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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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Form 8-K  
CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

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OCTOBER 26, 2000 (OCTOBER 25, 2000)  
(Date of Report (date of earliest event reported))

CENDANT CORPORATION  
(Exact name of Registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	1-10308 (Commission File No.)	06-0918165 (I.R.S. Employer Identification Number)
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9 WEST 57TH STREET NEW YORK, NY (Address of principal executive office) officeoffice)	10019 (Zip Code)
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(212) 413-1800  
(Registrant's telephone number, including area code)

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ITEM 5. OTHER EVENTS

Earnings Release. On October 25, 2000, we reported our plans to spin-off our individual membership and loyalty businesses and to reclassify our individual membership segment as a discontinued operation, which are discussed in more detail in the press release attached hereto as Exhibit 99.1, which is incorporated herein by reference in its entirety.

ITEM 7. EXHIBITS

See Exhibit Index.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CENDANT CORPORATION

BY: /s/ John T. McClain

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John T. McClain  
Senior Vice President, Finance and  
Corporate Controller

Date: October 26, 2000

CENDANT CORPORATION  
CURRENT REPORT ON FORM 8-K

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
99.1	Press Release: Cendant to Spin-Off Individual Membership Businesses

[GRAPHIC OMITTED]

Cendant to Spin-Off Individual Membership Businesses

Transaction Expected to Facilitate Aggressive Marketing Growth at Unit

Business Reclassified as Discontinued Operation

Scott W. Bernstein Named CEO of New Company

NEW YORK, NY, OCTOBER 25, 2000- Cendant Corporation (NYSE: CD) announced today it intends to distribute 100% of the stock of a new company incorporating its individual membership and loyalty businesses to Cendant's shareholders in a tax-free distribution. Cendant expects the process, which includes formation of the company, registration of its shares and distribution of the shares to shareholders, to be completed by mid 2001. Cendant will immediately reclassify its individual membership business segment as a discontinued operation.

The principal operating units of the new company (which has not yet been named) will be Cendant Membership Services (CMS), currently headquartered in Stamford, Connecticut and Cendant Incentives, headquartered in Richmond, Virginia. The spin-off does not include the direct marketing businesses (FISI Madison, Benefits Consultants Inc., CIMS and Long-Term Preferred Care) whose results are reported in Cendant's Insurance/Wholesale business segment.

The Company also announced that Scott W. Bernstein, 40, currently president of Cendant Membership Services, has been named CEO of the new company. The company will be headquartered in the Norwalk, Connecticut area and will be led by its current senior management team.

"We are doing this so CMS can again grow its membership base," said Henry Silverman, Chairman, President and CEO of Cendant. "This decision culminates two years of hard work and investment by the management and employees of CMS. During that time, we purposely focused our spending to minimize risk and maximize returns while we gained confidence that aggressive marketing made sense in this business. We tested numerous programs to improve member cancellation rates - the critical variable in determining the base-line profitability and growth potential of this business. Without a firm view on cancel rates, aggressive marketing was imprudent. We now have that firm view."

"We believe our team can generate good returns by deploying significant new marketing dollars to materially increase members," continued Silverman. "The cash receipts generated from this activity quickly recover its cash cost - cash is not an issue. Unfortunately, the conservative accounting methods required for this business prevent us from recording the revenue produced by the marketing until more than one year following our receipt of the cash membership fees. The expense of this marketing, however, is largely recorded up front. As a result, growth results in volatile and, initially, significantly lower GAAP earnings."

"We do not believe that Cendant's shareholders will welcome financial results on such a disparate model from Cendant's traditional P&L," concluded Silverman. "As an independent company, CMS will be able to better explain its cash flow advantages to investors and receive a better valuation. We also believe that as an independent company, CMS can explore acquisition and other strategic opportunities in the direct marketing industry."

In 1999, the discontinued membership businesses produced comparable revenues of \$721 million and comparable adjusted EBITDA of \$150 million. In the first nine months of 2000, the discontinued operations produced comparable revenues of \$540 million and comparable adjusted EBITDA of \$142 million. As a result of the

reclassification of the financial results of the individual membership business to discontinued operations, Cendant expects fourth quarter comparable revenues from continuing operations to be lower by approximately \$200 million than would otherwise be the case, comparable adjusted EBITDA to be approximately \$40 million to \$50 million lower and earnings per share to be approximately \$0.04 lower than would have otherwise been the case.

In the fourth quarter of 2000, Cendant expects the discontinued operations to accelerate marketing expenses to higher levels than originally planned as CMS launches its new strategic plan to accelerate member acquisition. Consequently, the reported fourth quarter income from discontinued operations will be less than it would have been without the acceleration of marketing expenses. The new company will include the assets and operations of Netmarket Group, Inc., an on-line membership company reacquired by CMS in the fall of 2000. CMS will continue to market individual membership services to consumers who are customers of Cendant's other business units under the terms of an affinity marketing contract. Cendant expects to receive an opinion from tax counsel on the tax-free status of the distribution and will thus not make the spin-off contingent on receipt of an IRS ruling.

Statements about future results made in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and the current economic environment. These statements are not guarantees of future performance. They involve a number of risks and uncertainties that are difficult to predict including the outcome of litigation. Actual results could differ materially from those expressed or implied in the forward-looking statements. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the Form 10-Q for the quarter ended June 30, 2000, including completion of the settlement of the class action litigation.

Cendant Corporation is a global provider of real estate, travel and direct marketing related consumer and business services. The Company's core competencies include building franchise systems, providing outsourcing solutions and direct marketing. As a franchiser, Cendant is among the world's leading franchisers of real estate brokerage offices, hotels, rental car agencies, and tax preparation services. The Company's real estate-related operations also include Move.com Group, Cendant's relocation, real estate and home-related services portal on the Internet. As a provider of outsourcing solutions, Cendant is a major provider of mortgage services to consumers, the global leader in employee relocation, and the world's largest vacation exchange service. In direct marketing, Cendant provides access to insurance, travel, shopping, auto, and other services primarily to customers of its affinity partners. In addition, Cendant Internet Group is pursuing a convergence strategy for the Company's off-line and online businesses. Other business units include NCP, the UK's largest private car park operator, and Wizcom, an information technology services provider. Headquartered in New York, NY, the Company has approximately 28,000 employees and operates in over 100 countries.

More information about Cendant, its companies, brands and current SEC filings may be obtained by calling 877-4INFO-CD (877-446-3623) or by visiting the Company's Web site at [www.cendant.com](http://www.cendant.com).

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CENDANT CORPORATION

Financial Results of Operations (1)

(In millions, except per share amounts)

DISCONTINUED INDIVIDUAL MEMBERSHIP BUSINESS

	HISTORICAL			
	3 MONTHS ENDED			9 MONTHS ENDED
	March 31, 2000	June 30, 2000	Sept 30, 2000	Sept 30, 2000
Revenues	\$ 187	\$ 168	\$ 185	\$ 540
Adjusted EBITDA (3)	53	44	45	142
Net Income	16	23	26	65
Income per CD Diluted Share	\$ 0.02	\$ 0.03	\$ 0.04	\$ 0.09
Net Income, as Adjusted (4)	30	23	26	79
Income per CD Diluted Share, as Adjusted (4)	\$ 0.04	\$ 0.03	\$ 0.04	\$ 0.10

COMPARABLE BASIS (2)

	3 MONTHS ENDED			9 MONTHS ENDED
	March 31, 2000	June 30, 2000	Sept 30, 2000	Sept 30, 2000
	\$ 187	\$ 168	\$ 185	\$ 540
	53	44	45	142

HISTORICAL

	3 MONTHS ENDED				12 MONTHS ENDED
	March 31, 1999	June 30, 1999	Sept 30, 1999	Dec 31, 1999	Dec 31, 1999
Revenues	\$ 218	\$ 224	\$ 261	\$ 192	\$ 895
Adjusted EBITDA (3)	11	17	52	55	135
Net Income	2	28	(24)	98	104
Income per CD Diluted Share	\$ -	\$ 0.03	\$ (0.03)	\$ 0.14	\$ 0.14
Net Income, as Adjusted (4)	3	6	28	29	66
Income per CD Diluted Share, as Adjusted (4)	\$ -	\$ 0.01	\$ 0.04	\$ 0.04	\$ 0.08

COMPARABLE BASIS (2)

	3 MONTHS ENDED				12 MONTHS ENDED
	March 31, 1999	June 30, 1999	Sept 30, 1999	Dec 31, 1999	Dec 31, 1999
	\$ 165	\$ 167	\$ 200	\$ 189	\$ 721
	19	25	52	55	151

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CONTINUING OPERATIONS  
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	HISTORICAL			9 MONTHS ENDED
	3 MONTHS ENDED			
	March 31, 2000	June 30, 2000	Sept 30, 2000	
Revenues	\$ 945	\$ 973	\$ 1,044	\$ 2,962
Adjusted EBITDA (3)	360	360	444	1,164
Income from Continuing Operations	111	151	188	450
Income per CD Diluted Share	\$ 0.15	\$ 0.21	\$ 0.25	\$ 0.60
Income from Continuing Operations, as Adjusted (4)	167	169	204	540
Income per CD Diluted Share, as Adjusted (4)	\$ 0.22	\$ 0.23	\$ 0.27	\$ 0.72

COMPARABLE BASIS (2)  
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	3 MONTHS ENDED			9 MONTHS ENDED
	March 31, 2000	June 30, 2000	Sept 30, 2000	Sept 30, 2000
	\$ 931	\$ 957	\$ 1,029	\$ 2,917
	385	392	464	1,241

HISTORICAL  
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	3 MONTHS ENDED				12 MONTHS ENDED
	March 31, 1999	June 30, 1999	Sept 30, 1999	Dec 31, 1999	Dec 31, 1999
Revenues	\$ 1,102	\$ 1,171	\$ 1,154	\$ 1,094	\$ 4,521
Adjusted EBITDA (3)	422	441	475	445	1,783
Income from Continuing Operations	167	846	233	(1,579)	(333)
Income per CD Diluted Share	\$ 0.20	\$ 1.03	\$ 0.30	\$ (2.22)	\$ (0.44)
Income from Continuing Operations, as Adjusted (4)	172	181	212	196	761
Income per CD Diluted Share, as Adjusted (4)	\$ 0.20	\$ 0.22	\$ 0.28	\$ 0.26	\$ 0.96

COMPARABLE BASIS (2)  
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	3 MONTHS ENDED				12 MONTHS ENDED
	March 31, 1999	June 30, 1999	Sept 30, 1999	Dec 31, 1999	Dec 31, 1999
	\$ 891	\$ 944	\$ 1,008	\$ 944	\$ 3,787
	382	395	452	403	1,632

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(1) Beginning in the third quarter of 2000, the operations of Cendant Travel, a subsidiary of Cendant which facilitates travel arrangements for travel-related and membership businesses of Cendant, began being managed by Cendant's Travel segment. Accordingly, the operations of these businesses have been reclassified out of the individual membership business and as such, are no longer reflected in the results of operations for CMS.



(2) Comparable Basis reflects the results of operations adjusted to exclude certain items that are of a non-recurring or unusual nature and the results of operations of disposed businesses and Move.com Group.

(3) Adjusted EBITDA is defined as earnings before non-operating interest, income taxes, depreciation and amortization adjusted to exclude certain items that are of a non-recurring or unusual nature. In connection with CMS being reported as a discontinued operation of Cendant, general corporate overhead of Cendant which had previously been allocated to CMS, has been excluded from the results of operations for CMS, in accordance with GAAP. General corporate overhead previously allocated to CMS for the three months ended March 31, June 30 and September 30, 2000 was \$2 million, \$2 million and \$2 million, respectively. General corporate overhead previously allocated to CMS for the three months ended March 31, June 30, September 30 and December 31, 1999 was \$4 million, \$4 million, \$4 million and \$3 million, respectively.

(4) As Adjusted reflects the results of operations adjusted to exclude certain items that are of a non-recurring or unusual nature and the results of operations of Move.com Group, if applicable.