



WOULD  
YOU SHARE YOUR  
LUXURY

GAME CHANGER

**CAR**

WITH A STRANGER?



INTERNET CONNECTION REQUIRED

If you could earn money sharing your car while you're at work, out for the evening, on vacation, driving one of your other cars, would you do it? Oh, and, there's no risk because the insurance coverage is paid for by the renter!

**Y**ou could rent by the hour, day, or week with cars ranging from a Toyota Prius to a Tesla Roadster. Full liability, collision, and comprehensive insurance is included. Signup to use the service is free and you'll get approved to rent instantly. You can rent for as little as \$5 an hour or \$50 a day, depending on the car you choose.

Jessica Scorpio, one of the co-founders of [Getaround](#), a GameChanger in the transportation industry is certain that you will. Her four-year-old, multi-million dollar company has

made car sharing as easy as downloading a mobile App or logging onto their website from any device. Beyond their breakthrough technology, Getaround is an excellent example of what it means to build a business that is purpose driven: people, profit and planet.

**G**etaround is a social marketplace for people to share cars. "We are basically solving the problem of car over-population. There are over a billion cars on the planet that sit idle 92% of the time. And cars are people's second largest household expense and the biggest source of greenhouse gas emissions," explains an enthused Jessica Scorpio.

"We are really focused on empowering people to car share everywhere. So in expanding this company we have taken a very purpose-driven and long-term approach. We started small in several markets...connecting people who need access to cars with people who have cars, enabling more people to live car-free. And for people who share their cars on Getaround, they can earn \$500 or more a month, which can basically pay for their car," she adds. "In San Francisco for example, parking can cost \$300-400 dollars per month, plus all the other costs of car ownership."

# Born at Singularity University

This isn't the first venture for Jessica and her co-founders, Sam Zaid and Elliot Kroo.

They met a few years ago and helped to launch a previous company. They were both invited to attend the inaugural Graduate Studies program Singularity University ([featured in the cover of our October 2013 issue](#)), based in Silicon Valley.



The program focused on young leaders, entrepreneurs and technologists, teaching them about accelerating technology and challenging them to positively impact the world. Larry Page of Google challenged them to come up with an idea that would impact 1 billion people in ten years.

“We kept coming back to transportation because it's such a key part of people's lives,” recalls Jessica. “We built cars and then we built roads and we built more roads and we thought, oh shoot! We have a congestion problem, a parking problem. And we looked down the road and we saw that cars are actually getting smarter and you imagine 20 or 30 years from now cars will be able to drive themselves. And when that's the case you won't really need one car, one driver,” they reasoned.

“Basically we looked at accelerating that and playing off the trend of more people living in cities. Choosing not to own a car or live car-free. We provide the best solution out there – it is cost effective, there are no membership fees, it's free to join and you can get really great cars right on your block, in your building even,” she states with zeal.

**GIVING BACK**

# What it took to go from Idea to Reality

There are a few key enablers that make this the right time for Getaround. One is the smart phone and app technology, as well as social networks, people being more connected makes people more willing and able to share. Two other key enablers when Scorpio and her partners were getting started were people's interest in protecting the environment. She believes people are always interested in that, and another factor was the economic down-turn.

The technology is a key enabler. Insurance is the other key component, and

could have been the deal-breaker that stopped them before they began.

Jessica explained that this is a pretty difficult business to start because you have to build hardware technology, web and mobile and then you have to deal with legislation, regulation and insurance companies. The challenge was getting an insurance partner who could provide the insurance coverage for this service.

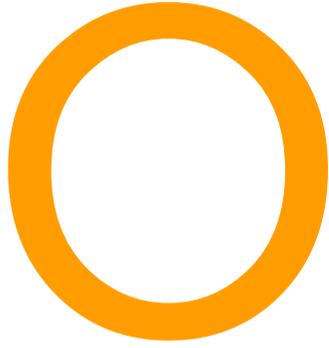
In general, insurers liked the idea but thought it was too new. People said, "You know I love this idea but come back to me with data that show this is OK for the car owner, that this isn't really any different than driving your

own personal car."

The game changed dramatically when the State of California determined that it was legal for people to rent their cars to other people. They spelled out how the insurance component would work; when you have your own car and you're driving it, that's your insurance coverage. When you're sharing it through Getaround, their insurance covers everything. So Getaround is primary during the rental period and the car owner's insurance won't be impacted.

Even so, "We worked really hard for over a year to get Berkshire Hathaway to partner with us," says Jessica. Berkshire was very smart and seemed and the relationship seemed to have real potential. We were very fortunate to get such a great company to partner with us."

## GIVING BACK



nce  
Berkshire  
Hathaway  
was on  
board, “We  
launched  
at Tech

Crunch. Which was an amazing world stage to launch from and we ended up winning it and garnering a lot of press attention, sign-ups from all over the place, a lot of general interest to bring us international from pretty much every country, everywhere,” Jessica says with excitement.

That was in May, 2011 and since then they’ve rolled out

in five cities, San Francisco, Austin, Portland, San Diego and Chicago. For the past year they have been very focused on a new product experience called Instant, which is being tested in San Francisco and is showing a lot of growth potential. It is more of an on-demand experience where you can literally open the app on your iPhone, rent any car that’s available and unlock it with your phone. They’ll be rolling out an Android app very soon. The website site works on any smart phone and any browser so you can easily use it wherever you have an Internet connection.

Instant is really convenient for both renters and owners because they don’t have to meet up to exchange keys. That allows renters to rent more often. With Instant, any time of day you’re not using your car it can be shared. And car owners can make three to five times more each month.

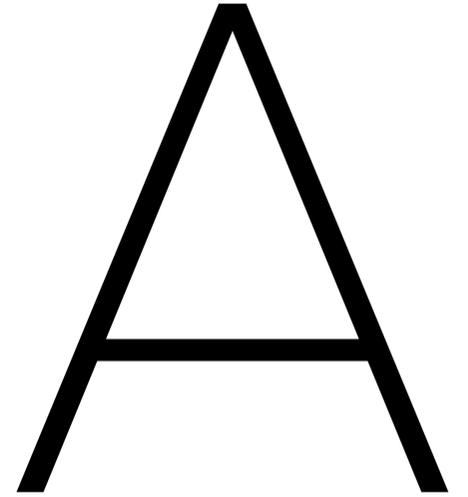


# No Shoe-string Start-up Here

Jessica and her business partner needed investors to get started. Launching at and winning Tech Crunch opened doors to angel investors. They received some seed capital to get started and for the first few months they didn't take salaries so they could be as lean as possible.

Initially, a lot of people told them this would never work; this idea is not going to cash in. Then there were the supporters, people who believed in them, the idea, and its importance. They saw the need for it in the world and put their money and expertise into helping them become viable. One of their investors, Shervin Pishevar, says he came on board because, "...he was blown away by the team and by the vision. They've basically taken an illiquid marketplace that was ripe for disruption — car rentals — and made it liquid by enabling virtually anyone to participate."

So far, investors have put more than \$17 million into Getaround.



Among their investors are Menlo Ventures, with managing director Shervin Pishevar joining the company's board; Yahoo CEO Marissa Mayer, A-Grade Investments, and Eric Schmidt's Innovation Endeavors, as well as Collaborative Fund, SOSventures' Sean O'Sullivan, Correlation Ventures, HotelTonight CEO Sam Shank, Yammer CEO David Sacks, Saba Software CEO Bobby Yazdani, Hoteles.com founder Matias de Tezanos, Clarity.fm founder Dan Martell, .CO CEO Juan Diego Calle, Netflix founder Marc Randolph, Powerset founder Barney Pell, WordPress' Matt Mullenweg, Redpoint Ventures, General Catalyst, and Crunchfund.



# Listing a Car

In general the cars listed on Getaround are relatively new, 2003 or newer, with under 100,000 miles. People are sharing luxury vehicles. You can rent a Tesla, BMW's, Porsches. The people who are renting prefer newer cars and really cool luxury cars. You can easily and quickly

sign up to list a car on the Getaround website. You will need to be able to login using Facebook. It takes about a minute or two. You would need your license plate and VIN. Then you set a calendar and people can start requesting your car. If Instant is available, you can request to go Instant. Then Getaround would install a Carkit for you

which enables the Instant customer experience. The Carkit has GPS technology to track usage and provide security protection for the cars. It also allows Getaround renters to unlock cars through a mobile app. When you bring your car in for the Carkit, a professional photo is taken of it so they can curate the experience a bit more.



# G

etaround has made some very advantageous parking deals. They have a partnership with the Cities of Portland and San Francisco, for example, where they get access to parking all over the city. That can help you have an easier time sharing.

One happy customer, who also happens to be an investor, initially listed two of his cars on Getaround, his Prius and Porsche Cayenne. He made \$2,000 from rentals within the first few months. He then put his Fisker Karma on as well, making it the first to be rented. If you live in San Francisco or visit, you could even rent it yourself.

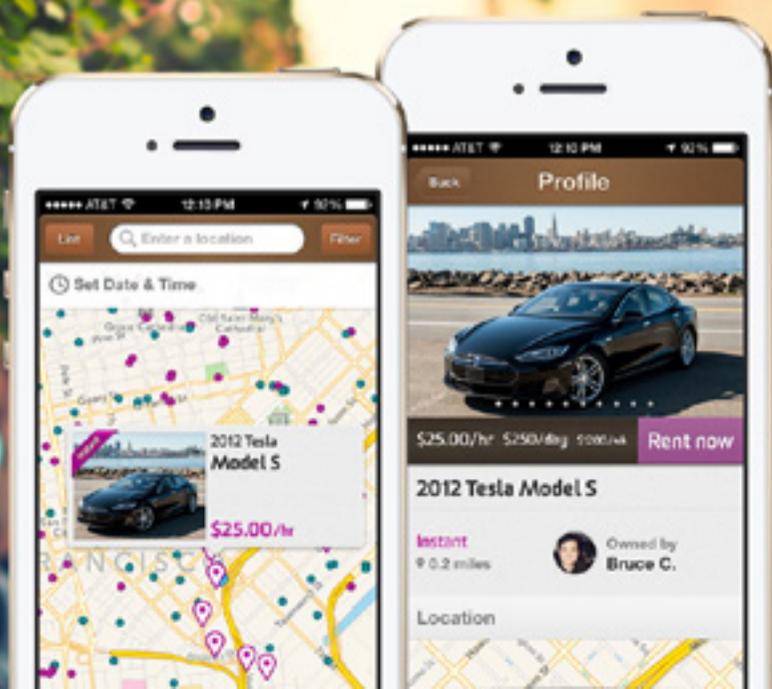
There are over 25,000 cars signed up on Getaround just in the U.S. A lot of those are on a waiting list, because they're not in that city yet. Right now, they have hundreds to thousands of cars in each of their active markets.

**“We have lots of happy customers in each market who are using it. With Instant, in San Francisco, we are seeing huge growth on a month-to-month basis and a year-to-year basis,” says Jessica.**

## Renting a Car

It's so easy to rent a car. Just go to the website and sign up. Then get the app on your iPhone. You can search based on your location and then you can filter for different price points, or an SUV or convertible. Usually people are renting within a five-minute walk from their house. In San Francisco you can rent for as little as \$50 per day. In Portland, you can rent for as little as \$5 an hour and that includes insurance.

Getaround has about 400 cars in Portland and a big majority of those have a Getaround CarKit installed. You can't quite be Instant yet, but you can request that people accept from their phone and then you can unlock the car with your phone.



**GIVING BACK**

# Is this Company Built to Last or to be Sold?

“We’re doing something pretty difficult. We got it to work and we’re growing it and there is a potential partner for it somewhere in the future. Our focus at the moment is just seeing how far we can take it on our own. And we’ve been successful with that so far. Our earnings are in the millions in just two years of doing business,” she says with a smile.

“I’m now getting a paycheck, we have 25 people on the payroll, and we have about 15 remote Happy Customer Agents. We do 24-7 customer support. We have a quickly growing team supporting all of our active users.”

“We absolutely do have national and international visions. We’re being smart with our capital. We have been scaling it really slowly so that we can get it right and get lots of positive feedback from our users and get referrals and things like that. Our goal is to be a world class transportation company that’s providing Getaround service

internationally,” she explains.

**E**ver the visionary, Jessica can see technology developing in the not-to-distant future where they won’t have to alter a car at all. For example with the Tesla Roadster, Tesla Model S, they don’t need to install the Getaround CarKit. She predicts that we will see a lot of car manufacturers deciding which apps they want to have on their car and many of them may choose to set it up in a way where they can do what they need to do and that will be another key enabler.

“Right now we’re working on the 300 million cars in the U.S. that aren’t smart and then sometime in the near future, cars will come off the lot with the potential to automatically have them on Getaround,” she says.

## Lessons Learned

Jessica had an immediate answer for her lessons learned, “Definitely pick the right people you want to work with, because people make all the difference. Really focus and don’t try to do too much. Get it right. Figure it out before you move forward. Get the model right. Make sure you are actually growing and you have a winning experience.”

After working on this story, I’m sold. I live in Portland, Oregon and have already signed up as a renter for when we travel and we’re signing up two of our vehicles to be rented.



Susan Bender Phelps is a speaker and trainer who runs [Odyssey Mentoring and Leadership](#). Her new book *Aspire Higher* tells compelling true stories of career and business

