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Getaround Raises \$45 Million as Mobility Services Heat Up

Car makers are looking to catch up to the trend of ‘mobility services’ instead of car purchases



A car that is used on the Getaround peer-to-peer car rental service. PHOTO:GETAROUND

By Tomio Geron
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Getaround Inc. has raised \$45 million in Series C funding as the peer-to-peer car-rental startup seeks to capitalize on waning interest in car ownership as more services crop up for getting around town.

Braemar Energy Ventures led the round. Car makers Toyota Motor Corp. and China-based SAIC participated, along with existing investors Menlo Ventures and Triangle Peak Partners. Valuation wasn't disclosed.

Getaround, whose service lets people rent out their cars, has a technology that it installs in autos so that the owners can remotely unlock vehicles for renters. Competitors include startup Turo, as well as incumbents such as Enterprise, which has its own Enterprise CarShare service.

The company, which operates in 13 cities, has forged partnerships with Toyota and Mercedes. Getaround has a technology integration that makes Toyota cars already ready to use on Getaround when they are new. Through partnerships with Toyota and Mercedes, consumers can get a Getaround-focused car lease, so they can automatically pay their lease out of earnings they make renting out the car on Getaround.

“The idea really is trying to set this up for typical millennials—for someone who doesn't own a car but is looking for an easy way to get car ownership but not put \$5,000 down,” said Sam Zaid, founder and chief executive of Getaround. “These are meant to make it easy to get a car on Getaround and earn income from it.”

Getaround also has a partnership with Uber Technologies so that drivers who don't own a car can rent a car on Getaround and connect their accounts to drive on Uber.

Getaround currently doesn't yet operate in Asia, but that may change before long. “Generally, OEMs recognize the shift to mobility services, and (the shift to) access over ownership,” Mr. Zaid said. “Everyone is very interested in how to take the idea of selling cars and morph that into selling mobility.”

For its part, General Motors invested \$500 million in Lyft Inc. in January 2016. Getaround plans to use the new funding to expand to additional cities and for new product development.

Neil Suslak, managing partner of Braemar Energy Ventures, is joining the board.

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