RoadsideOtto

On-demand roadside assistance. No membership. No runaround.

BUSINESS PLAN · SEED ROUND 2026

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1. Executive Summary

RoadsideOtto is building the consumer brand for on-demand roadside assistance — an app that connects stranded drivers with the nearest vetted provider in minutes, with no annual membership and no runaround.

Every year, drivers in the United States experience roughly 69 million roadside events — about 189,000 every day, or close to one in four vehicles on the road. Yet the way Americans get help has barely changed in decades. The category is dominated by prepaid membership clubs such as AAA — which serves nearly 58 million U.S. members but charges an annual fee (roughly $65–$139) for service that is capped at about four calls per year — and by insurance-embedded programs that are fulfilled behind the scenes by business-to-business providers like Agero. Drivers wait; they pre-pay for coverage they may never use; and when they do call, incumbents are structurally incentivized to dispatch a tow and upsell parts rather than deliver the fastest, simplest fix.

RoadsideOtto replaces that model with a transparent, pay-per-use marketplace. A driver opens the app, taps what they need — a jump start, tire change, fuel delivery, lockout or tow — sees the price upfront, and is matched to the nearest background-checked provider, whom they track in real time. Providers are drawn from the same enormous, motivated labor pool that powers ride-hailing and delivery: 64 million Americans freelanced in 2023 (38% of the workforce). Most people can already jump a car or change a tire; RoadsideOtto turns that everyday competence into flexible income and turns a stressful moment for the driver into a fast, friendly one.

The timing is unusually favorable. In 2026, Agero — the largest B2B roadside provider — acquired Urgent.ly, the best-funded venture-backed attempt at a consumer roadside app, consolidating the incumbents around a white-label, enterprise strategy and leaving the direct-to-driver consumer lane without a dominant national player. RoadsideOtto is designed to own exactly that lane.

We are raising a $1.5M seed round to launch in Houston — the largest, hottest and most car-dependent Sunbelt metro — prove the marketplace and unit economics, and reach the metrics required for a Series A. The U.S. roadside assistance market is estimated at approximately $6.2 billion (2025) and growing; our bottom-up model reaches roughly $2.2M in revenue and approaches profitability by Year 3 on well under the full raise in cumulative burn.

2. Company Overview

RoadsideOtto is a technology company that operates an on-demand marketplace for roadside assistance. The company evolved from an earlier concept (“ResQ”) and has been rebranded around Otto — a friendly otter mascot whose name is a play on “auto.” Otto gives a historically faceless, transactional category a warm, memorable consumer identity, which is central to our strategy of winning drivers directly rather than sitting invisibly behind an insurer or automaker.

Mission

To make roadside help fast, fair and human — so no driver is ever stranded, overcharged, or left waiting.

Vision

To become the default way people summon roadside help in America: a trusted consumer brand powered by a nationwide network of everyday helpers and professional operators, the way ride-hailing became the default for getting a ride.

Headquarters & first market

The company is founder-led and lean. Our first deployment market is metropolitan Houston, Texas, with a geofenced launch in the dense Harris County core, followed by expansion across the Sunbelt (Tampa is the planned second market).

3. The Problem

Roadside assistance is a large, essential service that has been left behind by the on-demand era. Three structural problems define the incumbent experience:

- **Slow when it matters most.** Traditional roadside response commonly takes 30–45 minutes, and members widely report multi-hour waits and no-shows during peak demand, bad weather, and at night — precisely when help is needed most.
- **Prepaid and capped.** Membership clubs charge an annual fee whether or not it is used. AAA tiers run roughly \$65–\$139 per year and cap standard service at about four calls annually, with tow-distance limits beyond which the member pays out of pocket.
- **Built to upsell.** Incumbents dispatch to contracted tow networks and are incentivized to move metal and sell parts. Drivers frequently report being told they need a new battery or a tow when a simple jump or fix would do.

The result is a category with high consumer frustration and low loyalty, in which the product has not fundamentally improved even as adjacent local services — rides, food, home services — were transformed by transparent, on-demand, app-based marketplaces.

4. Market Opportunity

The U.S. roadside assistance market is large, resilient and non-cyclical — vehicles break down in every economy. Independent estimates vary with definition, but converge on a multi-billion-dollar U.S. market growing at a mid-single-digit rate:

Market layer	Size	Basis
TAM — U.S. roadside assistance	\$6.2B	Total U.S. market, 2025 (Grand View Research); up to \$7.7B on broader definitions (Fortune Business Insights). Global market ≈ \$32B (Allied Market Research, 2023).
SAM — on-demand, car-dependent metros	\$1.8B	On-demand-addressable roadside spend across the top warm-climate, car-dependent U.S. metros (≈30% of the U.S. vehicle base).
SOM — Houston beachhead	\$110M	Estimated annual roadside spend in metro Houston (~5.3M vehicles × ~23% annual event rate × ~\$90 average service).

A simple bottom-up check corroborates these figures: roughly 69 million U.S. roadside events per year at an average billable service of about $90 implies a market on the order of $6.2 billion — closely matching the independent top-down estimates. The market is also structurally underserved on the consumer side: AAA serves nearly 58 million U.S. members and fields more than 30 million roadside calls per year ("one call every two seconds"), while Agero alone touches 150M+ vehicles and handles roughly 13 million events annually — almost entirely as an invisible B2B provider. Demand is enormous; a modern consumer brand to meet it directly is missing.

Secular tailwinds add to the opportunity. Vehicles are aging (older cars account for the majority of roadside calls), and electric vehicles — while still a small share — generate disproportionate tire-related roadside needs because they are heavier; AAA assisted 160,000 EVs in 2023, up 180% from 2019. Market-research firms consistently cite vehicle age and EV adoption as growth drivers for roadside demand.

5. Why Now

Two shifts have opened a window that did not exist a few years ago.

A ready-made supply of providers

The gig economy has created the flexible labor force that roadside assistance never had. 64 million Americans freelanced in 2023 — 38% of the workforce, contributing $1.27 trillion in earnings — and 58 million identified as independent workers in 2022, up from 27% of workers in 2016. Surveys consistently show that flexibility and supplemental income are the top motivations for gig work. Because most adults can already perform the highest-frequency roadside tasks (jump starts, tire changes, lockouts), the addressable provider pool is far larger than, say, the pool of licensed tow-truck operators alone.

Incumbents have retreated to B2B — and just consolidated

Every scaled digital roadside player is fundamentally white-label infrastructure for insurers and automakers, not a consumer brand. Agero describes itself as the "#1 B2B, white-label provider," its dispatch software (Swoop) is sold to tow operators, and in 2026 Agero acquired Urgent.ly — the venture-backed company that pioneered the consumer "Uber for roadside" app — for $5.50 per share after Urgent.ly struggled as a public company. The net effect: the incumbents have doubled down on serving enterprises, clearing the direct-to-driver consumer lane precisely as the supply and demand conditions for a consumer marketplace have never been better.

6. Solution & Product

RoadsideOtto is a three-sided, on-demand marketplace: drivers who need help, providers who deliver it, and RoadsideOtto's technology that matches, prices, routes, pays and guarantees the experience. The core flow is deliberately simple:

- **Request.** The driver opens the app, taps the service they need, and sees the price upfront.
- **Match.** The nearest background-checked provider is matched in seconds.
- **Rescue.** The driver tracks the provider to their location in real time, pays in-app, and rates the help.

Services

At launch RoadsideOtto covers the highest-frequency roadside needs: battery jump-starts, flat-tire changes/spare installs, fuel delivery, lockout assistance, towing, and minor on-the-spot fixes. Illustrative consumer prices (based on national out-of-pocket benchmarks) range from roughly $60 for fuel delivery to about $130 for a local tow.

Product principles

- Upfront, transparent pricing — no dispatcher haggling, no surprise charges.
- Real-time GPS tracking of the provider to the driver's vehicle.
- Background-checked, insured providers with two-way ratings.
- In-app payment, receipts, and an in-app SOS plus live trip-share for safety.
- No annual fee — drivers pay only when they need help, with an optional membership for those who want extras.

7. Business Model

RoadsideOtto earns revenue three ways, anchored by a marketplace take rate and complemented by an optional membership and, later, business-to-business services.

- **Marketplace take.** A ~20% take on every service booked through the platform — the core engine, aligned with driver value delivered.
- **Otto+ membership.** An optional annual membership (target $59/yr) offering priority matching and discounts — undercutting AAA ($65–$139) with no lock-in and pay-per-use flexibility.
- **B2B & fleet.** In a later phase, dispatch for insurers, dealerships, rental and fleet operators on the same vetted provider network — a large B2B pool the incumbents already monetize.

Unit economics

The per-service economics are straightforward and positive at the contribution level before customer-acquisition and overhead:

Per completed service	Amount
Average consumer job (blended)	$90
Provider earnings (≈80%)	$72
RoadsideOtto take (≈20%)	$18
Payment processing (≈3%)	($2.70)
Net contribution to platform	**≈ $15**

The provider side is equally compelling: at an average payout of about $72 per job and 1.3–2 jobs per active hour, a provider can realistically earn $40–$60+ per hour of active service time, versus roughly $17–$24 per hour typical for rideshare and delivery — a strong wedge for recruiting supply.

8. Go-to-Market Strategy

We will win one market at a time, starting with a geofenced beachhead where two-sided liquidity can be proven quickly, then templating the playbook across the Sunbelt.

Why Houston

Houston is the strongest first market on the criteria that matter for a roadside marketplace. It is the largest and most car-dependent major Sunbelt metro (≈7.44 million people; roughly 5.3 million vehicles; 71.6% of workers drive alone), giving deep demand and a large provider pool (≈3.57 million employed residents). It is also one of the hottest major U.S. metros (August average high ≈95°F), and heat is the leading cause of battery failure and a major driver of tire blowouts — so Houston generates more organic, year-round breakdown demand, without the operational shutdown risk of Florida's hurricane season. We geofence the dense Harris County core to concentrate supply and demand, achieve fast ETAs, and prove the model before expanding.

Launch playbook

- **Seed supply.** Recruit and vet an initial base of local providers (everyday helpers plus professional tow operators) before demand is switched on.
- **Spark demand.** Drive demand with geo-targeted digital marketing and partnerships with auto shops, dealerships, apartment complexes and universities.
- **Density flywheel.** Use density to compound: faster ETAs win more drivers, which attracts more providers, which further improves ETAs.

Once Houston demonstrates healthy unit economics, retention and provider earnings, the same geofenced, supply-first playbook is repeated in the next Sunbelt metro (Tampa), and beyond.

9. Competitive Landscape

The market is fragmented and, on the consumer side, uncontested by a modern on-demand brand. Incumbents are either prepaid membership clubs or white-label B2B providers; ride-hailing apps are an indirect reference point but do not offer roadside service.

Capability	RoadsideOtto	AAA	Insurance / Agero	Uber / Lyft
On-demand consumer app	Yes	No — phone dispatch	Behind the scenes (B2B)	Yes (not roadside)
Pay-per-use, no annual fee	Yes	No — annual membership	Varies by policy	N/A
Direct consumer brand	Yes	Yes	No — white-label	Yes
Real-time tracking & upfront price	Yes	Limited	Limited	Yes
Gig / community provider network	Yes	No — contracted tows	Contracted network	Yes (drivers)

RoadsideOtto's position is unique: the only offering that combines an on-demand consumer app, transparent pay-per-use pricing, a direct consumer brand, and a gig-plus-professional provider network. The 2026 Agero–

Urgent.ly consolidation removed the closest analog and reinforced the incumbents' B2B focus, widening the consumer opening rather than closing it.

10. Marketing & Growth

Our marketing strategy is built on a memorable consumer brand (Otto) and the density flywheel. Key levers:

- **Brand.** Brand & content: Otto gives us an approachable, sharable identity in a category with none — used across app stores, social, vehicle livery and provider gear.
- **Demand capture.** Performance marketing: geo-targeted search and social capture high-intent moments ("jump start near me," "flat tire help").
- **Partnerships.** Partnerships: auto shops, dealers, insurers, apartment communities, universities and fleets as referral and co-marketing channels.
- **Loyalty.** Referrals & membership: two-sided referral incentives and Otto+ membership to drive repeat usage and retention.

Because roadside help is an urgent, high-trust purchase, word-of-mouth and reviews are powerful; a single fast, fairly priced rescue converts a stranded stranger into a loyal advocate.

11. Operations, Technology & Trust

The product is a location-aware, mobile-first marketplace with a driver app, a provider app, and a dispatch-and-matching backend that handles real-time geolocation, pricing, payments and communications. The system is cloud-based and integrates established payment providers.

Trust & safety

Trust is the foundation of a roadside marketplace and a core use of seed capital. Every provider undergoes identity verification and a background check; providers carry appropriate insurance and are covered by platform-level liability coverage; the app includes an SOS button and live trip-share; and two-way ratings continuously police quality on both sides. Verification, insurance and compliance are budgeted explicitly (10% of the raise).

12. Management Team

RoadsideOtto is led by an experienced operator-founder, supported by a co-founder focused on operations and growth, with key technical and market hires planned as part of this round.

- **Ryan Burch — Founder & CEO.** 22+ years leading complex IT delivery. Sets product vision and drives execution from strategy through shipped software.
- **Brandy Hampton — Co-Founder & COO.** Operator with a track record building and scaling businesses across apparel, technology and startups; owns operations, risk and growth.
- **Planned seed hires & advisors.** A CTO / lead engineer, a Head of Trust & Safety, and a Houston market lead, plus marketplace growth advisors — a core focus of this round.

13. Financial Plan & Projections

The projections below are a transparent, bottom-up model grounded in the market sizing and unit economics in this plan. They are assumptions, not actuals — RoadsideOtto is pre-launch and no revenue or traction is claimed. The model reflects a Houston launch in Year 1, scaling Houston plus a second metro in Year 2, and multi-metro operation in Year 3.

Metric	Year 1	Year 2	Year 3
Completed services	4,000	22,000	70,000
Gross bookings (GMV)	$360K	$1.98M	$6.30M
Platform revenue (20% take)	$72K	$396K	$1.26M
Otto+ membership	$47K	$236K	$708K
B2B / fleet	—	—	$200K
Total revenue	$119K	$632K	$2.17M
Operating expenses	$780K	$1.15M	$2.00M
Net income (loss)	($661K)	($518K)	$168K

Cumulative net burn across Years 1–2 is roughly $1.0–1.2M — comfortably inside the $1.5M seed — with the business approaching profitability in Year 3 as marketplace density improves margins. Year 3 gross bookings of ~$6.3M represent low-single-digit penetration of the Houston market alone, leaving substantial headroom as additional metros come online and support a Series A to accelerate national expansion.

14. Funding Request & Use of Funds

RoadsideOtto is raising a $1.5M seed round to fund 18–24 months of runway: build and launch the product in Houston, seed the provider network, prove unit economics and retention, and reach the metrics required for a Series A. Proposed allocation:

Use of funds	Allocation	Amount
Growth & marketplace acquisition (demand + provider onboarding)	38%	$570K
Product & engineering	30%	$450K
Operations & market expansion	17%	$255K
Trust & safety (background checks, insurance, verification)	10%	$150K
G&A / legal / compliance	5%	$75K
Total	**100%**	**$1,500,000**

Milestones this round unlocks: a shipped consumer and provider app; 500+ vetted Houston providers; demonstrated unit economics and cohort retention; the launch of Otto+ membership and a first B2B/fleet pilot; and preparation for a Series A to expand across the Sunbelt.

15. Risks & Mitigations

Risk	Mitigation
Two-sided cold start (supply/demand liquidity)	Geofenced single-market launch; recruit and vet providers before switching on demand; density-first playbook.
Provider quality & safety	Background checks, insurance, two-way ratings, in-app SOS/trip-share, and platform liability coverage.
Incumbent response (AAA, Agero, insurers)	Incumbents are structurally B2B/membership; consumer brand, transparent pricing and speed are hard for them to replicate without channel conflict.
Regulatory & insurance complexity	Explicit trust-&-safety and legal budget; partner with established insurers; phased, market-by-market compliance.
Pricing / take-rate pressure	Superior provider earnings and driver value support a sustainable ~20% take; membership and B2B diversify revenue.

Appendix — Selected Sources

Market facts in this plan are drawn from public, third-party sources. Company financials are internal, clearly-labeled projections. Key references:

- U.S. roadside assistance market size: Grand View Research (US Vehicle Roadside Assistance, ~$6.2B, 2025); Fortune Business Insights (~$7.7B); Allied Market Research (global ~$32B, 2023).
- U.S. vehicles & drivers: FHWA Highway Statistics 2024 (≈297.5M registered motor vehicles; ≈239.8M licensed drivers).
- Breakdown frequency (~69M events/yr; ~1 in 4 vehicles): Agero / industry, as cited by Fortune Business Insights and roadside-industry aggregations.
- AAA membership (≈58M U.S.), 30M+ calls/yr, pricing tiers (~$65–$139) and ~4-call limit: AAA newsroom and regional-club membership pages (2024–2026).
- Agero scale (150M+ vehicles, ~13M events/yr, #1 B2B white-label) and 2026 acquisition of Urgent.ly ($5.50/share): Agero.com and Agero press releases.
- Urgent.ly SPAC (Oct 2023), public-market struggles and reverse split: company press releases and SEC filings.
- Gig economy: Upwork Freelance Forward 2023 (64M freelancers, 38% of workforce, $1.27T); McKinsey American Opportunity Survey 2022 (58M independent workers); Pew Research (gig motivations).
- Houston metro data: U.S. Census / Data USA (Houston–The Woodlands–Sugar Land MSA, 2024); NOAA climate normals (Houston).
- Per-service pricing benchmarks: The Zebra, insurancehub, Yelp cost guides, HomeGuide/Angi (2024–2025).
- EV roadside trends: TIME / AAA (160,000 EV assists in 2023, +180% vs 2019).

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Note: the RoadsideOtto email/domain are placeholders pending the rebrand; the phone number is from existing collateral.