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Silicon Valley Wants to Help You Never Pump Gasoline Again.

- **Mini-marts, safety concerns and plug-in cars present barriers**
- **Facebook, Cisco, PepsiCo sign-ons show capacity for growth**

For Dana Dwyer, an Oracle Corp. employee and mom, a full tank of gasoline at the end of her workday is something she describes with just two words: "It's happiness."

Dwyer spends an hour each morning fighting through 20 miles of Bay Area traffic to get her child to school and herself to work. At night, "making one more stop to the gas station is the last thing I want to do," she said in a telephone interview.

That's music to the ears of Frank Mycroft, the chief executive officer of Booster, and competitor Michael Buhr, the CEO of Filld, startups created to deliver gasoline to customer's cars at work or home. They face obstacles in the form of gas station mini-marts, community safety concerns and the rise of electric cars. But with time-constrained U.S. consumers paying \$255 billion a year for auto fuel, the two Silicon Valley entrepreneurs say they have room to grow, and they're getting the financial backing to prove it.

"This is not just Uber for gas, this is reinventing the entire supply chain," said Mycroft, whose Booster service is used by Dwyer through a contract with Oracle. "We cut out the middleman and deliver gas directly to consumers," trimming costs by buying directly from oil companies.

Booster, which focuses on partnering with large companies, also fills up cars at Facebook Inc. and PepsiCo Inc. facilities. Filld, meanwhile, is more focused on reaching individual consumers, though it has companies including Volvo and Bentley on board as corporate clients. Both fuel-startups are based in Silicon Valley.

Added Financing

On Aug. 1, Booster announced it had secured \$20 million in financing, bringing its total to \$32 million. Investors include Conversion Capital, Stanford University's StartX Fund, BADR Investments, U.S. Venture Inc., Maveron, Madrona Venture Group, Version One, Perot Jain LP, and RRE Ventures, according to the statement.

While Filld has reported less than half that figure, spokeswoman Shateera Israel said the company will soon be announcing additional funding. Its investors include PivotNorth Capital, Javelin Venture Partners, Lightspeed Venture Partners and Lucas Venture Group.

The startups are vying for empty gas tanks at a time when Elon Musk's electric-powered Model 3s are just starting to hit the streets in high volumes, threatening to eliminate the use of gas altogether. Musk predicts more than half of U.S. auto production would be electric in 10 years, though others see the transition coming at a slower pace. Executives at five of the 25 biggest suppliers to automakers in North America have all recently downplayed expectations for electric-vehicle sales.

But that's not the only issue facing the nascent industry, according to Patrick DeHaan, a senior analyst at GasBuddy, a firm that monitors gasoline pricing. "Profit margins are tight from gasoline," he said by telephone. "That's why convenient stores are taking aim at becoming more than just sellers of gas and becoming a grocery store replacement."

Plug-In Timing

Mycroft and Buhr, though, argue that gas station convenience stores aren't always safe. And they're betting it will take years for the plug-ins to make a substantial dent, with 99 percent of all U.S. cars running on that fuel in 2016. In the meantime, both executives said separately said they're preparing their companies in case gasoline does stop being the fuel of choice.

"The way our trucks are designed is to be flexible in terms of what type of fuel is delivered," Buhr said. "It could be electric or hydrogen."

Booster focuses on partnering with large companies and refilling employees' cars while they're at work, which Mycroft said allows them to access greater market density. "This is a perk that people fall in love with," he said.

Since June 2015, Booster has delivered more than 5 million gallons of gasoline to more than 300 campuses, located in the San Francisco Bay area and Dallas-Fort Worth area, according to data supplied by the company. Users identify the location of their car using the company's online app, then receive a message and email receipt when their car is filled up.

Filld, on the other hand, is more geared to individual consumers, according to Buhr. It's also app-based, with consumers asked to submit a license plate number, a location and a delivery window. Users then pay online, and have the option save their information there for future use.

Fuel Anywhere

The average consumer gets gas in their car every seven to eight days, according to Buhr. "We can fuel anywhere," he said, "both residential as well as commercial."

As with Uber, though, innovation is coming faster than regulation can handle.

City fire codes that see driving around in a pickup truck with hundreds of gallons of gasoline as a hazard pose a challenge. For instance, the San Francisco Fire Department hasn't yet approved the use of Filld in the city, according to spokesman Jonathan Baxter. They're awaiting guidelines for the new services from the state.

While some municipalities have held up approvals, Buhr said it's mostly a matter of getting the time to show them the safety net they have in place for their vehicles.

"Thus far, we haven't experienced much pushback, mostly edification," he said. "We are also very proactive, working in advance with local, state and federal regulators around the industry as a whole."

Approval Permit

Approval for Booster's services took a while in Santa Clara, California, according to Fire Chief Bill Kelly. But eventually the city and the company arrived at an agreement that let the fledgling industry operate with a permit in that community.

While both CEOs said they are looking to expand eastward, only Booster now operates outside of the West Coast, serving campuses in Texas as well.

Catherine Wright, a 56-year-old administrative assistant in the San Francisco Bay area, said she was ecstatic the first time she ordered Filld's overnight service and found her gas tank full the next morning. Since she's always running late, Filld has helped her manage her busy schedule and relieved stress, she said.

"This service has been kind of a godsend to me because I know that when I get in the car, it's already been done," she said.

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