HONK

Parking Payments | Toronto, ON | Founded: 2013 | Employees: 11 | https://www.honkmobile.com/

EMAIL: info@honkmobile.com
WIKIPEDIA: N/A
BLOOMBERG: https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=312686619
LINKEDIN: https://www.linkedin.com/company/honk-mobile/

COMPANY OVERVIEW

Honk Mobile Inc. (HonkMobile) is an app-based service that allows users to digitally pay for parking on their mobile devices (or online) in eligible urban parking spaces. Users simply search for parking spaces near their location, pull into a spot of their choice, and pay with a few simple clicks on their mobile device. They can also reserve spots and extend parking times using the app. HonkMobile currently operates in most major cities and towns in Canada. In the USA, they operate in Buffalo and Milwaukee.

SENIOR MANAGEMENT

Michael Back: Founder & CEO, HonkMobile. Previously: Senior Vice President, Elavon, Inc. (2013); Founder & CEO, Collective Point of Sale Solutions (2000-2013); Director, Playdium Entertainment Corporation (1995-1999). Education: MBA, York University (1995); BA (Economics), Western University (1993).

Tony La: Chief Technology Officer, HonkMobile. Owner, Digital Alchemy Consulting (2013-Present). Previously: Software Developer, Pingg (2008-2013); Software Development Engineer in Test, Microsoft (2006-2007); Software Development Engineer in Test, ATI (2004-2005). Education: BSc (Computer Science, Electrical Engineering), University of Toronto (2006).

HISTORY

Michael Back was frustrated with the parking industry. The experience was hardly ideal: trying to find a parking lot and rummaging through his pockets for coins, only to find machines that often don't work. In 2013, he founded HonkMobile to be the solution to this problem. Shortly after, he appeared on Dragon's Den, securing offers from 4 out of 5 dragons. The company quickly expanded throughout the Ontario market, focusing on urban centers and university campuses. In 2018, the company announced its expansion into the airport parking market.

FUNDING

As of October 29th, 2014, Michael Back stated he'd invested $200,000 of his own money into HonkMobile.[1] On October 2nd, 2014, HonkMobile secured $3-million in seed funding in a round led by Impression Ventures.[2] No other funding has been publicly disclosed.

KEY CORPORATE DEVELOPMENTS

Press releases: https://www.honkmobile.com/press/
October 29th, 2014   Honk pitches on Dragon's Den.
July 5th, 2017   Honk announcers partnership with Zipcar.
August 2nd, 2017   Honk announces Apply Pay compatibility.
August 23rd, 2018   Honk expands to airport parking market.

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[1] https://www.cbc.ca/dragonsden/pitches/honkmobile
[2] http://www.finsmes.com/2015/10/honkmobile-secures-3m-in-seed-funding.html

BUSINESS HIGHLIGHTS

STRATEGY

While HonkMobile's app is targeted at anyone looking to park their vehicles, the company considers the *operators* of the paid parking lot to be their customers. Paid parking operators can be broadly segmented into private operators, hospitals, airports, universities, among other segments. In selling their product to parking operators, HonkMobile collects a fee for each transaction. The company's value proposition is twofold. To the end users, the company offers a more convenient and secure experience. To their customers, HonkMobile offers significant cost savings; they no longer have to invest in machines, attendants, and other physical infrastructure.[3]

PRODUCTS / PRICING

HonkMobile collects a fee for each transaction (i.e. parking event) that occurs on its system. Generally, the fee will be around $0.25 per transaction; however, because the company customizes most of its product plans depending on the size and needs of the customer, pricing can vary accordingly.[4]

TECHNOLOGY

HonkMobile's technology specifications have not been released to the public. In general, it acts as the core payment infrastructure for all transactions. It is directly linked to credit card providers and directly deposits payment into customer (parking operator) accounts.[5]

DISTRIBUTION / LOGISTICS

Most of HonkMobile's logistical obligations come while setting up customers (parking operators). Company personnel need to manually enter customer information into their system, indicating the rates, rules, and features that have been agreed upon. After the account has been set up on the customer's end, the service is automated for all app users.[6]

MARKETING

HonkMobile relies heavily on social media advertising. The company leverages Facebook and Twitter, among other digital advertising streams. They have invested in search engine optimization (SEO) and search engine marketing (SEM). The company has been known to advertise in community/university newspapers. They occasionally hand out promotional materials and post in person at events and/or crowded locations.[7]

COMPETITORS

HonkMobile has three main competitors:
- **ParkMobile** is a mobile (and online) parking payment provider with over 1,000,000 parking spots across 250 cities in North America. The app allows users to bay for both on-street and off-street parking and has contracts with major stadiums and venues across the continent.
- **PayByPhone** is a mobile (and online) parking payment provider owned by Volkswagen Financial Services AG. The company has a more limited presence in Canada, but also operates in the USA, the UK, Australia, and France. PayByPhone also allows users to call from their phones to pay for parking.
- **Passport** is an enterprise software platform used by cities, communities, and transit agencies across 450 cities worldwide. The platform offers many different products associated with facilitating the transportation industry, including: parking payment, parking permits, enforcement support, ticketing, tolling, and back-end reporting.

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[3] Employee Interview: October 15th, 2018.
[4] Ibid.
[5] Ibid.
[6] Ibid.
[7] Ibid.