

TRALA Members Head to the Nation's Capital

TRALA is hosting meetings on **November 27-28** of its key advisory councils along with briefings on economic, legislative and political issues that impact the vehicle renting and leasing industry at the Ritz-Carlton Pentagon City in Arlington, Virginia.



The meeting of the **Equipment Technology and Advisory Council**, led by **Chairman Ken McKibben** of Penske Truck Leasing Co., L.P., will focus on the technician shortage, ongoing work with the President's Hire

MCKIBBEN Vets First Committee, pending federal and state regulations, and the effects of the introduction of the ultra low sulfur diesel fuel this fall. **Tax Advisory Council (TAC) Chairman Tom George** of Penske reports that the TAC meeting will address property taxes, rental taxes, IRP and proposed review of



GEORGE



WAGNER

lease accounting standards by the Federal Accounting Standards Board. **The Industry Council for Vehicle Renting and Leasing (IC)**, chaired by **Ray Wagner** of Enterprise Rent-A-Car, will discuss the fight against rental taxes, primary and secondary insur-

ance liability laws, security issues and vicarious liability. The Council sessions are open to all associate and regular members unless otherwise noted in the agenda below.



DAVIS

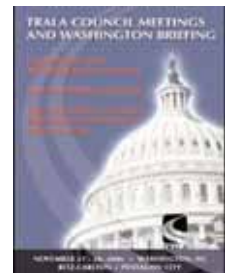
The program also includes two special guest speakers who will share their perspectives on current economic and political issues. Congressman **Tom Davis** (R-VA), former chairman of the National Republican Congressional Committee will discuss the 2006 election results and how the political landscape is likely to affect your business next year. U.S. Chamber of Commerce Chief Economist **Dr. Martin Regalia** will address the group with his forecast for the economy in 2007.



REGALIA

To attend, just [click here](#) and complete the registration form. The deadline for making hotel reservations is **November 6**. To reserve your room at the specially-negotiated rate, [click here](#) and be sure to enter the group code **TRLTRLA** or call (800) 241-5000 and be sure to mention TRALA. If you have any questions, please contact Anne Riser at (703) 299-9120 or ariser@trala.org.

COUNCIL MEETING & WASHINGTON BRIEFING ADVANCE AGENDA



Monday, November 27

6:00 p.m. – 8:00 p.m.

Reception and Dinner

Tuesday, November 28

7:30 a.m. – 8:30 a.m.

Breakfast and Post-Election Political Briefing - Rep. Tom Davis (R-VA)

8:30 – 10:00 a.m.

TRALA Equipment and Technology Council

10:00 a.m. – 10:15 a.m.

Coffee Break

10:15 a.m. – 11:00 a.m.

Economic Forecast for 2007 – Dr. Martin Regalia, U.S. Chamber of Commerce

11:00 a.m. – 12:30 p.m.

TRALA Tax Advisory Council

12:30 p.m. – 2:00 p.m.

Lunch

2:30 p.m. – 4:30 p.m.

Industry Council for Vehicle Renting and Leasing (*Council members only)

Ken McKibben, Penske Truck Leasing, Co., L.P., of Reading, PA, is the chairman of TRALA's Equipment and Technology Advisory Council.

What are the most important attributes of a good manager?

In my opinion, a good manager knows how to get the best out of people while also being process driven. Penske's best managers really know how to select and train the right people. They also know how to communicate our business priorities and motivate their people to accomplish them. Good managers also know how to establish priorities in a way that is process driven and measurable since our customers' satisfaction is so closely tied to our ability to deliver consistent, high-performance service. The only way to deliver that kind of consistent, quality service is to have metrics we can measure ourselves against. This way, our managers are constantly eliminating defects and driving continuous improvements in the business to serve our customers more effectively.

What risks will your company face due to industry issues such as 2007 emission changes, switch to ULSD and the technician shortage?

The challenge facing our industry is not so much changes in equipment. We can all address those. But, if you look at the national shortage of drivers and technicians the real "big picture" issue is attracting people to work in the trucking industry. That is a long-term challenge for everyone in the industry.

As Chairman of TRALA's Equipment and Technology Advisory Council, what are your views on the vehicle technician shortage and how to solve it?

To help solve technician shortages in the short-term, I think the industry must establish more aggressive recruiting and communications outreach with trade schools as well as the military. In the long term, the industry needs to do a better job marketing itself as an employer of choice to current and future generations. We also need to recognize that other industries are aggressively competing for the attention from the same talent pool and the trucking industry needs to step up its game or lose out.

What motivates you to go the extra mile on a project or job?

As a former U.S. Marine, I am a highly motivated individual who loves a challenge. The sense of pride and determination I learned from my time in the Marines carries through in my work every day.

A FEW MINUTES WITH...



Ken McKibben

TITLE: Senior Vice President - Field Maintenance, Penske Truck Leasing

PERSONAL: Wife, Debra, and three children and eight grandchildren

HOBBIES: Fishing and riding and collecting motorcycles

Describe your most rewarding experience in your career thus far.

One of my most-rewarding personal career experiences was being recognized for my leadership in truck maintenance when I was named man of the year by CCJ Magazine back in 1978.

In the many years you have been involved in the vehicle renting and leasing industry, how have you seen the industry change?

During my career, I've witnessed many changes in the industry. What stands out to me most are the technological advancements. We've really seen some greatly improved systems and automation in today's vehicles. The quality and durability of today's components are really outstanding compared with those of the past. The industry's future developments are also very exciting and Penske is positioning itself today for the future. We're investing in training our people, new technology, improved facilities, better diagnostic tools, advanced metrics and processes all with the future interests of our customers in mind.

In what ways has Penske Truck Leasing been most successful in terms of products and services over the years?

Penske has been most successful and has differentiated itself in the marketplace as a leader with its outstanding commitment to customer service. Internally, we call that our Dedication to Excellence. In the realm of our maintenance team this translates into my own personal motto as it relates to our vehicles – We buy them new, run them new and sell them like new. We maintain our vehicles like no other company in the industry. Our standards are high and our people, products, places and processes make delivering this high level of service possible.

STRONG ATTENDANCE ANTICIPATED FOR TRALA'S 2007 ANNUAL MEETING



LA QUINTA
RESORT & CLUB

La Quinta Resort and Club in Palm Springs, California is the place and March 21 – 24 is the date for TRALA's 2007 Annual Meeting. Mark your calendar to convene with the leaders of the vehicle renting and leasing industry for what promises to be an outstanding gathering. "We'll focus on the importance of our industry in **Transporting the Economy**," said TRALA President and CEO Peter Vroom. "There is no doubt that our industry plays a significant role in moving the U.S. economy with more than 1 million trucks on the road being leased or rented today."

As renting and leasing continues to grow as a favored approach to commercial vehicle acquisition in the U.S., it's vital to understand how your company can best take advantage of business opportunities. We'll hear from business strategist **Steve Little**, a senior consultant for *Inc. Magazine*, who will identify the best practices for achieving sustained and profitable growth in the 21st century. We will also hear from an economist with an update on the "big picture" economic outlook and how renting and leasing fit into that picture, as well as a private carrier panel and a panel discussing proposed changes to the lease accounting standards.

We are pleased to present **David Feherty** as our headline speaker. Feherty enjoyed a very successful professional golf career, with 10 victories worldwide and over \$3 million in prize money until he retired from professional golf in 1997 to become a golf commentator for CBS Sports. His knowledge of the game and Tour experience give him instant credibility, and his quick wit and colorful personality add a new dimension to golf telecasts.



FEHERTY

Watch for your invitation in December. If you have questions or are interested in being a sponsor, please contact Anne Riser at (703) 922-2120 or ariser@trala.org.

FASB OFFICIAL BRIEFS TRALA BOARD ON LEASE ACCOUNTING OVERHAUL

On Friday, October 13, **Dr. Jeff Wilks** of the Federal Accounting Standards Board (FASB) briefed TRALA's Board of Directors on FASB's review of current lease accounting standards. Wilks reported that FASB, in conjunction with the International Accounting Standards Board (IASB), is beginning a comprehensive review with the stated objectives that include greater transparency regarding lease transactions and more complete and useful information about lease transactions in financial statements. The project is currently considering new rules for both lessee and lessor accounting.

The FASB review could result in re-classifications of operating leases and requirements regarding their recognition on balance sheets. Many aspects of the current structuring of leases, along with the financial and tax impacts associated with leasing vehicles could be subject to change. The review could result in the first major-overhaul of tax accounting rules in more than 30 years.



The FASB lease project will also be discussed at the **November 28 meeting of TRALA's Tax Advisory Council (TAC)**, which is creating a special working group to address the lease accounting project. Through ongoing consultation with the TAC working group, TRALA will be proactively developing positions and communicating its views to the FASB as it considers new lease accounting rules. If you or anyone from your accounting department would like to be a part of this working group, please contact Tom James at tjames@trala.org or John Lynch at jlynch@trala.org.

Upcoming Events

November 27-28, 2006
TRALA Council Meetings &
Washington Briefing, Washington, D.C.



January 13-17, 2007
NPTC Fleet Management Institute
Jacksonville, FL

February 6-9, 2007
TMC Annual Meeting
Tampa, FL



February 11-13, 2007
ATA Leadership Meeting
Arlington, VA

TRALA 2006 Legal Action Fund Campaign Needs You!

TRALA's unrivaled record of success has earned the truck renting and leasing industry a strong reputation at all levels of government. Legal Action Fund contributions go a long way to ensuring that reputation will endure.

TRALA won an historic victory with the enactment of federal legislation eliminating vicarious liability nationwide in August 2005. However, even after winning this fight, a multitude of legal challenges to the new statute are under way. A recent decision by a New York state court held that the federal vicarious liability repeal statute is unconstitutional. This alarming decision highlights the fact that the trial lawyers have not given up in their efforts to revive vicarious liability and get their hands into the pockets of vehicle renting and leasing companies. Contributions to the legal action fund allow TRALA to have on hand the necessary resources to fight these challenges in the courts.

Not only has TRALA been victorious at the federal level, but we've also fought and won a number of battles in the states in 2006 including such reforms as:

RECENT TRALA STATE VICTORIES

- Secured valuable tax deductions for vehicle renting and leasing companies in **Texas**
- Reform of **Kentucky's** property tax system
- Exemption for trucks from **Alaska's** 10% vehicle rental tax
- A permanent trailer plate in **Alabama**
- Inclusion of apportioned registered trucks in an existing **Colorado** program that allows companies with intrastate rental vehicles to collect a 2% transaction fee in-lieu of payment of the annual vehicle ownership tax
- Exemption for lessors from violations committed by customers under **Illinois** and **Rhode Island** diesel engine idling legislation.

Contributions to TRALA's Legal Action Fund help make these victories possible. Join TRALA's Legal Action Fund today! To make your contribution, visit [TRALA's website](#).

JANUARY 15 DEADLINE FOR TRALA 2007-2008 SCHOLARSHIPS



Now in its 11th year, the TRALA Scholarship Program offers high school seniors whose parents work for TRALA member companies \$5,000 scholarships that are renewable for up to four years during college.

What does receiving **\$20,000 for college** mean? Allows students to concentrate on studying rather than worrying about their tuition. Who is eligible to apply for the scholarships? High school seniors who are the dependent children of full-time employees of TRALA members. Their parents need to have at least one year of full-time employment with the company as of the **January 15, 2007 application deadline**. These students need a cumulative grade point average of 3.0 or higher on a 4.0 scale. They also must enroll in a full-time course of study at an accredited four-year college or university.

To apply for the scholarship, please visit [TRALA's website](#).

Thank You to TRALA's 2006 Legal Action Fund Honor Roll

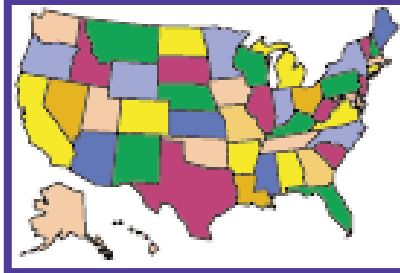
Acme Leasing	Interstate NationalLease
Adams Idealease	Kirk NationalLease
Advantage NationalLease	Koch NationalLease
Aim NationalLease	Lawrence Leasing
Airoldi Brothers, Inc.	Leshler Leasing, Inc.
Antrim NationalLease	Lily Transportation Corp.
Autow NationalLease	Location de Camions Excellence
Brown NationalLease	PacLease
C.T.S. Lease & Rental	Mack Leasing of Detroit, Inc.
Calmont NationalLease	Mack Leasing of Omaha, LLC
Carmenita Leasing	Mack Lsg. Sys., Inc. Volvo Truck
Carolina Idealease	Lsg. Sys.
DeCarolis Truck Rental, Inc.	McCandless Int'l Trucks of CO
Enterprise Rent-A-Truck	MHC Truck Leasing Inc.
FirstLease, a NTLs Member	Miller Truck Leasing Co.
Fontaine International	Mountain Idealease
Fox Idealease	NEC Leasing, LLC
Frazee Idealease LLC	Parrish Leasing, a NTLs Affiliate
Gordon Truck Leasing	Patsy's Leasing Corp.
Harco National Insurance Co.	Penske Truck Leasing Co., LP
Hogan Motor Leasing, Inc.	Public Service Truck Renting, Inc.
Hub Truck NationalLease	R.L. Anderson Truck Rental
Hunter Leasing	Rush Truck Leasing, Inc.
Idealease of Atlanta	Scully NationalLease
Idealease of Flint, Inc.	Supreme Corporation
Idealease of Madison	Timmons Idealease
Idealease of Mo-Kan, Inc.	Trebar Leasing
Idealease of NE Wisconsin	Trent, Inc.
Idealease of Richmond	Triple T Idealease
Idealease of Stockton	Truckway NationalLease
Idealease of Tupelo	Tuthill Transport Technologies
Idealease, Inc.	Twin State Idealease
Indiana Mack Leasing, LLC	Uhl Idealease
Int'l Truck & Engine Corp.	

(as of November 1, 2006)

VICARIOUS LIABILITY REPEAL LAW STANDING STRONG TRALA LEADS INDUSTRY RESPONSE TO COURT CHALLENGES

The vast majority of court rulings in cases involving the federal vicarious liability repeal statute have upheld the preemptive authority of the new law. Citing the federal statute, courts in New York, Florida, Connecticut and Maine have all denied vicarious liability claims against owners of rented and leased vehicles. However, despite these favorable rulings, there are two cases that the industry is watching closely.

On September 11, 2006, in *Graham v. Dunkley and NILT, Inc.*, the New York Supreme Court, Queens County held that the federal vicarious liability statute “is an unconstitutional exercise of congressional authority under the Commerce Clause.” This is the first case in which there has been a ruling that discusses the constitutionality of the federal statute. TRALA is leading an industry effort to provide support for Nissan, the lessor in this case. In addition to sharing information with Nissan’s counsel on the legislative history behind the federal statute, TRALA and its Industry Council are leading an effort to file an amicus brief on behalf of the vehicle renting and leasing industry.



In another pending case, *Enterprise v. Poole*, the 18th District Circuit Court in Brevard County, Florida ruled that the state’s law setting a cap on vicarious liability for short-term lessors is protected under the federal statute’s provision regarding a state’s right to impose financial responsibility requirements for the privilege of registering and operating a motor vehicle. This case was filed the day that the federal statute took effect and the plaintiff was aided by senior litigators from the Association of Trial Lawyers of America.

TRALA and its Industry Council are leading an effort to file an amicus brief on behalf of the industry in the *Enterprise v. Poole* case as well. Among other points of fact, the brief will highlight a more recent October 16 Florida ruling on the same subject. In this case, *Kumarsingh v. PV Holding Corporation and Avis Rent A Car System, Inc.*, the court ruled that the federal statute “abrogated vicarious liability of automobile lessors in the state of Florida.” The court also ruled that the state laws in question “are not financial responsibility requirements for the privilege of owning/operating a motor vehicle in the state of Florida.”

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NATIONALEASE AND AMERIQUEST AGREE TO COMBINE ORGANIZATIONS



On October 11, 2006, AmeriQuest Transportation and Logistics Resources and NationalLease announced that they would be merging the two organizations. Below is the news release the two companies issued on the proposed merger.



NationalLease Purchasing Corporation (“NPC”), the purchasing arm of NationalLease, and AmeriQuest Transportation and Logistics Resources Corporation (“AmeriQuest”), announced today that they have signed an agreement to combine both organizations to provide a broader range of value to transportation and logistics companies. Under the agreement, AmeriQuest will be the provider of purchasing and value-added services and will have annual revenues in excess of \$500 million. The merger is expected to close in November.

Upon completion of the merger, the leasing members of both AmeriQuest and National Truck Leasing System (“NationalLease”) will unite to form one of the largest Full Service Leasing systems in North America. The leasing companies of both systems will now operate under the NationalLease umbrella. The combined leasing organization will represent more than 700 locations and 150,000 trucks throughout the United States and Canada.

“It makes sense to see these two fine organizations of independent truck lessors consolidate,” said Bill Ford, President and Chief Executive Officer of NPC and NationalLease. “This merger will not only strengthen the NationalLease network, but also enables us to cherry pick the best services from each organization to deliver to a larger group of truck lessors. AmeriQuest benefits by adding NPC’s significant purchasing capabilities.”

President and CEO of AmeriQuest, Doug Clark, will serve as President and Chief Executive Officer of both companies.

“With consolidation the norm in today’s business environment, unifying the members of both independent truck leasing organizations will keep them

competitive in North America, ensuring their continued viability and success,” said Clark. “This merger creates a customer driven organization that will deliver superior value to the transportation marketplace in terms of negotiating and purchasing power, a ‘best in class’ reciprocal road service network, and technology products that will add speed and efficiencies to every area of the business process.” The completion of the merger is subject to approval by the shareholders of NationalLease Purchasing Corporation and AmeriQuest, which is expected in November.

AmeriQuest is a national leader in the transportation industry, delivering a broad range of transportation-related products and services at substantial savings through its unique patented business model. AmeriQuest combines best practices and efficient processes utilizing state-of-the-art technology to provide value to the fleet operator by leveraging the direct purchasing power of more than 525,000 trucks and several hundred fleets.

NationalLease Purchasing Corporation, founded in 1985 to serve as a buying corporation for member companies of NationalLease, leverages purchasing volume in excess of \$300 million annually. **NationalLease**, founded in 1944, has grown to become the largest member-owned network of more than 100 independent truck leasing companies representing a total fleet of 90,000 vehicles served by a reciprocal service network of more than 575 locations across North America. NationalLease will continue to operate from its Oakbrook Terrace, IL home office.