

Statement

Enterprise Rent-A-Car Reiterates Procedures for Automobile Manufacturers' Recalls

“If and when manufacturers recommend that vehicle owners park or ground their vehicles, we promptly do so. However, we also believe there are times when recalled vehicles need to be grounded regardless.”

With more than 30 million vehicle rental transactions every year, Enterprise Rent-A-Car is reiterating its policies and procedures for handling automobile manufacturers' recalls.

“Our customers' safety is our top priority,” said Greg Stubblefield, executive vice president and chief strategy officer for Enterprise. “Customers should know that when they come to our rental counter, they can count on our commitment to provide a vehicle that is safe and dependable. That's been the foundation of our business for more than 50 years.”

Every year, auto manufacturers – together with the National Highway Traffic Safety Administration (NHTSA) – issue hundreds of recalls and service bulletins affecting millions of vehicles in North America, including thousands of our rental cars and trucks, Stubblefield stated. In the vast majority of cases, manufacturers do not suggest grounding, but instead ask owners to contact their local dealers to schedule a service appointment.

“If and when manufacturers recommend that vehicle owners park or ground their vehicles, we promptly do so,” Stubblefield stressed. “However, we also believe there are times when recalled vehicles need to be grounded regardless.”

Over the last decade, Enterprise has taken a number of steps to address manufacturers' recalls in an appropriate and timely manner. Among them:

- In addition to the evaluation that car manufacturers and NHTSA make in deciding whether to ground a vehicle, Enterprise also independently reviews all recalls. Importantly, recalls involving the risk of sudden loss of control, airbag failures or fire hazards will be grounded until repaired.
- The company also has made investments in information technology to help address auto manufacturer recalls. The ECARS computerized rental management system – which connects the reservations and reporting operations of more than 6,000 Enterprise rental offices – automatically identifies all affected vehicles in real time for employees to view throughout the day.
- Enterprise regional subsidiaries can monitor all notices and bulletins and track compliance – including individual rental transactions – in a timely fashion. In addition, many auto manufacturers have upgraded their systems so that more of their notices and bulletins are delivered electronically to the major rental car companies.
- In 2007, Enterprise added more than 100 service facilities across the country. At these facilities, certified technicians not only provide routine maintenance work, but also supplement local dealers' efforts to respond quickly to recalls, particularly large-scale ones. The pace of repair work, however, can be subject to the availability of parts.

The issue of how rental car companies handle manufacturers' recalls has been put in the spotlight following the resolution last week of a lawsuit in Alameda County, Calif. “This was a long,

complicated and difficult case for all involved, one that had to work its way through the court system to reach resolution,” Stubblefield said. “But, more significantly, this is a terrible tragedy for the Houck family. Our hearts go out to them, and we are very sorry for their loss.”

In the Houck case, neither Chrysler nor the NHTSA recommended grounding the more than 400,000 PT Cruisers recalled in 2004. (Chrysler, the manufacturer of the PT Cruiser, was a defendant in the Houck lawsuit, but was dismissed due to bankruptcy in 2009.) Instead, owners were asked to contact their local dealers to schedule a service appointment.

“Given all we have learned, today we would ground the recalled PT Cruiser until repaired,” Stubblefield said. “That is why we continue to work with our employees and automobile manufacturers on ways to improve our policies and procedures for handling recalls.

“We share the Houcks’ goal of preventing anything like this happening again,” Stubblefield said. “Of course, nothing can change this heartbreaking situation for the Houck family and, again, we are truly sorry for their terrible loss.”

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