

Spring Free lining up asset financing to deploy ‘tens of thousands’ of EVs — CEO

17:40 EDT, April 26 2022

Spring Free EV, a startup fintech enabling affordable electric vehicles (EVs), remains in active conversations with institutional investors as it drums up tens of millions of dollars in asset financing, founder and CEO Sunil Paul told *Mergermarket* in an interview.

The CEO said Spring Free hopes to wrap talks up at the end of Q2 and intends to get financing from multiple sources. Those with experience in the renewable energy and automotive worlds “really help,” Paul said.

“We need institutions that are interested in deploying lots of capital,” he said.

The San Francisco-headquartered company’s investors include *LinkedIn* co-founder Reid Hoffman, former GE Ventures President Marianne Wu, Zynga founder Mark Pincus and *Medium* CEO Ev Williams, according to a press release.

The company helps fleet managers finance EVs with a subscription model that charges per-mile driven atop a base monthly fee.

Since launching the company in the fall, Spring Free has deployed more than 100 EVs and intends to get up to “tens of thousands” in the next several years.

The CEO said fleet financing is nothing new, and others know how to finance consumers. Spring Free’s approach is a “massively distributed fleet, which is very different than the way people are thinking about deployment.”

Paul said most fleet customers employ a “crawl, walk, run approach,” in that they start with a few EVs, then go to a few more, then to upwards of 10 or more.

The company prefers investors who understand the consumer world, too, and is building itself toward that direction, Paul said.

“Today, car sharing fleets. Later this year, ride sharing and gig delivery drivers. We like people who have experience with a consumer because of that as well,” he said.

The company plans to launch a product for individual drivers in the fall. Five hundred reservations have already been made, he said.

Regarding growth potential, the CEO pointed to data in the IPO prospectus of car sharing platform **Turo**, which says there are 85,000 “hosts” worldwide with 82% based in the US.

Paul himself has previous experience in EVs. He founded ride sharing service Sidecar in 2011. That company shut down in late 2015, and its assets were sold to GM.

The company aims to make EVs more affordable. Paul estimated EVs cost anywhere from 20% to 50% more than gas-powered vehicles, though they cost less to operate over their lifetime.

The US has set the year 2050 as a target for achieving net zero greenhouse gas emissions with regards to ground transportation. Paul said the country needs 75 million to 100 million more extra electric vehicles on the road in the next eight years if the US is to be successful, and that’s why Spring Free exists.

“We want to get to that kind of scale and be able to inflect the curve of electric vehicle adoption,” Paul said.

Asked if he thought an exit was possible before reaching that goal, he said, “We don’t currently see a partner that would make sense to exit to, but things change.”

The company’s legal advisor is **Orrick**.

by James Ward in Charlottesville, Virginia