the fast growing digital media and internet-oriented economy.” Bloomberg agreed, and the bikeshare program begins next March with 7,000 bikes for rent.

## The city that bikes

Chicago Mayor Rahm Emanuel was elected last year on an aggressive platform of bringing new tech and creative businesses to the city. When he scored a major coup this summer with Google-Motorola Mobility’s announcement that it was moving more than 2,000 jobs from a suburban campus to the heart of the city, Emanuel explained, “One of the things that employees look [at] today is the quality of life and quality of transportation because of the ease that comes with it. And that ease is having trains as a choice, buses as a choice and bikes as a choice getting to and from work.”

The City of Chicago’s Chief Technology Officer John Tolva says it’s no coincidence that Google-Motorola Mobility’s new home in the Merchandise Mart is right next to Kinzie Street, the city’s first green lane—where bike lanes are physically separated from rushing traffic to make riders feel safer and more comfortable on the road. This idea of creating protected space for people on bikes, borrowed from Northern European countries where bikes account for 10-30 percent of trips, is now spreading throughout the U.S.

Martha Roskowski, director of the Green Lanes Project, which promotes protected bike lanes across the country, explains, “Cities that want to shine are building these kind of better bike facilities as part of a suite of assets that attract

business. And they find that bike infrastructure is cheap compared to new sports stadiums and lightrail lines, and can be done much faster.”

George Washington University business professor Christopher Leinberger, a leading authority on real estate who predicted the current urban boom in a series of articles for *the Atlantic* magazine, points out “Biking is no longer just a niche for the macho guys. It’s for a lot of people now. Ideally, we should have a 20-25 percent mode shift for bikes in cities. Great urban spaces are all about choices, including in transportation.”

Leinberger marvels at how bicycles are changing Washington, D.C., where he lives. “Bikes have been a critical part of D.C.’s turnaround. They are putting in protected bike lanes which does a lot more to encourage riding than just a white line of paint between people and a one-ton vehicle.”

Ellen Jones, director of Washington’s Downtown Business Improvement District, says, “It’s just crazy how biking has taken off here, especially the new bikeshare system which a lot of people are using for commuting.” We spoke after she returned from an appointment with managers of a high-tech company wanting to rent an old warehouse downtown. “A lot of their employees bike to work and they were concerned about whether they could easily get their bicycles upstairs. When bicycling is part of the final decision on where a company relocates, then we know its impact.”

The boom in biking is also creating opportunities in the real estate sector. Jair Lynch, founder and CEO of a DC real estate development and construction company, declares, “We don’t work in places that aren’t near bike lanes.” Even in the slow economy, \$200 million in new apartments are currently under construction adjacent to the Midtown Greenway in Minneapolis, a bike “freeway” cutting through the south side of the city.

Another benefit businesses see for locating in bike-friendly locations is a break on health insurance costs. QBP, a bike parts distributor in the Minneapolis area employing 600, offered a series of incentives for employees to commute by bike and discovered an unexpected bonus—a 4.4 percent reduction in health care costs, totaling \$170,000 a year. Tracy Pleschourt, partner at Carmichael Lynch, an ad agency in downtown Minneapolis that promotes biking, is excited about the possibilities of the just-launched Zap program, which electronically documents bike trips using on-bike RFID (Radio Frequency Identification) devices and trail-edge sensors. Right now the program offers only gift certificates and discount gear as prizes for frequent biking, but insurers are looking at it as a way to reward health-conscious companies with lots of employees riding bikes.

## **Boosting the business climate beyond big cities & bike meccas**

Bikes are improving the business climate even in cities not ranked as bike capitals or large metropolitan regions. Mayor Lee Leffingwell of Austin, Texas, said, “I certainly recognize the environmental, public health and quality of life benefits that more bicycling can bring our city, but I also value the contribution to the economy that comes with the provision of smart transportation options that attract major employers to Austin.”

Austin is ambitiously expanding its bike infrastructure; its first green lane opened last spring, one of 10 planned for the city. Cirrus Logic, a computer chip company that depends on specially trained engineers, moved to downtown Austin last

summer from an outlying location to become more attractive as an employer, says PR director Bill Schnell. “We can’t just pluck anybody for our jobs. The people we want are mostly younger, and biking is part of the equation for them.”

CEO Tyson Tuttle relocated Silicon Labs, which designs integrated circuits for computers, to downtown Austin five years ago to be close to the city’s bike trail system. It was one of the first of many tech companies that are now in the area. Tuttle, who himself sometimes rides to work, says it was a smart move. “Biking on the trails is something a lot of employees enjoy, and when people think about joining the company it’s a big draw. It also helps with wellness and fitness.”

You might think that Memphis would be the last place in America to believe bikes can take us down the path to prosperity.

In 2008, with not a single bike lane inside the city limits, Memphis was named one of the three “Worst Cities for Cycling in America” by *Bicycling* magazine (alongside Dallas and Miami). That prompted the city to stripe a few lines of bike lanes, but it landed on the three worst cities list again in 2010 (this time joined by Birmingham and Jacksonville). This year *Bicycling* honored Memphis as the most improved city for bicycling. It was also named as one of six cities (along with Portland, Ore., San Francisco, Washington, Chicago and Austin) to receive support from the Bikes Belong Foundation’s Green Lane Project in creating a network of protected bike lanes to serve as best practices for other cities to follow.

What happened?

For one thing Mayor A C Wharton became a champion of biking, announcing, “We believe in the power of bicycle facilities to enhance the health, economy and safety of our community.” He hired a bike-pedestrian coordinator for the city and put plans into motion that led to more than 60 miles of bike lanes.

Memphis business leaders began talking about the importance of biking to city’s future. Shepherd Tate, an attorney at the large Bass, Berry & Sims law firm, puts it plainly: “There’s no question about it. Biking makes a difference in attracting talent.” Eric Matthews, CEO of Launch Memphis and two other initiatives to nurture and attract new businesses, notes, “Biking correlates with entrepreneurs.”

The city, already home to the world famous St. Jude Children’s Research Hospital, is positioning itself to become a center for new biomedical firms. “My job is to convince emerging companies that they can get the workers they want to come here,” says Dr. Steven Bares, president of the Memphis Bioworks Foundation, an initiative to bring emerging health companies to Memphis. “The bike is part of the overall strategy to compete for talent.”

*Jay Walljasper, author of The Great Neighborhood Book and All That We Share: A Field Guide to the Commons, chronicles urban life for a variety of publications. His website: [www.JayWalljasper.com](http://www.JayWalljasper.com) (<http://www.JayWalljasper.com>)*

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