

Gett prepares to conquer New York in Polish style!

04.05.2017

The Gett taxi app will acquire JUNO - one of the largest players on the New York taxi market - for \$200 million.

Gett, a leader on the passenger transport market in Europe, will acquire New York taxi company JUNO. Thanks to this merger, Gett will increase its share on the market of this American city to 13 percent. Gett's strategic goal is to achieve second position in New York. The purchase amounts to \$200 million. Gett is part of the portfolio belonging to MCI.TechVentures, managed by Private Equity Managers (MCI Capital Group) in Poland.

"This move represents an enormous opportunity for growth. That's why we will try to secure additional capital this year," says TechCrunch's Dave Waiser, founder of Gett.

Uber, which controls close to 70 percent of the market, currently dominates the streets of New York. In second place is the application Lyft, in operation since 2012, which boasts a 20-percent share. Together with JUNO, Gett will have approx. 25 thousand drivers, which represents almost 45 percent of the drivers at the disposal of Uber. In the first two months of 2017, Uber drivers carried out more than 14 million trips, compared to only 2.7 million by Lyft. Together, Gett and JUNO will account for almost 2 million trips.

"In terms of the number of trips and passengers, the New York market alone can be compared to the British or Russian markets. Acquiring JUNO secures a strong position for Gett in the American metropolis. "In 2016, the number of trips completed by taxis bearing the Gett logo was already considerably higher than the figure reported by Lyft," says Maciej Kowalski, Partner at Private Equity Managers, the company managing MCI Group funds.

The market for passenger transport in New York is characterized by a division into two groups of service providers. The first includes licensed taxis. The second consists of

drivers who provide services via popular mobile apps, including Uber, Lyft, Gett and JUNO. The drivers who provide transport services in New York, even within the framework of apps, must be licensed by the New York City Taxi and Limousine Commission.

Gett was established in Israel in 2010, where it currently has an 80-percent market share. It has operated in London since 2011, as well as in Moscow and New York since 2012. The app is now available in more than 60 cities worldwide. Last year the company entered into a strategic partnership with Volkswagen Group, which invested \$300 million into the company. In mid-2016, Gett incorporated British taxi corporation MountView/RadioTaxis, becoming the largest taxi operator in Great Britain. In London alone, the company boasts a fleet of close to 22 thousand licensed taxis. However, in the third quarter of last year, Gett acquired Russian corporation SaturnTaxi and became the market leader for passenger transport on the Russian market, dethroning Uber.

“From a European point of view and taking into consideration the latest regulations on passenger transport, which have hit Uber hard in Germany, France and Italy, Gett has a real chance to become one of the largest global companies offering passenger transport services on demand in the next few years,” adds Maciej Kowalski.