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**Carshare in works despite national merger**

From Journal staff reports

A plan for making cars available to Ithaca-area residents only when they need them without having to own one isn't dead, but it has been delayed by a merger in the growing car-sharing industry.

Ithaca Carshare, the organization created to carry out the plan, would have members who pay an annual fee then rent cars as needed. Ithaca Carshare had hoped to work independently but was stymied by high auto liability insurance rates and investigated affiliating with Flexcar, a Seattle-based hourly rental company. Ithaca Carshare was negotiating with Flexcar when, last week, the company announced it would merge with Zipcar, a similar company in Cambridge, Mass., and together operate nationally.

We had been working since May on an agreement to become part of the Flexcar network while maintaining our own not-for-profit local identity," said Jennifer Dotson, Ithaca Carshare executive director. "Now we have learned that the new merged firm is not interested in that kind of model." Dotson also was elected last week to fill the remainder of a term representing the 1st Ward on Ithaca Common Council following the resignation of Shane Seger, who is moving to New York City.

"We were interested in the affiliation because it meant access to affordable auto insurance and included eligibility for 18- to 20-year-old college students," Dotson said.

"We are extremely disappointed," said David Lieb, president of the Ithaca Carshare board of directors. "A week before the merger was publicly announced, we were still in contract talks with Flexcar, with the understanding that we were ironing out the last details that would have meant a launch this fall. This news came at us out of the blue."

Lieb and Dotson, however, said their organization is committed to bringing car sharing to Ithaca. The group has been looking steadily at alternative strategies, Dotson said, including teaming with other independents. Ithaca Carshare is part of a growing network of independent car-sharing organizations that has more than 2,000 cars and 75,000 members in nine U.S. and Canadian cities and which recently agreed on a shared code of ethics.

"Car sharing is a growing industry," Dotson said, "and there's great potential for us to work with this group on insurance and on shared-car access in other cities served by independent car-sharing organizations."

The combined company will be known as Zipcar, based in Cambridge, Mass. Flexcar chief executive Mark Norman will relocate to Massachusetts with the new title of Zipcar president and chief operating officer.

The new Zipcar will serve about 50 cities, including dozens of college towns, in 23 states and two Canadian provinces, as well as London. When the purchase is completed, which is expected to be this week, the company will have 180,000 members and more than 5,000 vehicles in dozens of models, including the hybrid Toyota Prius, the Subaru Outback and the Mini Cooper, according to an Oct. 31 article in The Washington Post.

Flexcar, according to the article, is controlled by America Online founder Steve Case, who said the merger may help build profitability and the car-sharing idea through economies of scale.

More information about Ithaca Carshare is available at [www.ithacacarshare.org](http://www.ithacacarshare.org).

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