

Employer Phone Forum

Kick It Up a Notch: How Car-Sharing Can Boost Your Commuter Benefits Numbers

Available exclusively to Best Workplaces for CommutersSM, phone forums provide cutting-edge information on a range of topics related to commuter benefits. Moderated by the U.S. Environmental Protection Agency (EPA), these forums feature experts on key topic areas.

On March 10, 2004, Best Workplaces for CommutersSM hosted a phone forum to introduce carsharing as a way to supplement a commuter benefits program. Mary Walsh, the EPA forum moderator, provided opening remarks and introduced the featured participants.

Featured Participants

Tim Vogel, FlexcarTM

Tim Vogel, general manager of Flexcar's regional service in Washington, D.C., described how Flexcar implements its carsharing system and explained how businesses can incorporate such a service into their operations. As Mr. Vogel stated, carsharing services allow individuals to rent cars at hourly rates, filling the gap between taxis and full-day rental cars.

Mr. Vogel explained that carsharing services are readily available and easy to use. A member of a car-sharing program can reserve a vehicle by telephone or via the Internet by selecting the location and time for pickup. The vehicles are quite accessible, as they are parked in areas convenient to public transportation. At the reserved place and time, the member scans a membership card across a sensor on the vehicle's windshield, unlocking the doors. The member then enters a PIN into a console on the dashboard, removes the key from the glove compartment, and

drives away. A computer monitors the user's mileage and the length of time the member has possession of the car. When finished with the vehicle, the member simply returns it to its original parking spot, leaving it for the next person's use.

Mr. Vogel explained that there are several ways in which corporate customers find carsharing programs useful, including:

- As an employee benefit—employers with memberships in carsharing programs can ensure that public transit-using employees have access to cars for emergency use.
- As a local business travel solution—driving a shared vehicle can be more cost-effective than riding in a taxi, especially for employees who travel to in-town business meetings.
- As an environmentally responsible business practice—carsharing reduces the need for private cars and encourages employees to use public transit. In addition, many of Flexcar's vehicles are powered by low-emissions gasoline/electric hybrid engines.

Jennifer Travis, Corporate Executive Board

Jennifer Travis is the senior benefits manager for the Corporate Executive Board in Washington D.C. Located in a major metropolitan area with easy access to public transit, the Corporate Executive Board is in an ideal location to benefit from a car-sharing program. Ms. Travis enrolled her company in the program and is pleased with the success it has found. Some employees use the cars for personal reasons, and the IT department uses them to transport large computing equipment between worksites. Before the use of shared cars, the equipment was sent

by courier, which the company found to be comparatively expensive and slow.

Ms. Travis shared her knowledge of the benefits and drawbacks of corporate membership in a car-sharing program.

Benefits

- It is easy to reserve a vehicle online.
- Employees pay only for the time spent using the vehicle.
- Vehicles are almost always available when needed.

Drawbacks

- Employees must return vehicles to the same space from which they were picked up.
- Hourly pricing becomes expensive if vehicle is used for a full day, and there is no full-day rate pricing option.

Ultimately, Ms. Travis reported that employees at the Corporate Executive Board saved trips in their own cars because of carsharing. Because so many are pleased with the service, word of mouth has increased employee usage of the shared cars.

David Jackson, Massachusetts General Hospital

David Jackson, finance supervisor at Massachusetts General Hospital in Boston, MA, noted that his organization also found success using a carsharing service. Some employees living in downtown Boston find it difficult to keep private cars, so they appreciate access to the vehicles provided by a carsharing service. Many use the cars to run errands during lunch or to travel to offsite meetings. Employees had previously used taxis, but they have since found that using their carsharing service is much cheaper. The carsharing service is growing so popular that Mr. Jackson is currently looking into placing another car in one of the hospital's new garages.

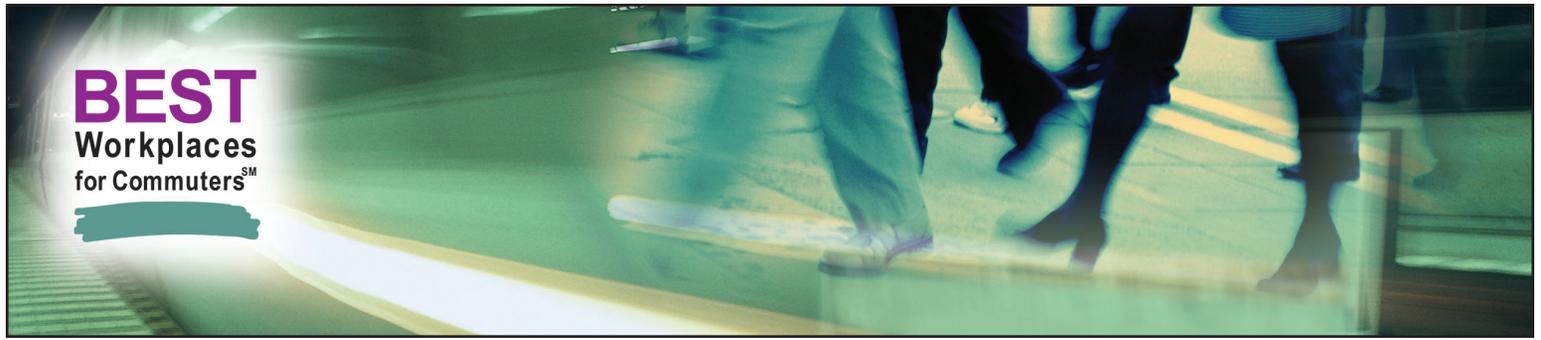
Open Discussion

Following the featured speakers' presentations, other forum participants had an opportunity to ask questions and provide additional information on some of the topics discussed.

Bruce Smith, from EPA Region 3, asked who is responsible for the maintenance of the shared cars and what happens if the car is not drivable when a member arrives to pick it up. Mr. Vogel responded that Flexcar is responsible for all maintenance of their cars, but added that members generally do not abuse the cars or get them dirty—the community spirit engendered by carsharing decreases such activities. However, if a car does break down, Flexcar guarantees transportation. They will provide a taxi for the length of a member's reservation and charge only the standard Flexcar hourly rate.

Jeane Borkenhagen, from Sacramento Air District, asked if carsharing services are available in suburban areas. Mr. Vogel explained that carsharing is most useful as a complement to an established mass transit infrastructure. Most suburban areas lack such an infrastructure, which limits the usefulness of a car-sharing service at this time.

Yuri Koslen, from Naropa University, asked if it was possible for an organization to run its own car-sharing program. Mr. Vogel explained that the effectiveness and usability of a carsharing program is greatly reduced without the technology that carsharing companies have developed, especially the online reservation and entry system. Without these technologies, the program becomes very difficult to administer. Mr. Jackson added that Massachusetts General Hospital debated coordinating its own carsharing program but found the cost of administering the program to be prohibitive.



BEST Workplaces for CommutersSM

Steve Offutt, from Best Workplaces for CommutersSM, asked how organizations differentiate between an employee's private and business use of a shared car. Mr. Jackson said that to track the various uses, his organization's employees are responsible for filling out a reimbursement form when they use the shared car for business. Ms. Travis further explained that when employees enter the shared car, they make a selection on the center console, indicating whether the use of the car will be business or personal. The company or the individual is then billed accordingly.

Sally Carlson-Bancroft, from Best Buy, asked about Massachusetts General Hospital's ratio of cars-to-employees. Mr. Jackson said that there are 11,000 employees and two shared cars. He noted that there had been no complaints about the cars being unavailable when employees needed them.

Cynthia Lee, from Louisville Metro Air Pollution Control District, asked if members of a carsharing program in one city can reserve a car in another city. Mr. Vogel said that Flexcar membership is national—a member in one city can use any of Flexcar's vehicles in the United States.

Graham Hill, from 21 Wheels, asked if there are tax benefits available to employers who are members in carsharing programs. Steve Offutt explained that currently, no such benefits exist, but might be written into the next national transportation bill.

Sharon Lewinson, from Commute Solutions, asked the featured participants if any legal issues arose from signing on to a carsharing program—specifically liability issues. She was concerned about the possibility of an employee getting into an accident while driving a shared car. Ms. Travis and Mr. Jackson explained that they had consulted their organizations' lawyers and were able to reach acceptable agreements with their carsharing services.

Mr. Offutt posed the final question, asking Ms. Travis what benefits her company realized after implementing its carsharing program. She responded with several points:

- It increases employees' productivity by reducing travel time incurred by the use of private cars.
- It allows employees pay higher rents and live closer to work, because they don't need to purchase or maintain their own cars.
- It saves the company money by allowing IT workers to transport computer equipment quickly and cheaply from one worksite to another.

Conclusion

At the end of the discussion, Mr. Offutt encouraged everyone to visit <www.bwc.gov>, the Best Workplaces for CommutersSM Web site. For those who want to learn more about carsharing, he recommended visiting <www.carsharing.net>, a Web site with information about carsharing programs. Mr. Offutt concluded by indicating that a summary of the forum will be posted to the Best Workplaces for CommutersSM Web site. Employers who have questions or feedback for EPA, including ideas for upcoming phone forums, can contact EPA via e-mail at <bwc@epa.gov>. For questions directed to any of the featured speakers, see the information below.

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