

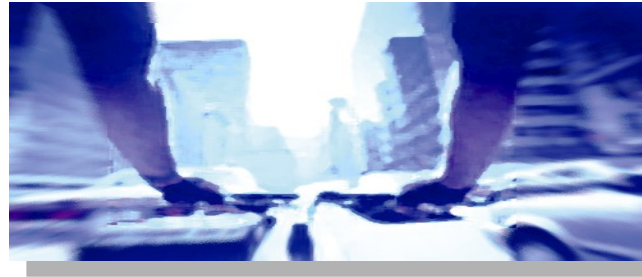


Ministero dell'Ambiente
e della Tutela del Territorio

Car Sharing in Italy

I.C.S. Project

The state of the art



Bucarest, 30 June 2003





The legislation framework

Decree n.267 of 27th March 1998 by Italian Ministry of the Environment regarding Sustainable Mobility

The aim is to support the set up of a specific structure able to develop a co-ordination and integration policy at national level of different and heterogeneous service proposals.

ICS

Iniziativa Car Sharing





ICS is a legal agreement among Local Bodies,
according to the item 30 of Law n. 267



essentially

A national co-ordination structure promoted by the Ministry of the Environment, gathering the main Italian cities to set up local CAR SHARING services, managed by different local companies but integrated in an unitary operational scheme.





- ▶ To support the start up of a national CAR SHARING network
- ▶ To promote sustainable mobility policies in urban areas
- ▶ To set up a standard marketing and communication policy
- ▶ To integrate LPT with new transport services
- ▶ To ensure to the users a standard quality service



FIXED STANDARDS

Homogeneous standards regarding services, emissions, safety (similar to ECS stds but could be more strict)

CO-FINANCING

ICS supports up to the 50% of the investments necessary to set up a car sharing service

OPERATIONAL FIELDS and SERVICES

Technology (management system)
Marketing and Communication
Technical and Legal Consultancies
National call centre/contact centre services

PROMOTION and CO-ORDINATION

- To increase the number of Cities involved in ICS
- Promotion of CAR SHARING awareness
- Co-ordination of local experiences



CENTRALITY

Standards is necessary to warrant:

- **interoperability** (among cities)
- **minimum quality**
- **corporate image** and integrated communication
- **common services and user procedures**

ICS works on a Federative basis



AUTONOMY

on economical and organizational aspects





Municipalities members of ICS:

can choose their own Local Company for the Car Sharing service

The Local Companies are responsible for:

- prices and market policies
- vehicles maintenance and cleaning
- investments and other developments
- getting customers
- co-operation and integration with Local Bodies and other companies who provide mobility service
- customers satisfaction and personnel management

**But they have to respect all the ICS standards
and to adopt the same technology and services.**





The peculiarity of italian Car Sharing system



- ▶ A strong support of the central and local political bodies
- ▶ Real benefits from the cities to the c.s. cars: access to LTZ, use of bus lanes, free parking in “blue areas”
- ▶ Integration between c.s. and public transport involving the local PTO
- ▶ Coordination of the ICS network companies within the ICS “Comitato dei Gestori” to plan a common development strategy and all the common operational aspects.



	START	VEHICLES	USERS	PARKING
TURIN	Nov. 2002	21	317*	14
VENICE	Aug. 2002	22	339 **	9
BOLOGNA	Aug. 2002	13	262	8
RIMINI	Summer 2002 exp. Mar. 2003	15	42 hotels + 70	14
MODENA	Apr. 2003	10	21	6

* 123 Business contracts (multiusers)

** 63 Business contracts (multiusers)





Local car sharing services in Italy: the support of the cities

TURIN

VENICE

BOLOGNA

RIMINI

MODENA

In all these cities the car sharing service has been promoted by the Municipality which also support it giving

- free access to LTZ
- free parking in “blue areas”
- use of p.t. reserved lanes

In some of these cities the Municipal Offices are (or are going to be) also customers of the car sharing service.



Cities within ICS network:

Bologna, Brescia, Firenze, Genova, Milano, Modena, Novara, Palermo, Parma, Provincia di Milano, Provincia di Rimini, Reggio Emilia, Roma, Torino, Venezia (Taranto will join ICS in the next July)

System design is completed in the following cities:

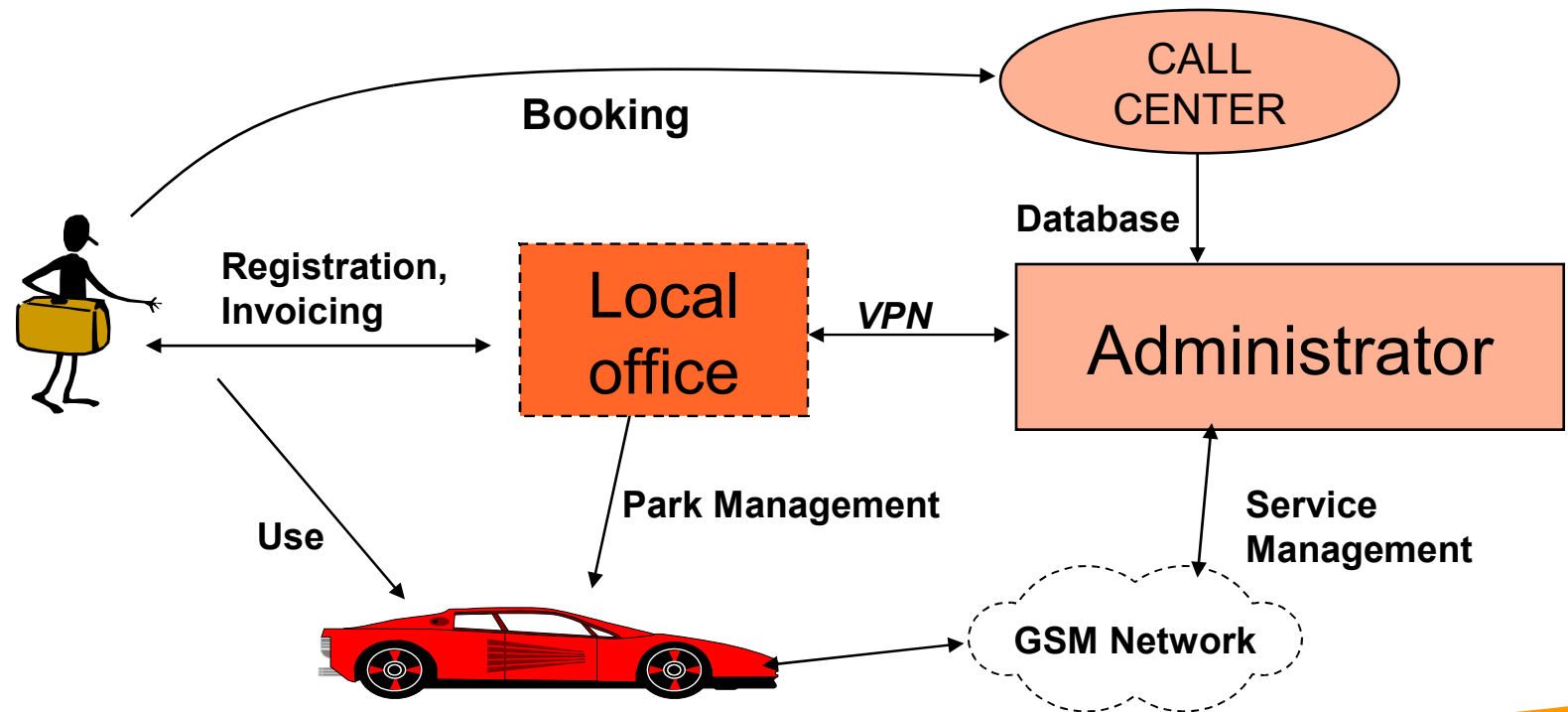
- Firenze
- Palermo
- Brescia
- Reggio Emilia

and is under development in:

- Provincia di Milano



A dedicated I.T. management system for car sharing has been developed by ICS. It is based on a common distributed architecture accessible to any c.s. company belonging to the ICS network.





It is mainly built up by:

- A central call center system which can access each local site to perform the necessary operations.
- A local system for each company devoted to support the operations
- A board computer on each car connected to the local server and to the call center server. It is equipped with a GPS system, an interface with the odometer, other interfaces with car equipment (lockers, windows, etc.), and uses GSM communications.
- A VPN network provided by a carrier, connecting all the servers of the overall system.





Local and the central systems are based on a client server architecture, in a WINDOWS – ORACLE environment.

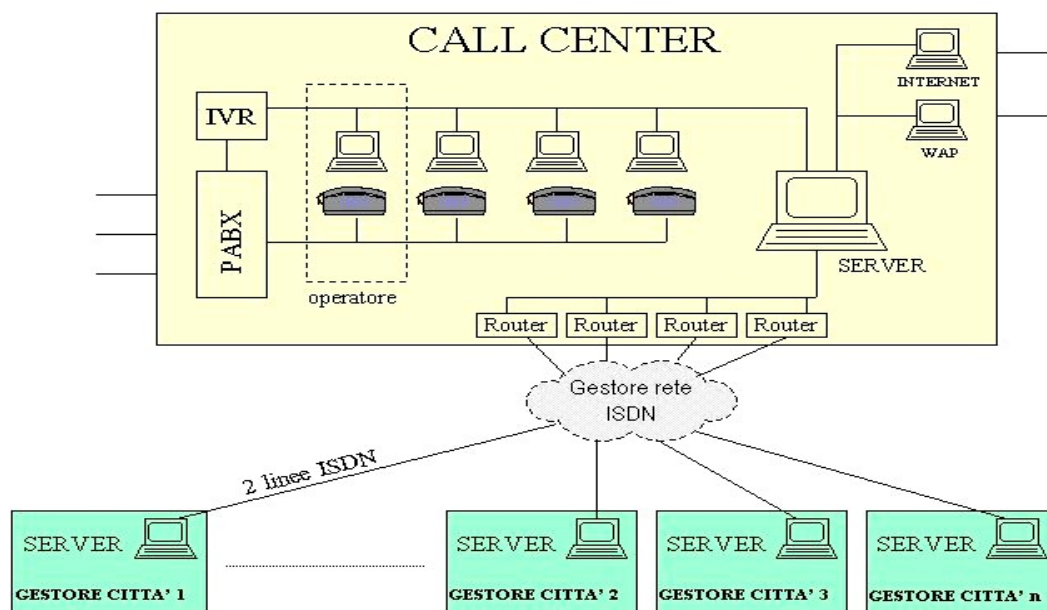


The services are managed through a personal smart card which gives also the possibility to access the cars.



Functionalities of ICS Technological System

The ICS circuit provides a 24 hours call center available to perform the usual operations and to give any assistance to the users.





The system can provide to users:

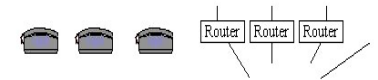
- Usual reservation/modification/cancellation through operator, IVR and internet (available within the summer)
- Instant booking
- A voice connection from the car to the call center/operator for information, emergencies management, assistance, etc.
- The possibility to access to the service offered by anyone of the ICS network companies (interoperability of the system)





To the companies the system offers tools to manage:

- Reservation with the possibility of alternative options management
- Customer characteristics and preferences
- Different kind of contracts with different users profiles
- Different price lists related to the different contracts
- Penalty management
- Billing and invoicing (also through a general interface)
- Service reports and statistics
- Car maintenance



Moreover, are provide the common procedures to operate

- **description of the resources available and their changes**
- **system administration**
- **alarm monitoring**

Different kind of trips can be offered

- **usual round trip**
- **one way trip**
(used only by Venice)
- **open end trip**

Different payments are supported by the system:

- **direct bank account**
- **pre-paid card**
- **credit card**

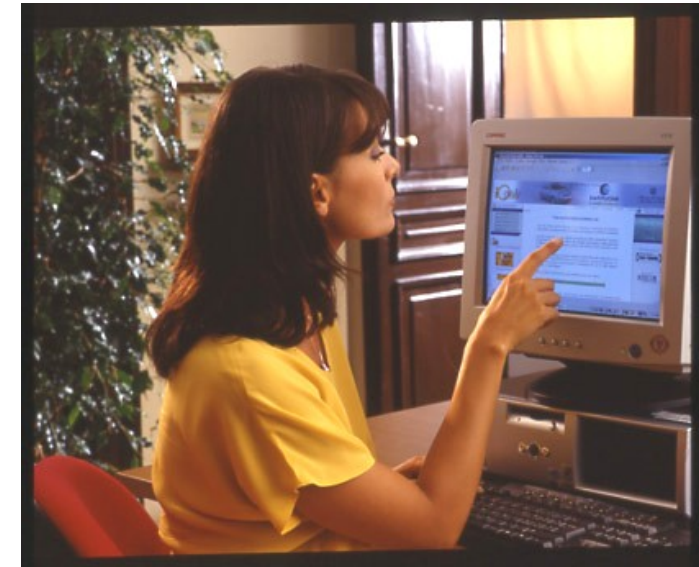
The system is able to customise some policy (reservation, penalties, etc) by defining a series of parametrical data used to implement these functions.



Future developments of ICS Technological System

In the next future some improvement of the technological system is foreseen (design activities are currently ongoing):

- Double level of booking to offer a better service to companies, public administrations, etc.
- Automatic management of different types of special offers (weekend, special period of the year, etc)
- Enlargement of the kind of contracts that can be managed
- Improvement of statistical elaboration
- Customer Service reports accessible through internet



Some improvement in the on board electronics is foreseen mainly to improve the consumption and to allow long times of car stationing.



The peculiarities of car sharing business



- ▶ To offer a good quality service it's necessary to operate the business on a large scale
- ▶ The breakeven point, from an economical point of view, with the ICS costs structure is over 40-50 cars with about a 30% use of the fleet
- ▶ The unitary margins are quite low, so the business is attractive for investors only on the big numbers
- ▶ It is not easy to promote the industrial interest for car sharing in the early phase of development. In this phase the service is often promoted by the cities and operated by the local transport companies



▶ The potential customers, in Italy, approach car sharing as a “very interesting mobility service”, but they want to “buy a service”: it must show real advantages vs other mobility modes

▶ On the other hand, as common for many mobility services, the adoption rate is however slow, and the users are very sensitive to the perceived image of the service

▶ Good quality
Efficiency
Communication

} Key success factors





- ▶ To speed up the growth rate, a good communication strategy is a crucial point



Significant investments

- ▶ The potential market is segmented.



the market approach and the communication strategies can be diversified on different targets

CAR SHARING CAN HAVE

“DIFFERENT FACES FOR DIFFERENT CUSTOMERS”





The strength points of car sharing in Italy



- ▶ C.s. is commonly seen with a high degree of interest by a large portion of the potential users in urban environment
- ▶ It is supported by Public Bodies which gives benefits to the users and can also represent a relevant customer for the car sharing operators
- ▶ It is mainly operated by (or with the co-operation of) the Local Public Transport Companies: this gives big opportunities of integration and common policies
- ▶ The particular history and structure of Italian car sharing makes easier the concentration processes for operators, and their possible turnover



The weakness points of car sharing in Italy



- ▶ The same history and structure of Italian car sharing require high investments and significant structures
- ▶ At the moment car sharing represents, from the entrepreneurial point of view, a highly risky activity and this makes it difficult to stimulate the offer
- ▶ The structure of company costs requires to speed up as much as possible the growth rate to autonomously survive, without the need to be funded by Local Governments
- ▶ There is no legislation concerning car sharing. It is urgent to define car sharing as a particular form of public transport