

How to Start a Car-sharing Cooperative

Synopsis

In a car-sharing co-operative, members own a number of cars collectively instead of each owning a vehicle separately. Car-sharing allows members to forego the large personal expense of owning and maintaining a private car, while enjoying access to a car when needed.

Car co-ops have long been popular in some Western European countries, and have started to catch on in the U.S. and Canada in recent years. They can vary in size from a few friends sharing a car to tens of thousands of members sharing a large fleet of vehicles.

Roles

Board of Directors

Elected to make decisions governing the co-op

Bookings Representative

Oversees phone or web service that members contact to book a vehicle

Administrator

Responsible for obtaining insurance and coordinating the billing, maintenance and pick-up of services

Car Obtainer

Buys or leases vehicles for the co-op fleet

Members

Book and drive the vehicles

Time Frame

2 months to 1 year

Tools

- Web or phone service for booking a vehicle
- A reliable fleet of vehicles
- Lock boxes, keypads or computer systems for members to access cars
- Car pickup locations throughout the city that are accessible to all members
- Central location for co-op meetings and administration
- Garage and body shop for regular car maintenance

Project Outline

Process:

1. The first step is to decide on an ownership and organizational structure for the car sharing program. The co-operative option provides democratic input for all members, joint ownership of the cars and increased desire for participation. An elected board of directors can function as the major decision-making body, while regular member meetings can provide members with the opportunity to shape the direction of the program.
2. Decide on the size of the co-operative, the future ambitions, the underlying principles, and the criteria for membership. Common criteria include a minimum age requirement of twenty-five and possession of a full license and a solid driving record.
3. The needed funding to start the co-op and obtain vehicles can come from a variety of sources. Government grants, foundation grants, personal investment and membership dues can provide start-up capital. Sufficient funding is needed to provide enough cars from the start to ensure reliable and convenient service to members. This will attract future members and allow for the expansion of the program.

Project Outline (continued)

4. The best option for obtaining vehicles is to use co-op funds to buy new or used cars which are then collectively owned by members. It is possible, however, to work out lease programs with some car dealerships if there is less start-up capital available. Size, fuel-efficiency, cost and reliability are all factors to consider when deciding on the type of cars to purchase. In some cases, choices will be limited at first due to funding considerations.
5. Obtaining affordable and comprehensive insurance is often the biggest obstacle faced by new car sharing programs. Local laws and conditions governing insurance for car sharing programs vary extensively, even within countries. You will need to do thorough research on insurance companies and local regulations. Comprehensive, collision and liability coverage are all necessary for car co-ops.
6. It is essential to establish a booking system that is fast and easy to use. Bookings may be done over the phone, on the Internet or using a combination of both. Members should be able to book a vehicle a short time before they intend to use it.
7. Member access to the vehicles is another important consideration. Numerous existing co-ops use lock boxes and/or door mounted keypads that each member can open. As available funds increase, in-car electronic systems can provide faster, cheaper and more convenient booking and access potential.

Acknowledgements

Content for this How To guide provided by Post Carbon Institute (www.postcarbon.org).



Resources

- *CarSharing Network*: www.carsharing.net
- *European Car Sharing*: www.carsharing.org
- *Cooperative Auto Network (Vancouver, BC)*: www.cooperativeauto.net
- *PhillyCarShare (Philadelphia, PA)*: www.phillycarshare.org
- *Beginner's Guide to the Carsharing Business*: www.autoshare.com/beginners/guide.html
- *The World Carshare Consortium*: worldcarshare.com
- *BC Climate Action Toolkit - Community Car Share Program*: www.toolkit.bc.ca/toolkit-community-car-share-program

TRANSITION UNITED STATES www.transitionus.org

Tackling Climate Change and Peak Oil. Bringing the Head, Heart and Hands of Communities together to make the transition to life beyond oil.

Transition United States is a 501(c)3 non-profit organization whose mission is to catalyze, inspire, encourage, network, support and train communities throughout the U.S. as they consider, adopt, adapt and implement Transition Initiatives.

Contact us:

Email: info@transitionus.org

Telephone: (707) 824-1554

Physical address:
447 Florence Ave., Ground Floor
Sebastopol, CA 95472

Mailing address:
PO Box 917
Sebastopol, CA 95473