



**For more information, contact:**  
 Laura Bryant, Enterprise Holdings  
 314-512-4178  
 laura.t.bryant@ehi.com

Gerald Furgione, PhillyCarShare  
 215-495-1059  
 gerald@phillycarshare.org

**FOR IMMEDIATE RELEASE**

# Enterprise Holdings Acquiring PhillyCarShare

*World’s largest car rental company will invest in new local fleet and work with PhillyCarShare to provide Philadelphia region as many transportation options as possible*

***PCS Board of Directors Chair Jacob Smith: “An ideal partnership”***

**ST. LOUIS – Aug. 9, 2011** – [Enterprise Holdings](#) has announced that it is acquiring the business of [PhillyCarShare](#) (PCS), a nonprofit organization serving more than 13,000 members and focusing on improving community transit and environmental goals.

Enterprise Holdings, the most comprehensive service provider in the car rental industry, operates the flagship [Enterprise Rent-A-Car](#) brand as well as the [National Car Rental](#) and [Alamo Rent A Car](#) brands. Founded in 1957, Enterprise has always focused on community transportation needs, renting cars where customers live and work. Today, the Enterprise Rent-A-Car network – with [5,500 branch offices](#) located within 15 miles of 90 percent of the U.S. population – has more than twice as many neighborhood locations as its nearest competitor and is renowned for offering affordable, accessible and flexible local car rental service in towns and cities of all sizes. PhillyCarShare will operate as a natural extension of the Enterprise home-city business model, which already includes [WeCar by Enterprise](#) car-sharing, plus a wide variety of car leasing, vanpooling and hourly rental programs throughout the country.

“Our extensive home-city network puts us in a unique position in the car rental industry,” stated Greg Stubblefield, executive vice president and chief strategy officer for Enterprise Holdings. Enterprise Rent-A-Car operates not only as a key provider for insurance replacement, weekend getaways and special occasions, but also as a transportation alternative for those who rely on mass transit during the week. In addition, many consumers who simply cannot afford to purchase or maintain a vehicle on their own often depend on local car rental and take advantage of Enterprise’s “everyday low price,” including popular weekend rates starting at \$9.99 per day (the rate includes 100 free miles a day).

“We look forward to working with the PCS team, so that we can share best practices, invest in new local fleet and provide the Philadelphia region as many transportation options as possible,” Stubblefield added. “Just as we did with our acquisition of National and Alamo four years ago, we are determined to take the time necessary to listen and learn, and to get the integration process right.”

The acquisition closes tomorrow, Aug. 10. Financial terms of the transaction will not be disclosed. PhillyCarShare will operate as a for-profit service, and the brand name will be maintained during the integration process. Almost all PCS staff members have been offered positions.

( more )

### **Historic Step**

"We decided to take this historic step because of our commitment to serve every neighborhood in Philadelphia and to make PhillyCarShare as accessible as possible," stated Jacob Smith, chair of the PCS board of directors. "As the local car-sharing market continues to help shape the future of a sustainable Philadelphia, we believe that Enterprise Holdings' financial strength – combined with its car rental expertise and well-established grassroots approach – makes this an ideal partnership for our members, staff, partners and the Philadelphia community at large. We look forward to working with Enterprise as a community partner as we continue to serve PhillyPatientRide and other initiatives."

In June 2010, a [New York Supreme Court Justice](#) found that car sharing "is in 'the trade or business of renting or leasing motor vehicles' as those words are traditionally and plainly understood." In addition, the judge wrote: "This bargain – use of a car in exchange for a fee – appears little different from 'traditional rental car' companies..."

Subsequently, Chris Brown of [Auto Rental News](#) magazine published an editorial stating: "...I see car sharing as part of the evolution of auto rental, an offshoot of the neighborhood car rental market that took hold in the 1980s. Back then, local communities were looking for transportation solutions that were met by smaller, conveniently located branches. Later, car sharing came along to meet the needs of specific community, urban dwellers, while automating the process. Separating car sharing from car rental will become increasingly harder moving forward. Car sharing is growing out of its original urban core and into university environments, corporate campuses, government fleets, suburbia and even airports – all areas in which traditional car rental is already part of the transportation lexicon."

PCS Executive Director Gerald Furgione concurs. "In the last decade, we have successfully worked to change the way Philadelphia businesses and residents think about sustainable transportation options," he noted. "Now PhillyCarShare will have the necessary resources and economies of scale to operate efficiently and effectively as the car-sharing marketplace continues to evolve and becomes even more competitive and user-friendly."

Furgione will work with Ryan Johnson, assistant vice president for WeCar by Enterprise, and Bobby Keyes, vice president and general manager for Enterprise Holdings in Philadelphia, which includes approximately 170 local Enterprise Rent-A-Car branch offices. "Jerry Furgione, Bobby Keyes and I will be working together to build a fully scalable and sustainable retail car-sharing business model in the Philadelphia area," said Johnson. "Such a long-term approach is critical during these tough economic times, particularly as cities like Philadelphia search for ways to make every tax dollar count."

"For instance, we intend to expand and enhance the PhillyCarShare fleet as quickly as possible," Johnson continued. "We also intuitively understand – and just as the New York courts confirmed last year – that car sharing services are a form of car rental and that local car rental excise taxes unfortunately are owed regardless of whether vehicles are being rented by the hour, the day, the week or longer. That said, our company will continue its well-documented [fight against discriminatory car rental excise taxes](#) on behalf of car rental and car sharing customers in Philadelphia and throughout the country."

### **Grassroots Car Rental Legacy**

"After 55 years in the car rental business, Enterprise's legacy underscores the sustainable nature of our longtime grassroots strategy from a social, environmental and economic perspective," stated Lee Broughton, head of [corporate sustainability](#) for Enterprise Holdings. "Partnering with PhillyCarShare is just another example of our ongoing commitment to innovative, sustainable local transportation solutions and our approach to doing business for the long term."

This grassroots focus on the "triple bottom line" – economic, social and environmental sustainability – is well recognized and consistent with the [National League of Cities'](#) transportation sustainability strategy. For example, with a well-established track record for making "virtual cars" ® convenient and affordable for those who prefer to "buy for the need and rent for the exception," Enterprise Rent-A-Car launched hourly rentals in 2005 and local car-sharing in 2007 as a natural extension of its business rental program and its focus on customized service in communities.

( more )

## Enterprise Holdings Acquiring PhillyCarShare

### Page 3

Through its WeCar car-sharing program, Enterprise now offers a totally automated, membership-based transportation solution that gives businesses, universities and government offices an opportunity to enhance their fleet management operations and sustainability initiatives. Enterprise also specializes in providing [Rideshare vanpooling](#) and carpool commuter services to individuals and companies.

In addition, Enterprise's local car rental branches enable millions of consumers to try late-model, fuel-efficient models and even new technologies, including electric vehicles and hybrids, for consideration of purchase or just out of curiosity. As a result, Broughton said, Enterprise is uniquely positioned to use its unparalleled network and environmentally friendly car rental options as a sort of "petri dish" to promote new alternatives and prove their feasibility in the marketplace.

Furthermore, Enterprise is a charter member in the U.S. Department of Energy's "[Clean Cities](#)" National Clean Fleets Partnership, a public-private alliance that helps large companies reduce diesel and gasoline use in their fleets by incorporating electric vehicles, alternative fuels and fuel-saving measures into daily operations. And [Citizens for Pennsylvania's Future \(PennFuture\)](#) recently selected PhillyCarShare to receive a "GreenPower:Turn It On!" award for supporting Pennsylvania's environment and economy.

### **Sustainable Infrastructure, Fleet and Service**

"We believe that our company's infrastructure should be as sustainable as our fleet and as local car rental service itself," Broughton stressed. "That is why we also have launched a new initiative to reduce both energy use and energy costs by 20 percent over the next five years."

With an upfront investment in energy-saving technologies and conservation practices, the Enterprise "20/20 Vision" program is expected to decrease the environmental impact of neighborhood car rental branches and airport facilities the company owns and operates through regional subsidiaries. In addition, the company has developed the Enterprise Sustainable Construction Protocol (ESCP), which will make all newly constructed and retrofitted Enterprise Rent-A-Car locations more sustainable. Over the next five years, more than \$150 million will be invested in sustainable construction through the use of this newly established set of guidelines. "ESCP further advances Enterprise's commitment to environmental stewardship and smart business by providing long-term cost savings," said Broughton.

### **"Shared Value"**

Much like PhillyCarShare, Enterprise's network of local branch offices reflects the principles of "shared value" – that is, creating economic value in a way that *also* creates value for society by addressing its needs and challenges. "This concept was recently highlighted by Michael Porter and Mark Kramer in the [Harvard Business Review](#)," Broughton said. "And it is in this broader context that we finance and support Enterprise's entrepreneurial business model in communities from coast to coast."

A typical Enterprise Rent-A-Car branch office makes a significant contribution to the local economy – generating millions of dollars in economic impact each year – by hiring people locally, buying and selling cars locally, paying local taxes and contributing to local charities. Stubblefield likewise emphasized that Enterprise has always worked to align the interests of its customers, employees and business partners with the long-term interest of its business. "As we built our network, one neighborhood at a time over the years, we also built strong relationships with the people who call those communities home," he said. "It is because of those relationships that we have achieved unprecedented growth in Philadelphia and hundreds of other cities nationwide."

Today, with annual revenues of \$12.6 billion and more than 68,000 employees, Enterprise Holdings owns and operates, through its regional subsidiaries, more than 1 million cars and trucks, making it the largest car rental company in the world measured by revenue, employees and fleet. Enterprise Holdings also is the only investment-grade company in the car rental industry. Ranked No. 17 on the *Forbes* "Top 500 Private Companies in America" list, Enterprise Holdings is owned by the Taylor family and headquartered in St. Louis.