

ZIP CAR CASE STUDY QUESTIONS

PLEASE NOTE THAT THE NEXT SESSION AFTER EASTER BREAK WILL TAKE PLACE ON WEDNESDAY APRIL 2, 2008 AT 3:00 PM IN THE VIDEOCONFERENCE ROOM OF BERYTECH MAR ROUKOZ. JOIN US THERE.

- 1- Describe the business
- 2- Who are the main partners?
- 3- Who came up with the idea?
- 4- How did both partners meet?
- 5-When was first the idea discussed? Where did the concept originate from? Why?
- 6-When was the company incorporated?
- 7-How much start up money was used?
- 8-And how much was subsequently raised?
- 9-How many members are there in Europe? What is the growth rate ? How much is the revenue for the industry?
- 10-Who are the competition in the US?
- 11-What was the innovation in the approach?
- 12-What was the USP (unique selling proposition)?
- 13-How many days in advance reservation are needed?
- 14-Do you think that this is a problem or a convenience and to whom?
- 15-what was the initial Business Plan? What did it end up to be? How much do they charge today? (do some research)
- 16-What would be the utilization?
- 17-When did they put the first cars and how many? What was the brand?
- 18-How did they advertise?
- 19-In June they brought on board a CEO. What was his package and how long did he last? Why?
- 20- How much they thought they would need to prove the viability of the business?
- 21-How many potential members they estimated for Boston, what was their target? How many they projected in 5 yrs? Do you know how many they have now?
- 22-When did they project breakeven?
- 23-When did they really break even?
- 24-How much did they allocate in OPEX?
- 25-Do you think it was a good idea for Chase to work alone? Why?
- 27-what was their revenue in 2004? in 2005?
- 28-How much did investors pay in 2004 and 2006?
- 29-Who is their real competitor?

You should also know that....

30-When **Scott Griffith (B.S. MechE, 1981)** became the chief executive officer and president of Zipcar in 2003, great things began to happen.

31-Boston-based **Zipcar**, a member-based urban auto-rental service, has named Scott W. Griffith chief executive officer of the company. The appointment was confirmed Friday following a meeting of the company's board of directors. He follows founder Robin Chase who will continue to play a role in strategy, member relations and external communications. Both Griffith and Chase will sit on Zipcar's board of directors.

Zipcar has more than 5,500 active members and 180 cars in over 170 locations in the Boston, New York, and Washington D.C., areas.

Griffith most recently was chairman, president and CEO of Digital Goods (formerly SoftLock.com) of Maynard, a software and services company targeting the publishing industry through a multichannel Internet distribution system.

32-Cost

Research conducted by AAA shows the average monthly costs associated with car ownership in urban areas breaks down as follows: \$300, vehicle depreciation or lease costs; \$110, insurance; \$200, parking; \$50 gasoline; \$40, maintenance for a monthly total of \$700. In comparison, a typical monthly Zipcar member bill for 15 hours of driving during three sessions is \$100-\$150.

33-Environment and public support

CHICAGO - Gov. Rod R. Blagojevich's top economic development official today welcomed Zipcar's expansion in Illinois and celebrated the Midwest launch of its unique car sharing service. The Governor is contributing \$25,000 to advance this car sharing effort, which is an innovative way to reduce urban automobile congestion, improve quality of life and spur economic development. This support, which is being matched with \$25,000 from Zipcar, will help to introduce more residents and businesses to car sharing and expand the company's Chicago fleet, which began with nearly 100 vehicles.