

NATIONAL LEADER IN PRIVATE STUDENT HOUSING TAPS TRANSPAR FOR TRANSPORTATION & LOGISTICS EXPERTISE TO MEET STUDENT DEMAND

When The Scion Group, the largest privately-held owner/operator of college and university student housing communities in the U.S., decided to turn their shuttle services over to transportation experts, they partnered with TransPar. This case study shares highlights from the fast-paced start-up and ongoing expansion.

THE CHALLENGE: SEAMLESSLY OUTSOURCE CAMPUS SHUTTLE SERVICES TO FOCUS ON PROPERTY MANAGEMENT

After nearly 20 years, 90 properties and close to 61,000 bedrooms under management, The Scion Group's expertise in the student-housing sector is well established. From offices in Chicago, Dallas, Irvine and Toronto, Scion experts combine decades of experience in virtually all aspects of the sector – residential life administration, real estate finance, program and asset management, plus practical knowledge from the acquisition, development and management of student housing. Scion Communities offer convenience, quality, value and respect to student residents in an independent environment that supports educational pursuits and social interaction.

Offering reliable transportation was a value-added amenity that Scion soon realized was vastly different than property management. They needed experts.

In the spring of 2017, after identifying a dozen properties that lacked reliable shuttle services, Scion began to search for a transportation partner. At that time, the company relied on various forms of public transportation, university-run shuttles and a fleet of their own shuttle buses depending on what was available at any of the 57 campuses it serves. This approach "was not ideal for a variety of reasons," according to Scion's Vice President of Legal Affairs, Michael Weaver.

"Because of the nature of what we buy, our properties tend to be on the periphery of campus locations; that's where they're built and developed," said Weaver. "There's almost always a need for some kind of transportation to get students from place to place. Many college students don't have cars, and even if they do, they don't want to pay for parking on campus. So, there's a real demand for reliable transportation."



Bryan Curley, Scion's Vice President of Operations, said the company decided to get out of the transportation side of the business for several reasons. "Offering transportation services is very different than managing real estate; it's not our principal business or core competency. We decided we needed to partner with someone who could handle our growing transportation needs. We had equipment in place, but needed a specialized firm to manage hiring and training drivers, shuttle maintenance, monitoring, scheduling and other aspects of providing shuttle services."

The objective was to have a partner in place and ready to begin managing operations at select off-campus properties by the start of the 2017-18 school year. That gave Scion only six months to find a partner who could provide transportation services for at least 12 hours a day, 5 to 7 days a week, at campuses spread across the United States.

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- Bryan Curley, Vice President of Operations, The Scion Group

THE SOLUTION: FIND A PARTNER WITH A COMPREHENSIVE SOLUTION & LIGHTNING SPEED

An online search for national transportation service providers ultimately led them to TransPar, a coast-to-coast provider with the right combination of transportation expertise, geographic scope and experience in short-term start-ups. Moreover, TransPar is a member of the TransPar Group of Companies, a partnership of three leading organizations from across the transportation industry that offers a diverse portfolio of products and services, which represent the most comprehensive and responsible platform of services in the industry.

Scion contracted with TransPar in the summer of 2017 to handle shuttle management, staffing and operations at 13 properties.

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From July to early August, TransPar visited eight different cities to recruit, hire and train drivers, inspect vehicles, perform needed maintenance, and then market the shuttle service to residents. TransPar located new vehicles for purchase and analyzed the existing routes for safety and efficiency. By the time college classes resumed, TransPar's student transportation service was fully operational in all 13 properties.



In TransPar, Scion found a partner with a platform of services that could serve their immediate needs, as well as position them for additional savings and efficiencies in the areas of route optimization, fleet management and acquisition, safety and training.

“To a large extent, we were playing from behind prior to bringing TransPar onboard, because we didn’t fully understand how many challenges we were facing,” Weaver said. “We have just begun to leverage TransPar’s experience and partnerships in managing shuttle service costs. They hooked us up with a great company, Transportation Services Company (TSC), which is helping us to manage and control the fuel and maintenance costs of our vehicles.”

Not long after smooth start-ups across all campuses, TransPar made an additional move to enhance the rider experience. They introduced the industry-leading SafeStop™ bus tracking app to enhance service delivery. By the end of September 2017, the app was up and running on all of the Scion properties served by TransPar.

“SafeStop is a new standard offering for our college students,” said Weaver. “Every student on a Scion property can access the SafeStop app, which allows him or her to track where the shuttle is and when it’s expected to arrive. Anything we can do to improve the student experience and make it easier to get back and forth to school is what we want to do.

“TransPar’s willingness to take on what was, by any standard, a daunting task and do it in a very tight time line really set them apart. I highly value the overall professionalism they bring to the job, as well as their responsiveness; there’s never a situation in which I can’t get hold of somebody. Whenever we need something, they’re always right there for us,” Weaver said.

Curley agrees. “I love TransPar because we have thrown them several curve balls and they never back down from a challenge. I give them big kudos for that.”

One case in point took place during the December school break. In late December 2017, Scion acquired a portfolio of 22 properties, eight of which required shuttle service, including three properties which needed service immediately. While TransPar knew of the planned acquisition, they could not go on-site to assess equipment, hire and train drivers, or evaluate and establish new routes until the property transaction was complete. Over the Christmas holiday, TransPar finalized shuttle operations for all eight properties in seven new states. They also acquired eight new shuttles, one for the Wyoming property, and some to replace outdated equipment on other properties.

THE RESULT: ADDED VALUE & A COMPETITIVE EDGE

As demand for off-campus student transportation rises, Scion continues to turn its TransPar-provided shuttle service into a competitive advantage.

“When our transportation service is run well, like TransPar is doing, it sets us apart from the competition,” Weaver explained. “Some of our competitors don’t have it, or are doing a second-rate job providing it. This puts Scion’s properties in a positive light and a very favorable competitive position.”

When Scion talks to prospective residents about amenities, the company highlights its shuttle services as one of its key resident perks. In essence, Scion is selling a lifestyle and an experience for residents that go beyond a fitness center, resident lounge, study area and cyber café.

“No matter what facet of our amenity package you touch, including our shuttle service, everything has to enhance the resident experience,” said Curley. “We needed to partner with a firm that understands how important that is. And TransPar does.”

Curley pointed out that TransPar drivers “spend more time with our residents than we do.”

“Residents may come into the office to pay rent once a month, but they ride the shuttles every single day,” said Curley. “When residents are looking for a reason to stay at one of our properties, and they think about the interactions they have with our staff, they’re going to think about the shuttle service. They’ll think about the professionalism of our drivers and the quality of the shuttles. That’s the added value.”

The Scion Group continues to benefit from the synergies created by TransPar’s partners. The new methodologies TransPar introduced to Scion have enabled the company to consolidate routes to operate more efficiently and cost-effectively. The advisory and route optimization services, offered by TransPar partner School Bus Consultants, for example, allowed Scion to reduce the number of vehicles, and therefore drivers, on some routes resulting in significant savings.

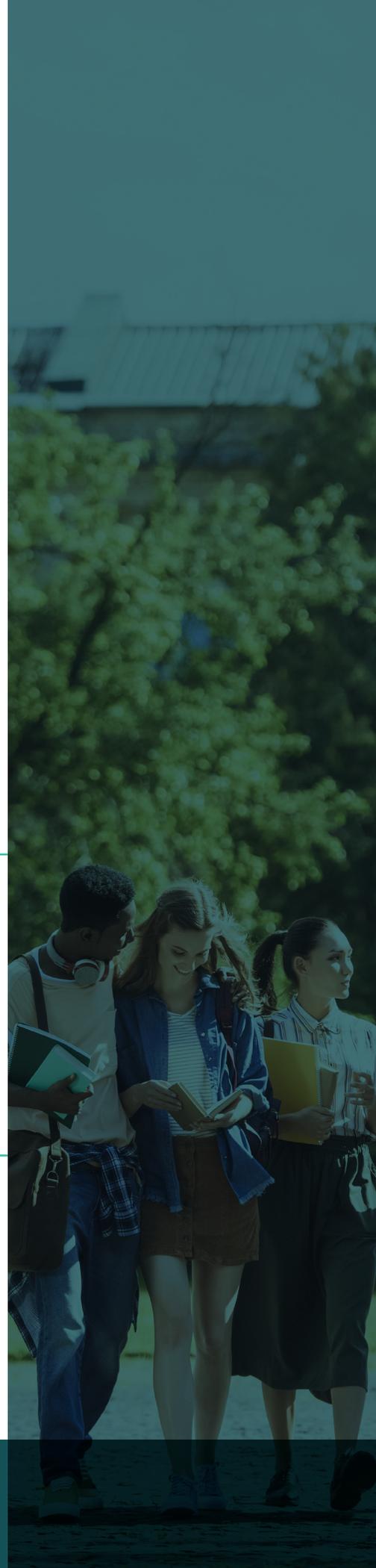
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WHAT’S NEXT?

This year, TransPar partner TSC will evaluate the entire Scion fleet with an eye toward further route consolidation and vehicle replacement requirements.

Weaver said that, in the past, the high cost of acquisition prevented Scion from considering large-scale fleet replacements. “TransPar showed us how we could finance them similar to an automobile lease,” he said.



As a result, Scion will spend much less money upfront, and transport students in new vehicles that are more efficient, more appealing and require less maintenance.

“Over time, TransPar has improved shuttle operations in every property they’ve touched,” Weaver added. “As our property portfolio continues to expand, our need for service will continue to expand as well. As our pre-existing shuttle contracts continue to expire, we plan to turn many more of our shuttle operations over to TransPar.”

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TransPar is a proud partner with the TransPar Group of Companies, a partnership of three leading organizations from across the school transportation industry: TransPar for Management and Staffing Services, School Bus Consultants for Advisory Services, and Transportation Services Co. for Fleet Management and Acquisition Services. These companies offer a diverse portfolio of products and services representing the most comprehensive solutions in the business. And all of this is done with keeping students safe and improving cost and quality of school transportation operations. So no matter the needs, the TransPar Group of Companies is the all-inclusive solution to creating a successful, reliable, and profitable student transportation program.