

Main Street's new mayor

Khanh Le is putting his small business roots and public policy experience to work for the Main Street Alliance. **PBJ INTERVIEW, 31**



SOLID RESUME

YEARS OF EXPERIENCE

HOT TECH MARKET

STARTUP JOB



Seasoned tech workers are struggling to find jobs in Portland's youth-obsessed

software industry. Steve Terry is one of the lucky few. He recently started an all-commission sales job after being laid off from Oracle. **PAGES 12-14**



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THE LIST

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Latino messaging expert Victoria Lara on how she'd advise Donald Trump 17

TECHFLASH

VC victory in a tough market



Cozy's **Gino Zahnd** raised his first round in five days, his second in seven. We find out why it took six months and multiple term sheets to raise the software maker's Series B. **MALIA SPENCER, 4**

REAL ESTATE INC.

Laboring in a building boom



New projects are rising all over the Portland metro region. But all that growth is squeezing builders and subcontractors, said Hoffman Construction's **Bart Eberwine**. **JON BELL, 5**



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HEALTH CARE INC.

Building better bioscience



With the Portland exit of a promising young company, the pressure is on to nurture the city's small, but growing bioscience cluster. **Erin Flynn** is leading the effort to do just that. **ELIZABETH HAYES, 6**

THREADS & LACES

New season, bigger deals

The nation's highest-profile collegiate football teams are kicking off the season with massive apparel contracts. We look at which schools are winning big and what all that money says about the commercialization of college sports. **MATT KISH, 8**

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STRATEGIES

A comprehensive resource for growing businesses

Pedal Power focused on the road ahead

DUAL-REVENUE STREAMS DELIVER DOUBLE-DIGIT GROWTH

BY PETE DANKO
Contributing writer

Whoever thought a bicycle delivery company could be a brand representative? Jennifer Norberg didn't, not before the creative agency Grady Britton pitched the idea. And even then, she wasn't quite sure what to expect.

But in late July, Norberg, the director of marketing for Women's Healthcare Associates, ventured out to the Sunday Parkways bike ride in Northeast Portland and watched as Portland Pedal Power handed out "Lady Bits Bags" for the provider of obstetric, gynecologic and women's care — bright pink pouches filled with feminine products, nail polish, tea, mints and more.

The verdict: "They were such great ambassadors," Norberg recalled. "Actually, they probably did a better job than we would have done. People were so responsive to them."

Norberg has joined an expanding group of Pedal Power fans. Sales for the company cracked \$1 million last year after more or less doubling each year since the company was founded in 2009, CEO Jenn Dederich said. Except for low-four-figure original investments by the ownership team and a small friends-and-family raise five years ago — since repaid — the growth has been financed through operating profit.

While marketing and branding services is a growing segment, Pedal Power is best known for its food delivery. At the lunch hour on any given day, as many as 10 of those can't-miss-'em Pedal Power boxes are being towed around five square miles of Portland's core.

The continued growth has allowed for new hires in sales, dispatch, general management, catering and technology. It also has the company thinking about expansion to other cities.

With VC-fueled, technology-driven urban food delivery options popping up in Portland and other cities left and right, Portland Pedal Power is banking on its unique dual revenue stream and a human touch to survive and grow.

'Figuring out the algorithm'

Founder Ken Wetherell planted the seed for Pedal Power, back in 2007, as a way for People's Food Co-op in Southeast Portland to grow without expanding its footprint. That failed miserably; co-op types were inclined to ride their own bikes to the store to fetch groceries, not have somebody do the delivery for them.

But Wetherell, a tech marketing veteran, had fallen in love with the idea of sustainable delivery paired with rolling advertising serving



CATHY CHENEY

Portland Pedal Power is fueled by an unusual combination of the service industry — its actual deliveries — and the creative media world, in which clients advertise on the company's bikes-turned-billboards.

► CLOSER LOOK

The company: Portland Pedal Power

The business: Bicycle food delivery service and business promotion company

Senior executives: Founder Ken Wetherell, CEO Jenn Dederich

Headquarters: Portland

Founded: 2009

Revenue: \$1 million in 2015

No. of bikes: 14

local companies. He put an ad on Bike Portland and eventually found partners, including one who didn't keep her day job: Dederich, a county transportation planner looking to do something new.

They spent the early years, when there were just a couple of riders, "figuring out the algorithm," Dederich said: getting food, rider and client all lined up for a successful interaction. They wanted to focus on food carts, but then realized many weren't open consistently. They pushed and pushed to get agencies to see their marketing potential. They learned to keep deodorant on hand at the office.

Wetherell designed the company's "Pyxis" trailers, the vaguely egg-shaped enclosures where the cargo is stowed,

with advertising in mind, maximizing messaging space.

Today, the non-delivery parts of Pedal Power's business make up 15 percent to 20 percent of revenue, but "compared to delivery, the margin is massive, so that's where the real growth will come from," Wetherell said.

Crowded streets

While Pedal Power has an established reputation and a loyal and growing customer base, new delivery entrants are rolling in, including deep-pocketed competitors that use independent contractors for fulfillment, in Uber fashion — AmazonFresh, Postmates and Caviar among them. UberEats is itself looming.

Their arrival, however, has only strengthened Pedal Power's belief that there's a place for an employee-based company that does more than delivery — and kills at delivery.

"It's about becoming the best friend of that harried admin who forgot to order lunch for fifty people," Dederich said. "They can call us and everything will be taken care of with that one call, even if it means we have to make four calls."

Pedal Power can do that, she said, because they've invested in knowing

their vendors, sampling the fare, knowing what can be produced quickly, what can't. And they literally do answer the phone.

"So we're going to bring you the best the local area has to offer," Dederich went on. "And the gluten free meal will really be gluten free. The vegan meal will be vegan. It will be on time. We'll be friendly, knowledgeable and helpful. That's what we're about, and I don't think anybody else in delivery is."

Certainly nobody else in delivery pursues advertising and brand representation the way Pedal Power does.

Dederich and her fellow owners believe the stage is set for more bikes, toting more food, promoting more brands — in Portland and beyond. They say new cities will happen, though they don't know when. They say they've been approached by potential investors, but are willing to wait for just the right fit.

"We're really set on growing in a way that's sustainable," Dederich said. "That means based on actual numbers, actual profits. And if we get the right partner that's interested in us as a mission-based company and believes in us, then yes, we will take investment, and yes, we will ramp fast."