

# The Tennant Group

A division of Tennant Travel Services, LLC  
4225 Solano Avenue, #527, Napa CA 94558  
Phone: 707-603-6902 • Email [Jim@TennantGroup.com](mailto:Jim@TennantGroup.com)

## Profit Ideas Presented at the Car Rental Show

These ideas were presented at the “7 Money Making Ideas to Use Today” Workshop at the 2010 Car Rental Show. The ideas were presented by volunteers and the audience voted for the best idea. Before implementing any idea, you should verify that it is suitable for your operation and that it complies with laws, rules and regulations that your business is subject to. The ideas are listed in the order they were presented, with relevant contact information. Please call Jim Tennant at 707-603-6902 or email [jim@tennantgroup.com](mailto:jim@tennantgroup.com) if you have any questions.

### Idea #1 -- Bryson Hart/Moti Kahana 888.386.6660

**Rent2Buy -- The leading global online marketplace for all retail items that can be rented with the option to buy.**

#### Before Rent2buy

Rental car disposal at auction	\$13,500	
Cost to sell and ship	\$500	2 wks
Rental agency net proceeds	\$13,000	wholesale
Car lot cost:	\$13,500	
Auction buy fee	\$125	
Shipping & cleaning	\$125	1 wks
Cost of advertisement	\$650	4 wks
Salesman	\$350	
Dealer profit	\$1,600	
Other brick-and-mortar costs	\$400	
Consumer pays	\$16,750	retail

#### The Rent2buy Model: Direct to Consumer

Net to rental agency	\$15000	0 wks
Cost	\$500	
Consumer pays	\$15,000	0 wks
<b>Consumer savings</b>	<b>\$1750</b>	
<b>With no overhead you gain</b>	<b>\$1500</b>	

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### Idea #2 -- Michael F. Towers, Hawthorne Claims Management, Longwood, Florida 32750 407-834-2557

#### The Right Damage Estimate Can Save Money

Please see next page for a summary of Michael's idea.

# How much is your damage estimating program affecting your bottom line?

Not all estimates are created equal.

## XYZ Car Rental or Body Shop Estimate

2009 Ford LX 4dr.  
20,627 miles  
Blue - Grey Leather 4dr

17	R ROCKER SCUFF PLATE	184.00	0.2
18	L ROCKER SCUFF PLATE	51.45	6.0
19	FLOOR PANEL		1.0
20	RFTBR PUL		1HC
21	R FRONT SEAT ASSEMBLY	457.00	4.5
22	R FRONT DOOR SHELL		1HC
23	R FR SEAT ASSEMBLY		1.0
24	R FRONT ADD FOR JAMBS		1.9
25	R FRONT DOOR OUTSIDE PAINT		1HC
26	R FRONT DOOR BELT MLOG	77.30	
LABOR			
SUBTOTALS		770.40	
BODY		36.00	
PAINT		36.00	
FRAME		55.00	
MECHANICAL		85.00	
TOTAL LABOR		\$2,578.50	
TOTAL PARTS (20% DISCOUNT)		\$3,286.44	
TOTAL ADDITIONAL COSTS		\$ 663.20	
GROSS TOTAL		\$6,528.14	

-versus- Hawthorne Estimating

2009 Ford LX 4dr.  
20,627 miles  
Blue - Grey Leather 4dr

57	RFTBR PUL FOR DWARD		8.0
58	CLEAR COAT		2.7
59	TINT COLOR		0.5
60	RESTORE CORROSION	15.00	0.0
61	FINISH SAND AND BUFF		2.6
62	MASK FOR OVERSPRAY		0.5
63	DISCONNECT COMPUTERS	70.00	0.5
64	BROKEN GLASS CLEAN-UP		1.0
65	R FRONT DOOR OUTSIDE PAINT		1.9
66	R R INTERIOR FOR BLEND		1.3
LABOR			
SUBTOTALS		1,901.40	
BODY		36.00	
PAINT		36.00	
FRAME		55.00	
MECHANICAL		85.00	
TOTAL LABOR		\$3,235.30	
TOTAL PARTS (20% DISCOUNT)		\$4,165.64	
TOTAL ADDITIONAL COSTS		\$ 477.40	
GROSS TOTAL		\$7,878.34	

The difference is in the details.

Hawthorne provides damage estimates that identify all the parts and procedures necessary to restore your damaged vehicle to its pre-loss condition that are typically not identified in a standard estimate. Each estimate reflects all required discounts to insure legal compliance.



# Hawthorne Estimating

The chart below demonstrates how damage recovery losses can gobble up hard earned profitability, and how much volume and man hours are spent on breaking even.

How many profit-free rental days do you need to make up for unrecovered damages?

Unrecovered Damage Proceeds	Profit Free Rental Days
\$ 200	= 98 days*
\$ 1,500	= 727 days*
\$ 3,000	= 1455 days*
\$ 4,000	= 1943 days*

Can You Afford Not To Use Hawthorne?

\*Chart based upon \$35 daily dollar average, 15% utilization and a 5% bottom line.

Time tested proven results since 1994.

Contact us to see what Hawthorne can do for your bottom line.

754 Fleet Financial Ct.  
Longwood, FL, 32750  
Phone: 708-403-8002  
Fax: 708-403-8003  
Contact Bob Aprati, Esq.

**Idea #3 René Mitchell, Clearwater Transportation, Ltd., Dollar/Thrifty Austin,  
(210) 541-6700**

**Toll Violations**

Generate new revenue stream from Pass24 upsell @ 25%  
Increase employee productivity  
Revenue share opportunities in collections of unpaid tolls (% Admin Fee)  
Price point \$8.95/day, 500 vehicles  
Potential monthly top line sales - \$1669  
Potential Car Rental Monthly Revenue - \$3035  
Potential Annual top line sales - \$20,028  
Potential Car Rental Annual Revenue - \$36,420  
Estimated Productivity/Employee Improvement - \$25,000  
Total Estimated Benefit - \$61,420

**Technology**

Interfaces with TSD and Bluebird  
Interfaces with various toll authorities  
Matches toll violation to rental agreement/license plate

**How It Works**

Customer is offered prepaid toll for \$8.95/day unlimited tolls  
Toll authority video camera videos plate  
Plate number identifies Thrifty/Dollar car  
Toll info is matched to Rent A Toll Fleet and payment is guaranteed to toll authority

**(The contact information for Rent A Toll is Jim Glasheen, [Jim@RentAToll.com](mailto:Jim@RentAToll.com),  
(469) 226-4881. A Rent A Toll Brochure is attached.)**

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**Idea #4 Tom Diaz, Frontline Performance Group (Khoury Consulting)  
(407) 682-3434**

**Discount for accepting an unwashed vehicle**

Research finds that a large percentage of energy consumption in our industry comes from water wasted on cleaning cars.  
The idea is that customers get \$2 off their daily rate (capped at \$6 per rental) if they elect to rent a car whose exterior is not clean.  
75% of new bookings on board (<http://www.jucy.co.nz/blog/?p=38>)  
Average cost to prep a vehicle: (30 days / 3.5 ALOR) x 100 vehicles = 857 transactions, Cost to clean = \$7 x 857 = \$6000, chemicals and labor only  
Cut costs and time in half = \$3000 savings  
Coupon that can be printed from the website  
Frontline can build this offer into disclosing price for upgrades: "It can go for as much as \$95 per day but today we are running a promotion for \$75. With our "Eco-Saver" discount you will save \$22 per day."  
Weblink showing approximate gallons saved YTD  
Leaving a smaller environmental footprint, cleaner chemicals  
Potentially fewer prep agents = lower risk  
Lower utility costs

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**WINNING IDEA**

**Idea #5 Sarah Romanowski, Dollar/Thrifty, NJ and Pennsylvania,  
Taking the Risk Out of Debit Cards**

Police gave us the name of Accurint  
Accurint verifies identity, not credit -- therefore does not affect customers' credit  
Verifies address on driver's license, bank account, etc.  
They prove (or disprove) that the person standing in front of you is who she says she is  
They give us a score from 0 to 50  
We use 20 as the cutoff  
Cost is \$0.25 per inquiry  
Cut outstanding debit card receivables by 65%  
Also was a major factor in reducing accident costs

**(The contact information for Accurint is [Shane.Hellhake@lexisnexis.com](mailto:Shane.Hellhake@lexisnexis.com), 732-566-1119) See attached for more detail.**

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**Idea #6 Michael Black, Jay Harland Corp/U-Save, 413-537-0123  
Fleet Diversification**

The fleet of a car rental operation is the backbone of the company.  
With a diversified fleet we are able to reduce our exposure to a constantly changing vehicle resale market.  
However fleet diversification is not only different makes, models, and car classes. The goal of fleet diversification must be to control depreciation and ultimately fleet cost.  
The proper fleet mix has GDP units and Risk units. The increased cost of GDP units will be offset by the lower holding cost of Risk units.  
Ideally, the GDP unit will be assigned to reservations that are traveling long distances. This counter procedure of assigning GDP units will help lower miles of the Risk units, therefore allowing an operator to run Risk units from 24-36 months. Market timing and low mileage Risk units = many opportunities for strong resale.  
In order for this type of fleet diversification to succeed GDP and RISK units must be easy for managers and counter agents to identify and fleet managers must be up to date on GDP program rules and regulations.  
The next step is to determine each location's fleet mix of GDP and RISK. The ultimate goal is to have as many risk units as possible without jeopardizing fleet holding cost. Take advantage of market timing by selling risk units in strong spring and summer markets. Try to plan turn back on GDP units with seasonal influxes as peak demand changes.  
Proper fleet diversification along with market timing will ultimately control fleet costs and build a profitable rental operation!

**More Ideas – Presented as Time Allowed, but not part of the Competition:**

Put a mirror in each reservationist's cubicle so they can see themselves. Ask them to smile when talking on the phone – it really does give them a friendlier voice!

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To track source of business, set specific rate suffixes for each important source. For example -- All Hilton Hotel rates end in .92, all Marriott rates end in .94, etc.

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Get a 21st century security system. There are web-based systems available at a reasonable price (\$7000 was the price one operator paid). You can monitor all of your cameras at any time from any computer with a broadband connection and you can keep the video for just about as long as you like.

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Thanks to all of the presenters for their great ideas and thanks to the audience for your participation.

Best regards,



James S. Tennant  
The Tennant Group  
707-603-6902  
jim@tennantgroup.com

## Company Profile

Rent A Toll® is a technology solutions innovator in the travel and transportation industry, focused on providing convenient toll solutions for car rental companies, car renters and corporate fleet administrators.

Using its patented, web-based technology, Rent A Toll® integrates the exchange of electronic data between car rental agencies or corporate fleet vehicles with toll authorities. Toll violations, penalties and legal fees are eliminated. With two patents and 14 more pending in support of its technology, Rent A Toll® is the industry leader in toll violation solutions.

## Rent A Toll® Offers Flexible Solutions

### Pass24®

*"One price unlimited tolls"*

**Benefits:**

- Revenue share opportunity
- Included in rental receipt
- Top line revenue recognition

### Transaction Pass

*"Low service fee plus cost of tolls"*

**Benefits:**

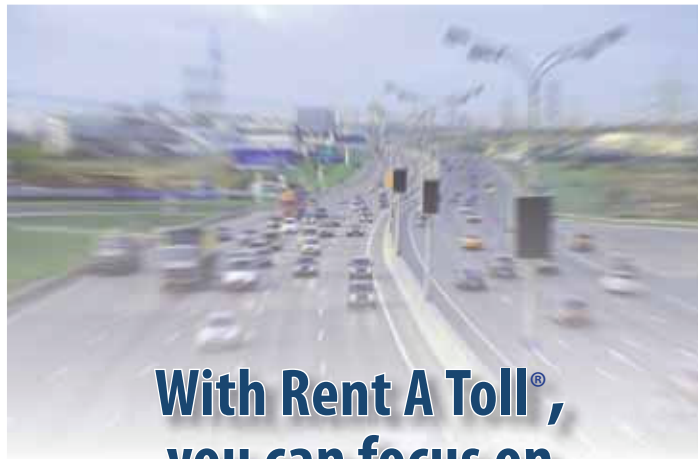
- Lowest priced model
- Web interface for billing
- Pay only for the tolls used

### Subscription Pass

*"Regional city fleet model"*

**Benefits:**

- Price and marketing flexibility
- Agency sets margin
- Low monthly fee per vehicle



**With Rent A Toll®,  
you can focus on  
renting cars,  
not chasing violators.**

*"Rent A Toll® has made a significant improvement in the way we handle toll violations and their proven solution has added revenues to our bottom line and help us managed our way out of costly toll violations."*

**Ms. Rene Mitchell**

Director Administration and Technology  
Clearwater Transportation  
DBA Dollar and Thrifty Car Rental  
Austin, Texas

**To learn more about how your company can  
generate incremental revenue and develop a  
competitive advantage call toll free:**

**(877) 509-9506**

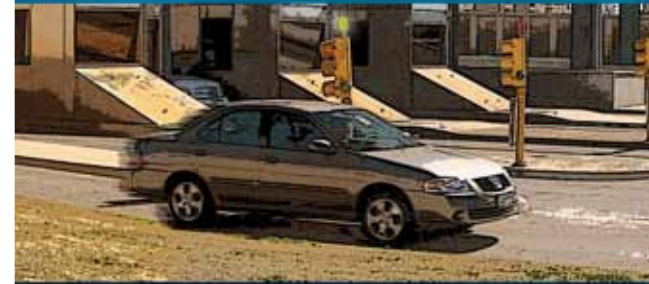
**or log on to [www.rentatoll.com](http://www.rentatoll.com)**



**RENT A TOLL®**  
Toll Solutions for Fleet and Rental Cars

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U.S. Patent 7501961 & 7407097 - 04/10

# Eliminate Toll Road Violations



## Introducing Flexible Toll Solutions for Car Rental Agencies



**RENT A TOLL®**  
Toll Solutions for Fleet and Rental Cars



**RENT A TOLL**<sup>®</sup>  
Toll Solutions for Fleet and Rental Cars

## Solving an Industry Problem

The industry problem is twofold. First, car renters are frustrated at being unable to use express toll lanes. As a result, they run through tolls without paying user fees, thinking they will not get caught. Second, car rental agencies spend millions of dollars and exhaust valuable time and resources attempting to collect violations from car renters.

**Problem Solved.** With Rent A Toll<sup>®</sup>, car renters can use express toll lanes, and car rental agencies do not have to expend resources to collect violations. Rent A Toll<sup>®</sup> guarantees 100% payment of all toll charges for all cars registered in its program. Rent A Toll's solutions eliminate the need for car rental violation processing.

## How Do Rent A Toll<sup>®</sup> Solutions Work?

Car rental information contained in fleet files is matched against toll usage data captured by either video or transponder. Based on the solution you choose, Rent A Toll<sup>®</sup> serves as the intermediary between the toll authority and car rental agency to validate toll transactions.

## Rent A Toll<sup>®</sup> Solutions

Rent A Toll<sup>®</sup> has developed three solutions:

- Pass24<sup>™</sup> – “One Price for 24 Hours of Unlimited Tolls”
- Transaction Pass – “Low Service Fee Plus Cost of Tolls”
- Subscription Pass – “Regional City Fleet Model”

Each solution includes features such as flat daily rates, pay as you go, or monthly fleet rates, which are customized to meet each customer's unique needs. In addition, Rent A Toll's state of the art, innovative technology is flexible enough to accustom both video and transponder based toll systems. Rent A Toll<sup>®</sup> **GUARANTEES ALL TOLLS TO THE TOLL AUTHORITY.**

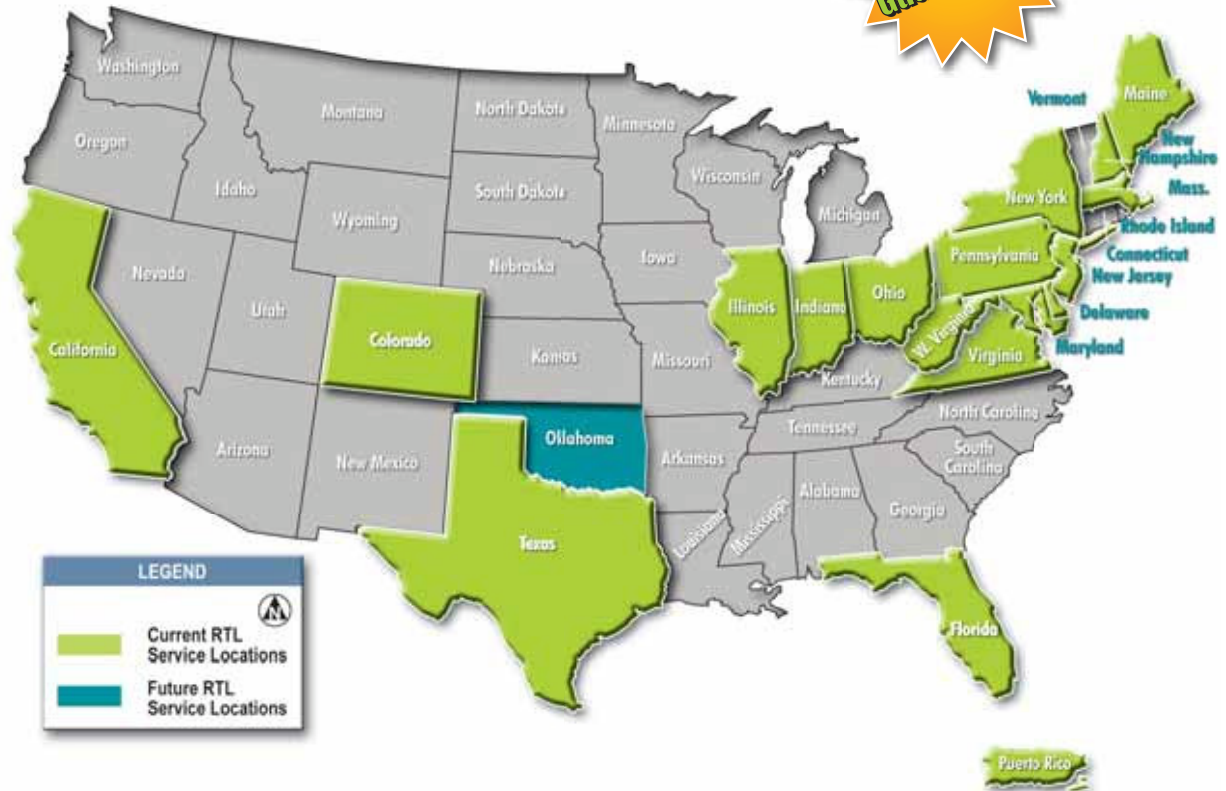
## Rent A Toll<sup>®</sup> Advantages

Rent A Toll<sup>®</sup> solutions are designed to provide the following benefits to car rental agencies:

- Eliminates 100% of toll violations
- Provides new revenue streams
- Eliminates reassigning toll violations
- Easy to implement with minimal operational impact
- Reduce operating expenses
- Improve customer satisfaction



## Rent A Toll<sup>®</sup> Service Location Map



# *The Tennant Group*

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4225 Solano Avenue, #527, Napa CA 94558  
Phone: 707-603-6902 • Email [Jim@TennantGroup.com](mailto:Jim@TennantGroup.com)

## **Additional Information Supplied by Shane Hellhake of Accurint**

Police gave us the name of Accurint (**Yes, Accurint is tool that the FBI and CIA use to find and credential individuals**)

- Accurint verifies identity, not credit -- therefore does not affect customers credit. **(Correct, you will not have access to credit and this does not put a blemish on a clients credit report).**
- Verifies address on driver's license, bank account, etc. **(Providing Credentialing approves you for qualified DMV access records, yes.) However I am not aware any rental agencies being allowed to view this DLPA (Drivers License Protection Act) Data, I will research. The other rental agencies that I handle do not exercise this option but it's a good idea.**
- They prove (or disprove) that the person standing in front of you is who she says she is **(Correct 100%)**
- They give us a score from 0 to 50 **(Correct)**
- We use 20 as the cutoff **(Even the most stringent of my banking clients use 30+ as a pass fail)**
- Cost is \$0.25 per inquiry **(correct however additional information can be searched on within the product if more due diligence is needed. The service is at a cost per click basis just as the pricing guide indicates)**
- Cut outstanding debit card receivables by 65% **(We capture 99.8% of all individuals within the country which makes it possible for you to find people that owe you money. We certainly can't guarantee a percent as we do not have control over the abilities/skill-set of people collecting the money, however we have typically seen a 30% reduction in DSO)**

I wanted to mention that you may want to review our "cell phone gateway" access thru Accurint. Five months ago we aquired a third of the country's UNLISTED cell phone data. We are seeing large gains in credentialing over using Accurint without the Cell Phone Gateway. The cost is \$.05 cent additional per record. We still catch the bad guys while letting more of the good guys thru.

If you have any questions, do not hesitate to let me know.

Regards,

**Shane J Hellhake**

LexisNexis  
National Account Manager Risk Solutions  
O 732-566-1119  
M 732-948-5868  
F 866-960-4811  
Customer Support: 866 277 8407  
[Shane.Hellhake@LexisNexis.com](mailto:Shane.Hellhake@LexisNexis.com)