

Social Franchising Case Study

Commonwheels,
Franchisor



[Commonwheels](#) launched in 2007 out of a passion for the environment and providing sustainable forms of transport, starting with two cars in Durham (initially trading as Option C). Car sharing clubs was a new concept in the North East at that time, and there were a number of barriers to setting up a pay-as-you-go car hire scheme. Through working with [Carplus](#), the national charity supporting the development of car clubs and car sharing schemes, Commonwheels was able to obtain contracts in Newcastle and other North East locations, and this has since now grown to cars in 24 different locations across the UK.

While the original purpose of Option C was to fill the market and provide cars where commercial companies were not interested in doing so, Commonwheels now has a vision for a national network of car clubs – working with local people who are best placed to set up a car clubs, market them and utilise their own networks and contacts, but who become a franchisee as part of the wide Commonwheels network.

Commonwheels provide their own experience and knowledge in how to set up a car club from the beginning, having done that journey themselves, as well as supplying the back end systems and technology, online booking system, telephone help service, as well as a start up manual and ongoing support for their franchisees. This economy of scale gives small community organisations and car club groups access to suitable insurance arrangements as well as access to the network of cars across the country, a huge benefit for their members.



The journey to social franchising has been one of trial and error for Commonwheels, who currently have 4 franchisees and a number in progress. As the enterprise did not start out with a franchise business model, they have been learning how to address issues such as common branding, business models, and ownership as they have occurred. While establishing the guidelines and preferences for independent organisations working within a wider network has proved tricky at times, the benefits of franchising have been numerous.

Franchising a social enterprise shifts the focus from a large national organisation to a small local one in which the operators know their market better and are best placed to access members. They receive all of the benefits of a large, well established business, while Commonwheels can support and develop more car clubs around the country, where they would not have the capacity or time resources to actually run the local operations themselves.

Advice for social franchisors:

- **Have a clear business plan for how to develop franchises once you begin to get interest from potential franchisees.**
- **A franchise manual or similar guidance alongside regular communications between franchisor and franchisee will ensure everyone is on the same page.**

Social Enterprise UK have published a manual for social franchisors, and this, along with other resources, support, research and training is available at www.socialenterprise.org.uk.



Social Franchising Case Study

Spare Wheels,
Franchisee

Spare Wh
Dunbar's transport club

Starting out as an initial conversation at a street party, [Spare Wheels](#) is now a successful community interest company in Dunbar – proving convenient, cheaper and more sustainable travel alternatives. Before Spare Wheels was started, there was no car sharing option in the area, with car clubs in Edinburgh too far away and not practical for locals to use, so the idea was formed to start up a car club solely in Dunbar. The founders originally approached commercial car clubs about setting up a scheme, but found they were not interested in setting up in a rural location.

In March 2011, Spare Wheels received a start-up grant from the Scottish Government, with help from by [Carplus](#) - this grant enabled them to purchase an initial two cars and pay for their first year's franchise payments to CommonWheels and insurance. Going it alone would have proved difficult, particularly in obtaining insurance, but as a franchisee of [Commonwheels](#), Spare Wheels has access to their expertise and knowledge, online booking system, telephone support for their members, and in-car telematics technology. Being a part of the CommonWheels network also gives Spare Wheels' members' access to a large number of cars around the country, on top of the two in Dunbar.



While they are a franchisee of a bigger organisation, Spare Wheels decided to retain their own branding and website. This helps them to ensure they have a local identity, important to their members and original reason for setting up as a car club. Spare Wheels are keen to stay local to Dunbar, and instead of expanding themselves into other geographical areas are encouraging other nearby communities to be part of CommonWheels and add more cars to the network, to the benefit of all members. There is also interest in diversifying the services that Spare Wheels offers, potentially including mini-buses, trailers and campervans alongside the cars and bikes currently available.

Advice for social franchisors:

- **Joining with a larger organisation gives you the readymade experience, knowledge and leverage of someone who has already “been there and done that”. This means you won’t have to re-invent the wheel, start from scratch, or go it alone.**

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