

We need to talk ... about parking

More specifically, we need to talk about the future of parking structures as it relates to the potential impact on the precast/prestressed concrete industry—and our response as PCI.

A friend of mine who is a fellow trade-association CEO has a wonderful presentation called “Who’s Your Uber?” The presentation is designed to challenge leaders to think about what game-changing technology could completely disrupt their industry the way Uber has disrupted the taxi industry. The thought-provoking example he uses is self-driving cars.


Estimates of the impact of self-driving cars on the auto industry 10 to 15 years from now range as high as a 50% drop in U.S. demand from auto manufacturers (about 7 million vehicles per year). He presents that the impact of a drop of this magnitude ripples through nearly 20 related industry groups that would be severely negatively affected. After the presentation, I told him to add the precast/prestressed concrete industry to the list. That many fewer cars need that many fewer places to park.

As members of the industry know, parking structures make up a significant portion of the prestressed concrete industry, accounting for nearly 40% of member reported sales in 2015. A 50% drop in parking structures would wipe out about one-fifth of the entire industry’s sales. In my visits to many PCI members, I’ve had the opportunity to discuss this disturbing trend and what we might do about it.

I used to think we had at least 10 years to figure this out while driverless cars were being developed. I was wrong. Do you know who *our* Uber is? Uber!

A recent article in the *Wall Street Journal* showcased a large urban apartment project that had no parking included. The architect stated that it was banking on the growing trend for urban dwellers to use ride-sharing services to get around, and the savings of not having to include a parking structure could be passed along in the form of lower rent. Alarming to say the least.

Another discussion we’re hearing is the conversion of parking structures to some other use 30 to 40 years after initial construction. Could automated systems in parking structures allow flat floors that could later be converted to office or living space? Does the industry need to look at developing precast/prestressed concrete flat plate systems that would make that conversion easier?

To start looking for answers, I believe PCI needs to host a parking summit in 2017 to bring members together with parking-industry experts to examine the future of this significant precast concrete market. If you depend on parking structures as part of your business, the time to talk is now. 

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