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**THE FALL AND RISE
OF GERALD RONSON**

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BUSINESS

Electric bikes outrun white van man

GREEN PIONEERS

Gnewt goes the final mile to ease city centre pollution and jams, writes Sarah Butler

SAM CLARKE was struggling to sell electric scooters to commuters over the internet. Having travelled extensively in China, where the scooters are common, Clarke thought the British would enjoy the cheap and green form of transport too.

Back home, however, commuters proved hard to convince and, as the credit crunch hit, business was tough. Each container-load of scooters he imported seemed riskier and less financially rewarding, and he began to consider whether it might be better to use them for some kind of service, rather than trying to sell them.

Meanwhile, Matt Linnecar had spent two years working for Bank of New York Mellon but was tiring of the City and looking for green projects to invest in.

He thought electric vehicles were the future and, while researching on the internet, came across one of Clarke's scooters. He got in touch and the pair found they were the same age, 27, and lived near to each other.

They hit it off and in November 2009 launched Gnewt Cargo, a delivery service run entirely with electric vehicles. It is a green alternative for companies that want to deliver lots of small parcels in central London.

Most of the deliveries are made on electric rickshaws that can weave through the traffic jams. After starting small from a base on the City fringe, Gnewt is preparing to open three more depots across London.

Start-up funding came from two angel investors whom Linnecar met through a friend.

Gnewt handles about 1,000 parcels a day from its Tower Hill base. "We are trying to pinpoint clients who are consistently bringing vehicles into busy areas where we could do the last mile," said Clarke. The biggest client is Office Depot, the stationery company. Others include TM Lewin, the shirtmaker.

An independent study by Westminster University found Gnewt cut carbon dioxide emissions by 62% for every



Matt Linnecar, left, and Sam Clarke deliver by electric-powered bikes and vans

Office Depot parcel it delivered. The "cargocycles" have large covered trailers and an electric motor that helps the riders to pull loads of up to 180kg. "Riders still pedal but they are assisted so they can do more than if they were just using their legs," said Clarke.

The bikes are not liable for the congestion charge and take up less space than cars on the road. After a rider returns to the depot, he can go out on another cargocycle while the first one is recharged.

The bikes are manufactured in France and have been adapted by Gnewt to meet UK standards, a process that took nearly a year of negotiations with six regulatory bodies.

For bigger and heavier loads,

the company provides the petite Axiam Mega van, which also runs on electricity.

Gnewt has teamed up with the Crown Estate for a pilot scheme making deliveries up and down Regent Street. The aim is to reduce congestion in one of the West End's busiest areas.

As well as delivering Office Depot orders, the firm is in talks to supply water cooler bottles, groceries and even newspapers from a mini-depot off Regent Street provided by the Crown Estate.

"Regular deliveries going in and out of Regent Street every day can easily be consolidated with a service like ours," said Clarke.

Last month Gnewt launched

another pilot project with Better Bankside to improve the environment and business opportunities on the south side of the Thames, near the Tate Modern gallery.

"Last year we weren't really seeking new business because we wanted to prove the model. Now we have two angles of expansion — to tackle the rest of London delivering for Office Depot and our existing clients, and adding additional clients to the mix," Clarke said.

TRIAL RUN ▶▶

Athletes test Olympic hydrogen-fuelled cabs

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