

# [***Turo s CFO Explains How They Grew Revenues 88% In 2 Years***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BJ6-0RW1-JBCM-F50B-00000-00&context=1516831)

Forbes.com

March 12, 2024 Tuesday

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**Length:** 2606 words

**Byline:** CFO, Forbes Staff

**Highlight:** The published version of Forbes' CFO newsletter delivers the latest news for chief financial officers and other budget-focused leaders to inboxes every Tuesday.

**Body**

**This is the published version of Forbes' CFO newsletter, which offers the latest news for chief finance officers and other leaders focused on the budget. Sign up here to get it delivered to your inbox every Tuesday.**

While companies have been working toward sustainability metrics, responsibility for keeping track of them has often landed under the CFO s purview. In a survey of CFOs late last year by Protiviti, ESG metrics and measurement weretheir top financial priority. Last week, the Securities and Exchange Commissionapproved**long-awaited rules requiring companies to report on sustainability measures**, and standardizing how they are to make those disclosures.

By now,**CFOs of publicly traded companies are probably familiar**with what they need to do under the new rules, which will be phased in through the next five years. They need to be able to disclose their Scope 1 emissions, those that they directly create themselves, and Scope 2 emissions, from electricity and other resources they use to do their work. Disclosure of supply chain-generated Scope 3 emissions is not required. Companies will also need to quantify actual and potential impacts of climate-related risks, as well as what the company has done to identify and mitigate them. These will be part of companies regular filings with the SEC.

While the particulars of the new rules are controversial among several different stakeholder groups with some thinking they go too far, some arguing they don t go far enough CFOs have likely been getting ready for this decision, which has been in the works for two years. Judson Aiken, senior director of risk and ESG solutions at reporting software provider AuditBoard, said in an email that **the vast majority of large companies are already reporting this information**, and the new rules bring consistency to what they are doing. We ve already seen extensive collaboration across sustainability teams with their audit, risk, and compliance counterparts as they have been building the foundations for internal controls over sustainability reporting and these rules will be a step forward in terms of bringing sustainability reporting on par with financial reporting, he wrote.

So**now is the time to make shifts and changes in reporting**, and that probably means working with software providers to arrive at the easiest and most accurate ways to measure metrics like emissions and carbon mitigation factors.

Much about the business atmosphere has changed in the last several years. People are more interested in how sustainable companies are, but they re also interested in new ways to be more sustainable in their everyday lives. Much like Airbnb lets property owners rent out their spaces, Turo lets vehicle owners rent out their cars to travelers, those who might be car shopping, or people who simply just want to go on a joy ride. Turo, established in 2009, has the mission of**putting the world s cars to better use by not having them sit idle**. The company has seen explosive growth since the COVID-19 pandemic, and is currently in the process of going public. I talked to CFO Chuck Fisher about Turo s growth. Excerpts from that interview are later in this newsletter.

**ECONOMIC INDICATORS**

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People walk by the New York Stock Exchange. (Photo by Spencer Platt/Getty Images)

Getty Images

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When it comes to the direction of the economy, the last week delivered **findings that were good, but not as optimistic as many had hoped**. On Wall Street, the stock market continued to rally. The S&Pclosed at a new record highof 5,157 on Thursday, while the Nasdaq and Dow Jones Industrial Average were all within striking distance of their records. Several individual companies stocks hit all-time highs on Thursday, including Nvidia, Applied Materials, Walmart, Boston Scientific, JPMorgan Chase, Meta and Stellantis. The only big news that coincided with Thursday s rally was from pharmaceutical manufacturer Novo Nordisk, which also hit a record high afterreporting positive resultsfrom a trial of a new weight loss pill.

Though the stock market is surging,**inflation isn t slowing down quite as much as analysts have hoped**. The Labor Department smonthly consumer price index, released today, showed last month s headline inflation was 3.2%, more than consensus estimates of 3.1%, and more than the 3.1% measured in January. Core inflation, which excludes food and energy, was 3.8% higher than forecasts of 3.7%, but below January s 3.9% measurement. The rate is dropping, but it s not even close to the 2% the Federal Reserve is targeting in order to cut interest rates. Federal Reserve Chairman Jerome Powellsaid as much last weektestifying before the House Financial Services Committee:**It wouldn t be appropriate to cut rates**from their current 23-year high until central bankers have greater confidence that inflation is under control.

**February s unemployment rate was also slightly up**, hitting 3.9% asmall increase over January s 3.7%. But the country added 275,000 jobs last month more than the 200,000 projected by economists, and average hourly wages were up 0.1% compared to January, and 4.3% year-over-year. There have been manyhigh-profile layoffs, with the most last month of any February since 2009, so the unemployment rate increase was expected. Wage growth appears to be outpacing year-over-year inflation, which is a positive step.

**STOCK SHIFTS**

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(Photo Illustration by Mateusz Slodkowski/SOPA Images/LightRocket via Getty Images)

SOPA Images/LightRocket via Getty Images

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Even if a company is trying to stay out of ***politics***,**politicians can pull their stock price down**. That s exactly what happened to Facebook and Instagram parent company Meta this week.On CNBC s Monday, former President Donald Trump said he consider[s] Facebook to be an enemy of the people. Trump, who launched his own social media company Truth Social after losing the 2020 election, was saying that he doesn t support banning TikTok despite saying he considers it a national security threat because that would cause Facebook to get bigger. Trump was doubling down on statements hemade on Truth Social last weeksaying Facebook cheated in the last Election.

Accusations of fraud in the 2020 election have been repeatedly debunked, and**Meta has been publicly planning how it would handle the 2024 elections**since last year.In blog posts, Meta has said it will require transparency around political advertisements; has brought on a large team devoted to safety, security and fact checking; and will require disclosure of use of AI.

Shares of Metadropped throughout the dayMonday, with**the social networking company closing down about 4.5%**. With the exception of Monday, 2024 has been a great year for Meta stock, with shares up nearly 29% this year so far, and the company hitting record revenues and stock market highs.

**BIG MOVES**

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Geoff Ballotti, president and chief executive officer of Wyndham Hotels & Resorts Inc., rings the opening bell at the New York Stock Exchange. Michael Nagle/Bloomberg

© 2018 Bloomberg Finance LP

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Choice Hotels is giving upon its **$8 million hostile takeover bid for Wyndham Hotels & Resorts**. Choice, which operates nearly 7,500 properties with 22 different brands including Comfort Inn and Quality Inn has been bidding to take over Wyndham since last April, though it only went public with its offer in November. Wyndham s leaders and shareholders were not receptive to Choice s $86 per share offer, but Choice gave shareholders until last Friday to tender shares. Not enough were interested.

**OFF THE LEDGER**

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Turo CFO Chuck Fisher.

Turo, Getty

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**How Turo CFO Chuck Fisher Helped Drive His Company To Success**

**Chuck Fisher joined vehicle-sharing marketplace company Turo as CFO in 2021, just as the Covid-19 pandemic s hold on U.S. society was beginning to weaken and people were looking to leave home and carefully start broadening their horizons again. The company was in a unique spot: At that time, inventory for rental cars was extremely tight, and there were few new cars being produced. Turo, which allows people to rent out personal vehicles, was able to fill the niche. From 2021 to 2023, have grown nearly 88% to $879.6 million last year. The company has been profitable since 2021, and it has filed to go public. I talked to Fisher about Turo s growth. This transcript has been edited for length, continuity and clarity.**

**When you started at Turo, it was a time when there was ample market opportunity. What did you do specifically to facilitate the company s growth?**

**Fisher:** We made investments in 21 in three fundamental areas. We invested in our host community, we invested in our platform, and we invested in our team and our people. We re a very data-driven company. We track the activity in our marketplace very closely on a day-to-day basis, and so we can see how bookings are developing. We re watching our bookings grow into the summer, the busy summer travel season. We re sitting at Memorial Day-ish timeframe, watching the forward calendar, really grow and grow and grow. You know the old cliche: you only have one chance to make a first impression. We know that we are going to be attracting a lot of new guests onto the platform. People who are trying us for the first time because they have to, frankly. Because there are no cars available. We had to make sure our hosts were doing two things. One, that they were scaling their businesses, so we had more supply where we needed it. And they were ready to provide a high-quality experience to guests when guests came in booked for the first time.

For the existing hosts who are looking to grow their platform, we needed to help them with financial incentives to make it worth their while to do that. So we cut our take rate, which is the percentage of the revenue that we keep versus what the host keeps, across the board. We took five points off the take rate and gave it back to our hosts. We also did things like providing financial incentives to hosts: If you add a new car to the platform, we ll match your first x $1,000 in payments, or we ll give you rebates on certain things.

On the other side of the host-scaling journey was adding new hosts to the platform for the first time. There, it was more about investing in our team, in our platform, because we needed to provide our hosts with education. So we developed an onboarding training program that every host had to go through before your listing could go live. So we invested in what we call the sales assistant listing training that took hosts through this process, so that when their car went live on the platform, they were ready to provide a great experience.

If you cast your mind back to 2020, when COVID happened, it was an existential moment for the company. It was not clear we were going to make it through right. We downsized in 2020. Then you roll forward one year later, we haven t added any new people and the business is getting ready to triple in size. Volume is way ahead of resources. We had to invest in the team to make sure that we were ready internally with the people, the tools, the systems to be in a position to provide a reliable, dependable, repeatable, quality service to guests and hosts. So in that moment, when we were sort of having our big coming-out party to the world, we provided a great experience.

**As a CFO, what kinds of things have you been dealing with at a company that has grown so fast, so quickly and has a very different sort of business model?**

Marketplace businesses are interesting, because as the manager of the marketplace, you re providing this platform that enables economic empowerment for hosts. You re building this place where people can build a business, and people do build fantastic businesses on our platform. We have upwards of 1,000 cars [available] on this platform in multiple locations. But we don t, at the end of the day, control all the decisions about how the host and guest experience works. We don t necessarily dictate how hosts price their vehicles. That s something that we give them the opportunity to control, if they want. You have to be able to understand how a marketplace behaves, how trends develop over time. You become very comfortable with reading data, and extrapolating on trends, and understanding seasonality, and predicting the future based upon the behavior of your business as it develops over time.

But ultimately, at the end of the day, the kind of decisions of things that I m focused on as a CFO are the same as anybody would be in a growing business like ours. Making sure that we re making smart resource allocation decisions. We re investing capital in the right places. ...These are universal questions that companies face, particularly ones that are growing: How do you think about trade offs between investments in your team, investments in platforms and systems, versus spending money on more marketing or advertising, more sort of demand generative activity. You have to balance those things because [if] you spend all your money on advertising and the product isn t prepared to meet the demand, it will be self-defeating.

**What advice would you give to other financial leaders who are finding themselves in a position like you were, where all of a sudden they are uniquely qualified to fill a void and go for major growth?**

It s good to keep in mind, whether you re a CFO or a finance professional or frankly anybody who s operating in a company that is going through tremendous growth. Businesses are cyclical. businesses go through ups and downs. You have to be always thinking of trying to look around corners, and think to the future, and make sure you re making decisions that are in the interests of building long-term shareholder value. You want to make sure that you re thinking as both a fiduciary for all your shareholders, which also means that you re thinking as a risk manager, always asking yourself the question about what am I missing? I think it s always useful to think with sort of both an offensive and a defensive frame of mind as you re thinking about those things. It s just a thoughtful and careful planning cycle, where you work closely with your team to think about the decisions that you re making in the context of long-term value creation. If you re doing that, I think you ll be OK.

**FACTS + COMMENT**

Singapore made a deal with Taylor Swift to**make the island city-state the only Southeast Asian stop**in her Eras Tour. Her six shows there wrapped up last week, and projections showhow the deal may be paying off.

**$225 million to $300 million:** What the six concerts and the influx of tourists are expected to add to Singapore s economy in Q1

**186%:** Increase in sales of flights to Singapore between March 1-9, according to Trip.com

**It has turned out to be a very successful arrangement :** Singapore Prime Minister Lee Hsien Loong said about the deal at the ASEAN summit last week,according to the AP

**VIDEO**

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**STRATEGIES + ADVICE**

Mentoring is important to**build relationships and retain talent**in your business. Here areseveral new mentorship modelsdesigned to help make an impact.

Positive thinking alone doesn t change things, but**it helps improve your performance**andput you on the path to success.

**QUIZ**

Elon Musk has seen the size of his fortune ebb in the last several weeks, and one person has**pulled ahead of him a couple times**in recent days to be the richest American. Who is it?

A. Mark Zuckerberg

B. Jeff Bezos

C. Warren Buffett

D. Donald Trump

See if you got the answerright here.

**Load-Date:** March 13, 2024

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