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Lifecycle



● Driving a regular taxi in 2004, Russell Howarth realised there was a gap in the market for leaner, greener city transport. It took another two years to get permission from the New South Wales government to run a fleet of 10 Lexus RX400h super ultra low emission vehicles as hire cars on Sydney roads.

With one vehicle in circulation and nine on order, Howarth launched the ecotaxi service under the title Omnicabs – only to have the state government decide to withdraw its permission to run the vehicles as hire cars.

Unwilling to lose a toe hold in what he was sure would become a lucrative business, Howarth hit back, offering his service for free while he argued his case with the bureaucrats.

“I figured they couldn’t do anything if I wasn’t charging people,” Howarth says. “Next thing I knew the campaign was on the television news, and literally hundreds of people were waving and honking at the car, or chanting ‘free rides, free rides’ when they saw me parked.”

The ‘free rides’ continued until April when the state government once again approved the cars for commercial use. Although he lost money in his campaign, it provided Howarth’s fledgling service with priceless early marketing.

“Initially, I was reticent to use the prefix ‘eco’ because in the next three to five years hybrid vehicles will be standard for all public transport so we lose the point of difference,” he says. “But I found at this stage customers are still looking for the eco name, and really in business you have to meet the market. Otherwise, people just won’t recognise you for who you are.”

With four vehicles on Sydney streets, and another four on order, Howarth is confident the service will grow as it taps into demand for environmentally friendly products and services, especially on the path to carbon neutrality.

“I’m not a greenie as such,” he says. “It’s more that there’s a huge demand for reliable green solutions. We have to ensure the quality and reliability of the service. No one is going to miss a plane because of a ride in a green taxi but so long as the service is comparable or better, the clean, green option is attractive.”

Howarth is considering extending into Melbourne then other state capitals. Rather than tackle the highly regulated taxi industry head on, his strategy is to register vehicles as hire cars then develop a series of complementary businesses including a waterless car-wash service and an automated payment system.

“The great potential of ecotaxi is the opportunity to develop other businesses based on its success,” he says. **BRW**

Interview: Jeanne-Vida Douglas

Russell Howarth

ecotaxi

Position:	Managing director
Milestones:	2004: Launched clean, green transport business
	2006: Set up Omnicabs, ordered Toyota hybrids
	2007: NSW government withdraws approval, free rides campaign begins
	2008: Ecotaxi relaunched

LIFECYCLE: **DEBUT**

An entrepreneur responds to clean, green transport