By Washington Post

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Uber buys Jump Bikes and enters the electric bike sharing business

Uber is set to take over Jump Bikes, a bike sharing startup offering electric bicycles that don't have to be returned to any specific location. (Josh Edelson / AFP/Getty Images)

Ride-hailing giant Uber is buying the electric-bike startup Jump Bikes, adding bike sharing to its transportation options.

Uber Chief Executive Dara Khosrowshahi announced Monday that his company had reached a deal to acquire Jump, which operates dockless bike-sharing services in San Francisco and the District of Columbia.

The terms of the agreement were not disclosed. TechCrunch reported last week that the sale could exceed $100 million.

"We're committed to bringing together multiple modes of transportation within the Uber app — so that you can choose the fastest or most affordable way to get where you're going, whether that's in an Uber, on a bike, on the subway, or more," Khosrowshahi said in a blog post.

The deal comes a few months after Uber launched a pilot program to integrate Jump services into the Uber app in San Francisco. The pilot, which enables people to find and reserve the bikes through the Uber app, is "off to a very strong start," Khosrowshahi said.

Uber's move to acquire Jump signals the company's willingness to continue to expand its reach beyond its core ride-hailing services. Uber has been working to partner with fixed transit systems and pursuing autonomous vehicle ventures, food delivery services and now bike sharing.

Both Uber and Jump say the goal is to offer multiple modes of transportation within the Uber app, to give users options to fast and affordable transportation and make it easier to live without owning a car.

"We're excited to begin our next chapter and to play a significant part in the transition of Uber to a multi-modal platform," Jump Bikes founder and Chief Executive Ryan Rzepecki said in blog post Monday. "Joining Uber presents us with the opportunity to realize our dreams faster and at a much larger scale."

The Jump brand will continue as part of the Uber family, Rzepecki said.

The neon red bikes available for rent in the nation's capital and the Bay Area are part of a growing market for dockless bike sharing. Dockless bike share companies are expanding across the U.S., giving riders the freedom to locate GPS-tracked bikes through apps, unlock them and ride them from wherever the last user left them.

In Washington, Jump is one of five dockless bike operators. It has deployed about 200 bicycles in the city and has become one of the most popular bike services, with each bike averaging 3.5 trips daily and 11 miles per day, according to a company spokeswoman.

The bikes feature an electric motor in the front wheel and a battery concealed in the frame. Unlike other dockless systems, which can be left wherever there's sidewalk space, Jump bikes must be locked to a bike rack with an integrated U-lock that is held magnetically to the frame. It costs $2 for 30 minutes of ride time.