Scooters, Start-Ups, and Stifled Innovation

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Today, if you walk through a number of major cities, you will likely see an electric scooter laying on a nearby sidewalk. These new e-scooters are a part of a recent boom that began in Santa Monica, California. The scooters offer customers a quick and efficient form of travel, similar to that of an Uber and Lyft while also creating less of an environmental impact. The process of acquiring this new efficient form of travel is simple: download the proper application to select the scooter and then leave the scooter at the end of your ride for the next person. Although the process sounds simple enough, the regulations governing the use of these scooters are vast and have become a source of contention between start-ups and city officials.

This contention has been consistent in recent years as many startup businesses have flooded major cities with their new inventions without seeking proper permission from officials and agencies. This has subsequently lead to feelings of frustration amongst city officials, who quickly have to accommodate and regulate these new products.

The city of Portland is seeking to get ahead of this budding issue, and the eventual flooding of e-scooters, by creating a four month pilot program to investigate data regarding their everyday use. This program allows the city to place a limit on the overall number of scooters within the city and create a detailed report regarding usage and injuries. At the conclusion of the program, the city was successfully able to access and research the use of the e-scooters and provide permits to businesses accordingly. Although the permits and limitations allow the city to regulate the e-scooter market, these regulations have begun to limit the agency of start-ups and have reciprocally affected the ability to run a profitable business.

This leads us to question whether it is possible to balance the two competing interests of the businesses and cities alike. In reality, there is a way for both budding tech companies and the cities to reach a combined solution. An effective solution would be to allow for businesses to innovate while maintaining safety and efficiency within the city. This solution would require adequate transparency between both start-up businesses and cities alike. Transparency, along with a similar pilot program used in Portland, would provide tech companies the agency needed to create while also offering the city the necessary information to create regulations that would govern technological innovations. If other cities are successfully able to recreate both the pilot

program and the relationships between e-scooter businesses and city officials in Portland, similar mutual relationships are possible in other cities.