Developing a Car Sharing Service:

The Virtues of Pragmatism

January 2000
August 1994: Auto-Com (a co-operative), the first car sharing service in Canada, starts in Quebec City. The following year, CommunAuto inc. is established in Montreal. Five years and some 1300 members later, the following article shares some of what has been learned as founder and chief administrator of these two companies merged into one since June 1997: CommunAuto Inc.

Benoît Robert
January 2000

The author wish to thank Kevin McLaughlin from AutoShare.com, Toronto, who kindly revised the English translation of this paper.

INTRODUCTION

What should our rate structure be? What regulations should we implement? What should we provide in the service contract? These are just a few of the numerous issues that had to be considered. On a trip to Europe in 1993, I had the opportunity to meet with entrepreneurs from over a dozen car sharing services. Some of the most valuable advice that I heard was that "the worst mistake you could make is to give in, from the start, to the temptation of offering a very low cost service". Because, inevitably, our prices would have had to rise drastically, creating a massive loss of customers, and undermining our credibility with both the public and our creditors. (Thank you, Bremen!).

As far as the service contract with members is concerned, it was essential to provide a clause that allowed for unilateral changes to the rules of the game. This clause gave the company room for growth, as well as a power to prevent unforeseen customer abuses. (Experience showed us how imaginative some clients can be when looking for a loophole).

And how do we manage our growth? This question is especially pertinent because of the importance of maintaining a high quality of service despite any difficulties. Most customers are buying a service only. They won’t bother with our excuses. In addition, the growth of our business depends on our ability to be able to respond to challenges: we must know what tools are available to us, what are the assets of the executive team in terms of experience, know-how, etc.?

One thing is clear to us now: we would never have been able, in 1994 or even in 1995, to efficiently manage a business that serves over a thousand customers, includes a fleet of more than 80 vehicles spread out among 40 service stations. But now we are! Therefore, because we think that learning from the mistakes of others is always useful, we will try, in this article, to shed light on some of the traps that should be avoided. We will also discuss the problems that we encountered, our trouble-shooting strategies and the solution we eventually found.
Although the answer ("how") is important, we prefer to focus on the decision making process ("why this over that"). Questioning ourselves is especially important because there are many possible solutions to any given problem. We also know that each Car Share has unique issues, and CommunAuto cannot provide all the answers. Therefore, many of the points outlined here are merely warnings about facts or situations that could lead to problems, and consequently, should be taken into consideration.

One of the most important things that we learned is that it would be impossible to manage a car sharing service successfully without meticulous preparation. In fact, once started, there is no turning back and survival of the business requires constant adjustment to new challenges. Here again, as there is no secret formula, constant questioning becomes vitally important.

Table 1 : Definition of Service

<table>
<thead>
<tr>
<th>The services offered by CommunAuto are defined as follows:</th>
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</thead>
<tbody>
<tr>
<td>• The subscriber becomes a member of CommunAuto by way of a contract of unlimited duration;</td>
</tr>
<tr>
<td>• The minimal duration of membership is one year (subsequently, members can leave the service on a three-month written notice)</td>
</tr>
<tr>
<td>• Members can rent a car by the hour, or even the half-hour;</td>
</tr>
<tr>
<td>• Reservations can be made by phone, 24 hours a day (a Call Service handles night calls);</td>
</tr>
<tr>
<td>• Members must pick up the designated car and bring it back to the same spot at the time agreed upon (all members have access to all vehicles at all times; they have a &quot;member key&quot; which opens a lock box near each vehicle that holds the vehicle door/ignition keys);</td>
</tr>
<tr>
<td>• Members indicate the kilometers traveled on their “mileage log” (the client keeps a copy of this as a receipt);</td>
</tr>
<tr>
<td>• Clients are billed monthly;</td>
</tr>
<tr>
<td>• Since gas is included in the price, amounts paid by our members to fill up CommunAuto cars are credited on their monthly bills (at some service stations, members can even fill up without paying a cent).</td>
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</table>

For these services, members pay the following (see annex 1 for more details)

- A life membership deposit of $500 ($750 for joint members*) upon signature of the contract: this money is used for the financing of vehicles and is fully refundable if the member wishes to leave (it is possible to leave after one year only).
- A $10 key deposit, also refundable;
- Annual membership dues, non refundable, applied according to package A, B or C as chosen;
- 50¢ per call related to reserving or modifying a reservation;
- Hourly or Daily Rental rate
- Per Kilometer rate, according to package A, B or C as chosen; or on applicable rate structure (i.e. local or long-distance trip).

*Joint members : two adults (married couple or not) subscribing together to the service.
LEARNING FROM EXPERIENCE

Haste Makes Waste
Capturing the largest possible market is the obvious goal of anyone starting up a car sharing business. There are many good reasons for this: the need to reach the break-even point (at least 600 members); generating environmental benefits, etc. It is important to be aware, however, that the first goal in launching car sharing in a new city is to create - rather than take hold of - the market. Car sharing is too new in North America to omit this crucial step. Moreover, a recurring lesson emerges from data analysis of ATG and Sharecom (predecessors of Mobility CarSharing Switzerland, StattAuto (Berlin), StadtAuto (Bremen), Auto-Com (Quebec City) and CommunAuto (Montreal): it took all of these organizations three or four years to attract their first 300 to 400 members, after which their growth accelerate. Consequently, without substantial start-up capital, jumping into a large-scale operation right from the beginning is very risky.

It is no coincidence that nearly all services that are successful today were started by people with limited means, willing to tighten their belts through the first few years. One thing is for certain: car sharing does not deliver high returns on short-term investments. People must find other reasons to start such businesses. After five years in Quebec, we often hear new members tell us that they heard of us before, but were waiting for their car to die before joining on. Others waited to make sure that we were there to stay. It might therefore take a while for a healthy car sharing market to develop, and it is important to take this into account when planning a new project.

Properly Targeting the Market
When starting a business, it’s important to target the largest possible market(s). As it is impossible to reach all markets simultaneously, it is necessary to focus on one target at a time. The business of car sharing is no different. There are many different markets that can be divided and subdivided profitably, using a suitable approach. For example, the market can be divided into individual and corporate customers. The corporate market can then be split up into a variety of groups defined by their size, their geographical location, etc. Which market(s) to choose first? Of course it is impossible to fulfill every type of customer need with a limited number of vehicles from a limited number of service stations at once. Even the rate structure will need to adjust to the road and changing capacities of the business. (Annex 1).

CommunAuto’s first target market was "individuals who seldom drive and need a car only a few times a month". Our next target was "freelance workers who sometime need a car every day for a few consecutive weeks" (but for less than three months, after which it becomes more advantageous to buy a car). To attract the latter customers, we had to work out a rate that served their needs adequately. We called it the “work-week” rate (Annex 1). It would have been impossible to offer this rate in the first year without suffering from a constant vehicle shortage, so we waited until we had a larger fleet to tackle this group.
Companies represent another enormous market but would force us to adjust not only our rates but also our operation procedures. Despite outside pressure, we are wary of heading in this direction too soon because of our limited financial position (banks are not very pro-active business partners). If we were to dive into this new market, demand would outweigh supply. Chances are that it would lead to a drop in the quality of our service and CommunAuto cannot afford to lose the hard-earned loyalty of the present clientele.

**Operations Must Be Kept Simple**

In a preliminary study conducted in the Netherlands in the early 1990's, many focus group participants (non-members) said that if car sharing was to be a viable alternative to ownership, the vehicles should be delivered to the member’s door. The purpose of the study was to determine what the customers would expect from such a service. The important point for us, though, was “why”? Why make home-delivery (an extremely expensive option) a part of the car sharing contract, when it is much easier to multiply the number of service stations and bring car sharing closer to potential customers? How wise would it have been to offer home delivery to customers living far from service stations (either existing or future), jeopardizing profit and even the growth of the business? The real answer lay in the questions. This shows how easy it can be to lose focus when customers are allowed to participate in the creation of this virtually unknown service. As a result of this study, it is important for the analyst not to make blind choices.

Something else puzzled us about the car sharing documentation we received from France. From the service started in Montpellier in 1970 to the recently abandoned Praxitèle, all stressed the importance of offering the customer, right from the start, the option of picking up a car at one service station and dropping it off at another. This type of service is very desirable indeed, but is it practical in the beginning? Many of the projects aiming to include this service were launched with huge investments and/or subsidies, usually involving high levels of technology and electric vehicles. Maybe it would have been better to invest in down-to-earth, already commercially operational projects and improve the service later?

The people and resources involved in these projects could have been partners of unquestionable value to existing car share services. But how do we make them look our way? And, invest in a company that, according to their criteria, offers little return potential - or challenge for their engineers. Because we must, out of necessity, focus on our immediate cashflow and profit, our needs remain relatively humble for now. It is important to avoid getting caught up in the technology craze that could keep us from being profitable and/or reliant on grants. It is equally important to avoid using systems where service must adapt to technology instead of the other way around.

CommunAuto’s goal is to provide a service that resembles car ownership as much as possible. And what do car-owners do when they finish using their cars? They bring them home of course. Why start then, by offering customers more than they need? Eventually, of course, we hope to be able to expand our service levels, and the ability to pick up and drop off a car at different service stations would open the door to a larger clientele. However as we noted before, economic reality dictates that we target the biggest market and expand later.
Answering Customers’ Needs

Even when a car share service is small (and has limited resources), it is crucial to stay flexible in order to maintain customer’s loyalty.

For example, our “work-week” rate mentioned earlier was introduced to fill specific needs. Many customers left the service not because they wanted to purchase a car but because they were facing new realities (temporary employment outside of the city) and our service would have become too expensive.

Unlike our European counterparts, we quickly decided to create two separate rate structures: one would apply to local trips (short distances, short periods) and the other, to long distance trips where the rates resemble traditional rental companies. Why do this? Because we think it is necessary to fill all of our clients’ car needs. In America, unlike in Europe, a car is often the only means of transportation people can (or are interested) in using for long distance trips (due to a much less developed train and bus infrastructure).

As entrepreneurs, albeit of a business that aims to combat the “car problem”, we feel it is not up to us to criticize our customers’ driving habits. Whatever their choices, we know that as car sharers they are less likely to use a car than if they were to become, or remain, owners. Why lecture them? We can achieve the greatest results by serving our customers to the best of our ability, and attracting many others.

Determining Our Rate Structure (Annex 1)

Our Work Week rate as well as the possibility for our members to use CommunAuto vehicles for long-distance (network rate) trips, helped make our service more appealing and profitable (especially on weekdays).

• “Network Rate”
Creating a rate for long trips (time and/or distance) proved a very profitable marketing strategy. We noticed that customers often shopped around before deciding to subscribe. Because this service is new to them, many cannot guess how often they would use it, especially for local trips. So, traditional and well-known car rental rates became their reference: they compared our “Network rate” to those of car-rental companies. Ours was quite a bit lower (except for those who hold “Gold” credit cards). The “network rate” often triggers a customers’ decision to subscribe. Whatever the benefits they can get from car sharing, they are CERTAIN to save on some trips.

The risk of vehicle shortage then became our main concern. To avoid this problem, our regulations state that members cannot "demand" a CommunAuto vehicle for long-distance trips. For each request, CommunAuto maintains the right substitute a car from one of our four rental company "partners". On the other hand, if CommunAuto’s cars are available, a customer cannot insist on renting one from the partners at our special rate. Thanks to this plan, CommunAuto can always, directly or indirectly (i.e. through a subcontractor), provide a car to customers for long-distance trips.

The “network rate” is used above all to keep profits as high as possible during slumps, especially during the week. If car availability does not allow us to fill long distance
requests, CommunAuto stays focused on its main goal which is to serve the needs of the “short distance, short period” customers.
• **The Packages**

Rather than settling on one rate from the start, we chose to offer three packages (A, B and C) that served the various usage levels of our customers. Most clients prefer to start with Package C. However, many switch to a package with higher annual fees and a lower rate per kilometer after a few months. A single package with a high annual fee would have been a deterrent to joining for many. Inversely, if we did not offer a package for our more frequent users, we might have lost them.

Unlike many other services, CommunAuto customers pay their package’s fixed rate on an annual basis. Why bill them annually instead of monthly? Because we do not want our customers to feel they have to use the service monthly to fully benefit from their investment. However, we do allow the most expensive package to be paid in three installments.

• **Calling Fees**

Our fifty cents fee for each reservation and change in a reservation of a vehicle is a good example of the user’s fee principle we wanted to apply to our service (see Annex 1). Soon after starting the business, we realized that we had seriously underestimated our telecommunication costs (cellular phone charges, night-calls received by our jobbers, etc.). These costs were disproportionately high for short trip reservations or for clients who frequently change their reservations. How did we solve this loss of income while keeping our rates attractive? We could have increased the per-kilometer or the hourly rate, or followed the policy of taxis and charge a fixed rate regardless of the trip. Such decision would unfairly penalize our regular users who usually make all their reservations in a single call (eg parents who need a car twice a day for a half hour to drop off and pick up their children from the daycare). These people were not the source of our loss. Then, we decided to charge for each call and this covered our expenses. The biggest advantage of this system is that, even with new charges, it gave our clients the opportunity to avoid these costs if they planned their trips better (for example, by making all their reservations in one call). It also had the effect of reducing the huge number of calls we had to answer.

• **Joint Membership**

Offering joint membership allows CommunAuto to stay competitive by targeting couples that are financially able to split the cost of a car. The joint membership is also a gateway for corporate clients (small businesses, companies, community organizations, etc.). For personal accountability reasons, only individuals are accepted as members of CommunAuto at this time. However, we allow businesses or legal entities to pay for the service for their employees or volunteers, who can then use the vehicles for their work. For now, only two individuals at a time can become members, although other car share services allow three or more to join. This is a service we will provide when we have more vehicles on the road. We do, however, let a business transfer a contract to another employee if necessary.
About Membership Requirements
Do the membership requirements prevent people from joining? Should we try to eliminate them? These are the most frequent questions regarding membership.

Here, the CommunAuto membership fee is $500 for one person and $750 for a joint membership, and is fully refundable upon withdrawal. Our experience has shown this is not an obstacle for people whose lifestyles and needs are compatible with car sharing. At worst, this initial down payment may postpone membership until sufficient funds are available. Others may wait until a company is firmly established in a city before making their investment.

In return, the advantages of having a $500 membership fee are numerous. It provides much needed start-up capital to businesses for whom funds would not otherwise be readily accessible. It also helps finance a fleet, minimizing the hazards of external financing. The "interest free" aspect also minimizes expenses, allowing the service to be offered at lower cost than if they paid high interest rates on loans.

We have already mentioned that car sharing is not an investment that provides high returns on a short-term investment. The membership provides an important source of cheap capital. And why would a member who benefits from our service be offended because he does not get interests on his $500 investment? Members would have had to make a much larger, interest-free investment if they had purchased a car. Worse yet, because of the rapid devaluation of motor vehicles, chances are they would have lost most of their initial investment.

Another advantage of a membership fee is that it helps avoid potentially unstable customers. This creates a higher standard of service, minimizes demand fluctuations, and gives members the feeling that they have invested in the organization, which in turn translates into a greater respect for the equipment that they are using.

What Corporate Structure to Choose?
This is another delicate but unavoidable topic indeed. The two systems generally used are the co-operative and the for-profit corporation. It is important to know that CommunAuto tried both systems and chose the latter. Therefore, we have our preferences and have no intentions of hiding them. Here’s why:

• CommunAuto has learned from experience that choosing a corporate structure should be a strategic process and not an ideological one;

• it is necessary to balance career goals (as entrepreneurs) and community values;

• it is important for entrepreneurs to measure the risk of losing their motivation in a system (the co-operative) where the real power (and reward) rests in the hands of people who are much less involved;

• Ultimately, we believe that an organization’s corporate structure has nothing to do with whether they are a good corporate citizen or not. This may seem obvious to
many but it was a major point of discussion in deciding whether Auto-Com in Quebec City was to become a corporation.

We noticed that, especially with financial institutions, it is a mistake to think, at least here in Quebec, that a co-operative has a better chance to obtain financing than a corporation. People often have deep prejudices, for or against, a corporate model. The truth is that when it comes to business form, there are more corporations than co-ops. For the record, in 1997, 90% of co-op members approved the decision to sell Auto-Com’s assets to CommunAuto inc. And despite some strong discussions, only three or four persons left the organization because they did not accept the change.

**Parking Issues**

Apart from the internal issuer of choosing a corporate system, the most difficult stumbling blocks we faced came from the outside. At the top on the list was “parking”.

We spent five years and much energy to convince politicians and civil servants of the benefits our service provides the city. We used all kinds of statistics and information from similar services in Europe and therefore, expected prompt response. We soon realized, however, that we would have to manage on our own for many years.

The only parking spaces available in Quebec City (in many areas) are those the city rents to residents on-street. Since companies are not allowed to rent these spaces, we had to ask customers and friends to rent them for us. It took three years before the city straightened out our situation. We still have to fight for every additional space because the authorities are worried about displeasing other citizens by renting too many spaces to CommunAuto.

We still haven’t received any help from the city of Montreal since the inauguration of our service in 1995. Politicians and officials from traffic services are afraid to set a precedent, "opening Pandora’s Box", with CommunAuto. This fear of creating a precedent is omnipresent. Apparently, it is much easier to follow the status quo. We must admit though that things are changing and our efforts will soon bear fruit. We learned, however, that if you prepare for the worst, you may be pleasantly surprised.

**Expansion of the Service**

Many factors were taken into consideration when planning our expansion strategies.

- **The Quick and Easy Route**
  Due to the minimal support we have received so far, we were obliged to choose the quickest and easiest route. We are very aware that the more members we have, the more political weight we hold. Therefore, instead of wasting our energy trying to service difficult areas, we expanded into areas served by the Montreal subway system, and easiest to obtain parking in.

- **Closer and Closer**
  If we want to maintain service quality and profitability, we cannot expand at random. Therefore, we try to keep our stations close to one another. This means that we avoid setting up too many service stations in areas that are isolated from the ones already established. To maintain quality in an isolated station requires more vehicles than in areas
with close alternatives. This will influence the average use of the vehicles and consequently their profitability.
• **Distance Between Stations**
What is the ideal distance between service stations? It all depends. This is the most common answer to this hard question. Of course, we would like to set up service stations within walking distance of all our potential customers. Unfortunately, we cannot. We set up stations wherever we can, adjusting the number of vehicles to the number of potential customers and its closeness to other stations.

• **The Number of Vehicles per Station**
For the moment, there is an average of two cars (maximum of five) in our stations. Scattering our vehicles over many stations brings them closer to our customers. This is also an efficient protection against "problems" such as the closing down of a business that rented us space, a lot being used for something else, a change of owner etc... To assure minimum availability of our vehicles in each service station, only places that can park at least two cars are rented.

**Difficulties Finding Receptive Partners**
Because governments tend to favor the high-tech movement above all, most grants became unavailable to us despite the fact that car sharing was recognized as an (environmental) innovation. Moreover, venture capital financing programs to date in Quebec exclude automotive equipment.

Other completely different factors also illustrate our difficulty finding truly receptive partners. Most car sharing services have been started by individuals with moderate resources, but who were highly motivated. They had the incredible asset of intuitive market strategies and a clear understanding of the service they were offering. Moreover, the concept fit with their values and (mostly) urban lifestyles. This isn't the case, however, with our potential partners and financiers.

Unfortunately, sociodemographic reality seems to make the problem unavoidable: a majority of civil servants, lawyers, accountants, scientists, engineers and other professionals we met have lifestyles that are not conducive to this kind of service. In fact, how do you explain car sharing to a civil servant or a politician who thinks, even without saying, that it is unusual for an adult to live in the city rather than in the suburbs? They had a hard time understanding why someone who can afford to buy a car would choose to share one! Even when confronted with facts, these people remained skeptical...

If car sharing clashes with the values and lifestyles of so many, otherwise very competent contributors, we must be especially vigilant when choosing our professional help. We must work with people who strongly believe in the project and are ready to play a significant part in its development.

Lawyers we visited felt that our service has certain similarities with long-term rentals (the contract being of unlimited duration). We have tried in every possible way to explain that we specialize in very, very short-term rentals (members can rent CommunAuto cars for only half-hour).

When it came to insurance, it took almost a year to convince a company not to examine our risk as it would a car-rental company and that the difference should show on the fees.
Until now, many bankers turned down our requests for financing because, according to them, we have serious debt problems (our refundable membership fees are technically considered liabilities). And this despite the fact that we are owners of all our vehicles (liquid assets) and the debt ratio of our bank loans is lower than twenty percent.

In fact all the above-mentioned professionals, met in different moments of our history, have told us, in one way or another, that our service was an out-of-reach dream. The moral of the story? We were right to keep on believing in ourselves without listening to them. In any case, with patience, we eventually found very serious and competent partners.

**The Risk of Recognition**

Even the desirable recognition does not go without risk. A transportation study group is working on a plan that would allow the Quebec government to respect its part in the (climate change) agreements signed by Canada in Kyoto. One of the recently studied theories suggests government support car sharing by offering a $100 grant per member, per year. The problem with this proposal, if accepted, is that it would make car sharing one of the most expensive of all suggested measures.

The situation is rather ironic as we have spent so much time and energy trying to show that the main advantage of car sharing is that it costs almost nothing to the government - and that is exactly what makes it so valuable. If this Kyoto-related proposal is put forth it could invalidate all our efforts by making car sharing appear to be an expensive solution.

For many reasons, CommunAuto did not want public funding to finance its operations. How could we build a solid business on an unreliable source of income? We prefer, for instance, selective financial support specifically targeted to development of management tools and specialized software. Above all, we want concrete political action that will integrate car sharing into transportation policies.

Our ultimate goal is to convince politicians that it is in the public interest to promote the many advantages of car sharing over ownership. A variety of measures could be implemented: help in obtaining parking spaces; universal parking labels for shared cars; permission to use bus and taxi lanes; tariff agreements with public transportation systems; co-operative marketing; etc… The message is hard to get through however because the judicial, administrative, organizational or political constraints still seem overwhelming to many people. Consequently, despite government’s constant statements on its financial distress, we seem to have no other choice but to focus on money with them rather than discuss the real benefits created by the development of car sharing in Quebec.
CONCLUSION

There are many lessons to learn from CommunAuto’s experience over the past five years. We believe four points are especially worth remembering. They should help minimize risk and maximize success for future initiatives:

• Haste Makes Waste
• Properly Target the Market
• Operations Must Be Kept Simple
• Respond to Customers’ Needs

The first point should be kept in mind especially when starting out. Overly optimistic estimations can soon become pessimistic reality to the novice.

How often did civil servants ignore our resource situation to criticize us as not aggressive enough! How many contributors, without considering the context and the many difficulties encountered, thought we were doomed to failure because we just had a few hundred members after the first two or three years! One must be ready to face this.

It is equally important when launching a car sharing venture to understand one’s limited resources and take avoid pointless risks. Target the market properly and keep operations simple. Although it may seem opportunistic, it is necessary at the beginning to concentrate on the market(s) that are easier to tap and more profitable in order to keep costs down. It will give you more room to maneuver and allow you to develop the system rapidly without outside help.

Some of the points brought up here could have been discussed further. This is especially true of the membership requirements. We think it should be treated very carefully. Some believe that we should still eliminate membership fees because they are an obstacle to joining. Based on our experience, however, they are an important safety net that often softened our falls in the early, "learning" years.

All of these warnings obviously come from CommunAuto’s own experiences and should be read with caution and adjusted to your context. We hope our experiences will serve to increase other people's chances of success.

Of course, this kind of co-operation brings up the question of competition. How do we reconcile our desire to help others in their endeavors with the legitimate fear of eventually facing a competitor setting up services in our turf? It's a fair question, and the answer really depends on your point of view.

The competition issue should not be discussed solely by car sharing businesses but also by the companies and the numerous people who have the means to allow them to prosper. For example, how to react if a government authority concerned about equity decides to make help equally accessible to any car sharing promoter including traditional car rental companies? Should we really worry about being ousted from the market after so much effort? The Dutch experience shows that there is room for many. Can that apply here?

As you can see, like the world we live in, nothing is either black or white when it comes to car sharing. Interesting debates are brewing.
ANNEX 1 : COMMUNAUTO RATE STRUCTURE

<table>
<thead>
<tr>
<th></th>
<th>Package A</th>
<th>Package B</th>
<th>Package C</th>
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<tbody>
<tr>
<td>Membership dues**</td>
<td>$350</td>
<td>$140</td>
<td>$35</td>
</tr>
<tr>
<td>Rate per Kilometer</td>
<td>15¢</td>
<td>22¢ (15¢ after 100km)</td>
<td>28¢ (18¢ after 100km)</td>
</tr>
<tr>
<td>Tuesday to Thursday</td>
<td>$1.50/hour or $15/day</td>
<td></td>
<td></td>
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<tr>
<td>Friday to Monday</td>
<td>$2.00/hour or $20/day</td>
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*Subscription to a package is required. The annual fee (plus tax) must be paid in order to have access to the service. Annual fee is not refundable.

**For joint membership, add $35 to above prices.

The Work-Week Rate
The work-week rate allows members of package “A” to use a car during the week (Mon - Fri) for $9 a day (maximum of ten consecutive hours, including 36 kilometers) or 25¢/km. Rates for local trips longer than ten hours or those which remain more economical at the regular Package A are 15¢/km, plus the hourly or daily rate.

“Network Rate”
For extended travelling, the “Network Rate” is a substantial rebate on rental rates, available exclusively to our members, thanks to our participating dealers. Except for the “Weekend” rate (which includes 367 km/day) CommunAuto also provides this option at the same rate, with its own cars, if available. This gives CommunAuto access to as many additional vehicles as necessary to fill all its members’ needs.

<table>
<thead>
<tr>
<th></th>
<th>Price</th>
<th>Km Included</th>
<th>Additional Km</th>
<th>Other Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Every day</td>
<td>$32.50/day*</td>
<td>300 km/day</td>
<td>12¢/km</td>
<td>6¢/km (for gas)**</td>
</tr>
<tr>
<td>Weekend (participating dealers)</td>
<td>$32.50/day*</td>
<td>367 km/day</td>
<td>11¢/km</td>
<td>gas</td>
</tr>
<tr>
<td>Weekend (participating dealers)</td>
<td>$189.00/week*</td>
<td>2100 km/week</td>
<td>12¢/km</td>
<td>6¢/km (for gas)**</td>
</tr>
<tr>
<td>Weekly (max. 5 days)</td>
<td>$38.00/day</td>
<td>unlimited</td>
<td>nil</td>
<td>6¢/km (for gas)**</td>
</tr>
</tbody>
</table>

*During high season (July and August) prices raise to $35.95/day and $199/week respectively. For our participating dealers, high season also includes Christmas holiday.

**Fees include gas billed according to rates set for CommunAuto vehicles.

The Joint Membership Package
Besides a reduced membership rate of $750 for two, this formula provides the joint members with low per kilometer rates with additional savings on annual fees. One monthly bill is sent to the joint members.

Calling Fees
50¢ is charged for each telephone reservation (applicable on each call related to a reservation or change of reservation).