

inside



TRALA

Spring 2005

TRALA 2005 Driver of the Year

35 Years and 3.74 Million Miles of Accident-Free Driving

From the start of his career as a 17-year-old boy, who hauled livestock and construction materials in rural Wisconsin, Pat Rule has come a long way.

Over the past 35 years, Rule has logged more than 3.74 million miles of accident-free driving. For that lifetime performance, Rule was selected as the Truck Renting and Leasing Association's 2005 Driver of the Year. The award program is sponsored by Goodyear Tire and Rubber Company.

"Pat Rule was chosen TRALA's top driver for 2005 because of his outstanding driving and safety record," said Peter J. Vroom, president and CEO of TRALA. "He has driven without an accident for 15 years and maintained a perfect driver's log for six consecutive years with ICON Transportation."

"This award means a great deal to me," Rule said in his emotional acceptance speech. "I'm very honored that people would think enough of what I do to nominate me for this award. I also want to thank my wife, Ellen, for taking care of things at home so that I could drive worry-free." As winner of TRALA's 2005 Driver of the Year Award, Rule was recognized at TRALA's annu-

al meeting farewell dinner on April 8 in Tucson, Arizona. In addition to an all-expense paid trip to the event for him and his wife, Ellen, Rule received a trophy and a cash prize.



Prior to being named TRALA's 2005 Driver of the Year, Rule received an Indiana Motor Truck Association Master Truck Driver Award. He was honored with a 1.5 million Milestone plaque from ICON Transportation for his 1.5 million accident-free miles over the past 15 years. Remington, Indiana-based ICON also has established the \$1,000 Pat & Ellen Rule Scholarship to be awarded annually to a spouse or child of an ICON employee. The company held "Pat Rule Day" on January 17, 2005.

At ICON, Rule is the standard by which all drivers are measured. ICON Transportation Manager Tim Onstott said Rule has undergone a personality profile to assess how he performs under pressure and his decision-making process. "We applied his profile to drivers to see how close we could come to finding more drivers like Pat," Onstott said. "Safe drivers are the backbone of our trucking company and we're doing everything, short of cloning Pat to use as a model driver, to hire and train quality and safe drivers."

Kress Reports \$24.7 Million in Savings from Industry Victories

Outgoing TRALA Chairman Jerry Kress reported in his keynote address during the opening All Conference Assembly at TRALA's 2005 Annual Meeting that the association had a banner year in 2004-2005, helping the industry save \$24.7 million through various



TRALA PRESIDENT & CEO PETER VROOM PRESENTS OUTGOING CHAIRMAN JERRY KRESS WITH COMMEMORATIVE PLAQUE AS JOANNE KRESS LOOKS ON

legislative and regulatory victories such as defeating new taxes, winning exemptions from accelerated registration fees, controlling vicarious liability exposure and passing a heavy vehicle use tax initiative. He also reported that the association is in a strong financial position with increasing annual revenue and growth in membership.

TRALA Selects New Leaders at 2005 Annual Conference

Edart NationaLease President and CEO **Mark Siegal** of Hartford, Connecticut began his term as 2005-2006 Chairman at TRALA's Annual Conference in Tucson, Arizona. Siegal accepted the gavel from outgoing Chairman Jerry Kress, president of Carmenita Leasing in Santa Fe Springs, California during Friday's farewell dinner.

In addition to Siegal, five officers were elected by the TRALA Board of Directors:

- **Robert Shingle**, president of PRIMMS LP, a NationaLease affiliate, in Oak Brook, Illinois, was elected vice chairman.
- **Stephen Lawrence**, president of Lawrence NationaLease in Red Wing, Minnesota, was elected second vice chairman.
- **Charles Sommer**, president of Public Service Truck Renting, Inc. of Long Island City, New York, was elected secretary.
- **Frank E. Walter**, president of Palmer Leasing Group in Indianapolis, Indiana, was elected treasurer. **continued on page 3**

Industry Capitalizes on Challenges and Opportunities

Mark Siegal has been a member of TRALA's Board of Directors since 2003.

When did you become a member of TRALA and can you give us a brief overview of your company?

As a member of NationalLease, Edart has been a member of TRALA for more than 20 years. Currently my two brothers and I run Edart NationalLease and we are now welcoming the fourth generation of Siegals into the business. I'm very proud that we recently received the Top Family Business Award (for companies with more than 100 employees) from the University of Connecticut School of Business.

Since your family has been a part of the vehicle renting and leasing industry for more than 70 years, what are some of the biggest changes the industry has experienced during that time? How have these changes affected the industry and your business?

Clearly technology has brought about the biggest changes in our industry. When I first started in the business, all the engines were gasoline-powered, and now our engines are exclusively diesel. While training and keeping good mechanics has always been a problem, the sophistication of today's equipment makes this problem even more significant.

Increased regulation by the federal government has also greatly affected our industry. Even though issues such as emissions, road taxes, IFTA and IRP have impacted the leasing and renting industry, they have also created opportunities for our industry because we are well suited to deal with these issues. Advanced truck technology and increased federal regulation have driven many private carriers to give up their fleets, providing more opportunity for leasing companies to grow. We see privately-owned fleets converting to leased fleets on a regular basis, with most companies that require between five and 25 trucks now depending on leased vehicles.

And TRALA has helped to alleviate some of the regulatory and tax burdens, allowing our members to grow and capitalize on the opportunities that arise when private carriers no longer want to maintain their own fleets.

You have been very active personally on tort reform efforts in your home state of Connecticut. What do you see as the major challenges facing the industry on the legislative front and how will they impact the industry?

Tort reform, and specifically repeal of vicarious liability, is where I have concentrated my efforts because it is such an important issue for our industry. We have been successful in Connecticut in securing a cap of \$2 million against vicarious liability suits for vehicles that are leased more than one year if the company's combined insurance coverage is at least \$2 million. We are now back working in the Connecticut legislature to win similar protection for rented vehicles.

To give you an example of how onerous vicarious liability can be for a company, Edart NationalLease has been in business for 70 years. We have 2600 trucks and 200 employees. We lease more commercial vehicles in Connecticut than any other company. Over the past 16 years we have paid \$1.95 million in contingent liability premiums and have had only one insurance claim of \$27,000, which was not a vicarious claim. Despite this record and solid business position, our insurance agent has told us that we would be uninsurable if we had one "significant" vicarious liability claim against our company because insurance companies are "petrified" at facing vicarious liability claims.

A FEW MINUTES WITH...



Mark Siegal

TITLE: President & CEO, Edart NationalLease

PERSONAL: Wife Ronna, 3 daughters and 3 grandchildren

EDUCATION: Bachelor's in Finance from University of Connecticut

With your recent election as Chairman of TRALA, how will

you work together with TRALA members to accomplish your goals for the association?

It bears repeating that repeal of vicarious liability at the federal level is our top priority, and I will continue to engage our members and staff in pursuing this goal.

It's imperative that we continue the fight against vicarious liability at the federal level because despite being protected in Connecticut, once our trucks cross into New York, they are at risk for vicarious suits.

I also want to expand TRALA's membership by encouraging Idealease to rejoin the association and attracting more finance lessors to join TRALA. These companies can benefit from the work that TRALA does on such issues as vicarious liability, emissions regulation, personal property taxes and road taxes. Our companies are most effective as an industry and individually when actively participating in TRALA, and we need every voice to be heard.

How should the vehicle renting and leasing industry work to promote itself and what role should TRALA play in this regard?

I think the issue of security is of vital importance for our industry. The truck renting and leasing industry has placed strong emphasis on security measures, both through TRALA and within our individual companies. We are committed to enhancing and promoting security measures throughout our industry.

Where do you see the vehicle renting and leasing industry 10 years from now?

Ten years from now, I hope to be retired and enjoying myself on an island somewhere. No seriously, I see a strong and viable future for our industry. In terms of full service leasing, I think the top tier of strong independents will continue to thrive much like regional airline carriers, growing and developing in their regional market, while at the same time, serving customers across North America through our leasing system networks.

TRALA WINS INITIAL VICTORY IN FEDERAL VICARIOUS LIABILITY REFORM

TRALA won a major victory last month in its hard-fought effort to pass federal legislation repealing state vicarious liability laws. The U.S. House of Representatives on Wednesday, March 9, passed TRALA-sponsored legislation that would uniformly eliminate vicarious liability for owners of rented and leased vehicles. The provision was offered as an amendment to the highway bill by Congressman Sam Graves (R-MO) and Congressman Rick Boucher (D-VA). It passed by a vote of 218-201, and the highway bill was subsequently approved by the House.



The TRALA-founded Vehicle Renting and Leasing Fairness Alliance and TRALA's Industry Council for Vehicle Renting and Leasing led the campaign to pass the Graves/Boucher amendment in the House. The U.S. Chamber of Commerce and the National Federation of Independent Businesses also supported TRALA's effort.

TRALA has been successfully fighting to reform vicarious liability laws at the state level for many years. As a result of these fights, many states including Florida, Connecticut, Iowa, Michigan, Minnesota and Rhode Island have dramatically limited the reach of vicarious liability laws and the threat that they pose to non-negligent owners of rented and leased vehicles. Passage of federal legislation will finally create a uniform policy in the United States that rejects liability without fault for renting and leasing companies.

The U.S. Senate is expected to pass its own version of the highway bill in May. After working out the differences between the House and Senate versions, a final bill will be sent to the President later in the year. TRALA and its allies will be working hard in the coming months to ensure that the final bill sent to President Bush includes the House-passed provision eliminating vicarious liability for renting and leasing companies.

TRALA Slates New Board

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• **Jerry Kress**, president of Carmenita Leasing of Santa Fe Springs, California, was elected immediate past chairman.

Also at the annual meeting, the following members were elected to the association's 2005-2008 Board of Directors:

- **Ken Adkins**, executive vice president and general manager of Salem Leasing Corp., a NationalLease affiliate, located in Winston Salem, North Carolina.
- **Joe Benacci**, president of AmeriQuest Truck Rental of Erie, Pennsylvania.
- **Brian Hogan**, president of Hogan Motor Leasing, Inc., an AmeriQuest affiliate, located in St. Louis, Missouri.
- **Michael McMahan**, president of Southeastern Leasing and Rental Company, LLC of Charlotte, North Carolina.

To fill a vacancy on the 2003-2006 board, the members elected **Terry Young**, president of Advantage Truck Leasing of Charlotte, North Carolina. To fill vacancies on the 2004-2007 board, the members elected **Gregory Hyland**, executive vice president - fleet management solutions of Ryder System, Inc. in Miami, Florida, and **Stephen Lawrence**, president of Lawrence NationalLease in Red Wing, Minnesota.

In addition, the following members were appointed to the Board of Directors to serve one-year terms for 2005-2006:

- **Michael Breeden**, executive director of national accounts for Cummins Inc. in Columbus, Indiana.
- **Doug Clark**, president of AmeriQuest Transportation and Logistics Resources in Cherry Hill, New Jersey.

- **Terry Dubowick**, director of Mack Leasing System Inc. in Allentown, Pennsylvania.
- **John Grainger**, president of NationalLease in Oakbrook Terrace, Illinois.
- **Mark Lampert**, senior vice president of sales and marketing for Freightliner Trucks in Portland, Oregon.
- **Scott Kress**, senior vice president of sales and marketing of Volvo Trucks North America Inc. in Greensboro, North Carolina.
- **Bob Southern**, president of PACCAR Leasing Company in Bellevue, Washington.

2005 Calendar of Events



June 9 - 11
AmeriQuest Maintenance Managers Meeting
New Orleans, Louisiana

June 21-22
TRALA Executive Committee Meeting
Washington, DC



September 18 - 20
NationalLease Annual Meeting
San Francisco, California

October 5 - 9
TRALA Fall Leadership Meeting
Colorado Springs, Colorado



Industry Leaders Gather in Tucson for TRALA's 2005 Annual Meeting

More than 450 top executives gathered for educational sessions and business interaction at TRALA's 2005 Annual Meeting at the Westin La Paloma Resort & Spa in Tucson, Arizona.



BURNS

This year's meeting, held April 6-9, featured industry keynote speaker Michael Burns, the chairman, president and CEO of Dana Corporation, who presented his perspective on current trends in our industry including technological innovations, corporate collaborations and global expansion. Burns said estimates are that the global commercial market will increase to 3 million vehicles by 2008. Double-digit growth is expected in production, retail sales, US freight shipments and the number of miles driven. He also pointed out some of the challenges facing the industry such as the impact of emissions on production and sales; the costs of raw materials like steel; the rising cost of energy; other economic factors; and legislative issues such as vicarious liability and tort reform.

On Thursday morning Lisa Rickard, Executive Director of the US Chamber of Commerce Institute for Legal Reform, outlined the Chamber's current agenda and activities for seeking nationwide judicial reform. Rickard reported that the momentum for legal reform is shifting with the passage of such measures as the Class Action Fairness Act, recently signed into law by President Bush.



THEISMANN



2005 TECHNOLOGY FAIR

This year's Technology Fair featured 53 exhibit booths, up 15 percent from 2004, and represented all areas of truck manufacturing and maintenance.

After enduring several years of rain, participants in this year's golf tournaments, sponsored by Roadranger/Dana and Eaton Corps. and General Motors and Michelin, enjoyed spectacular weather. One hundred and fifty golfers enjoyed a great round of golf on La Paloma's championship course, raising \$15,000 to benefit the TRALA Founders Scholarship Fund.



ENJOYING LA PALOMA'S AWARD-WINNING GOLF COURSE

Mark your calendar now to join us for TRALA's 2006 Annual Meeting, scheduled for March 29 - April 1 at the Fours Seasons Aviara just north of San Diego, California.

Security, Taxes and Tires on Annual Meeting Agenda

A highlight of the Tucson gathering was the first meeting of TRALA's new Security Committee, chaired by NationalLease CEO John Grainger. Recognizing the long-term nature of the heightened security threat facing the truck renting and leasing industry, TRALA elevated its Truck Security Task Force to full committee status. The Security Committee meeting included a discussion of several TRALA initiatives, including the development of a security self-assessment tool for TRALA member companies.

Taxes topped the agenda at a special educational session that was very well-attended. The tax and accounting session focused on learning how to take advantage of current tax and accounting rules to improve cash flow and reduce corporate income tax. Panelists included Paul Doyle, a nationally recognized specialist in lease accounting and partner in the firm Doyle, Hull & Gregory and Tony Szczepaniak, a director with RSM McGladrey's National Tax Office. Phil Hirsch of PRIMMS NationalLease served as moderator for the session.

TRALA's Annual Meeting All Conference Assembly once again included an informative segment devoted to maintenance issues. This year representatives from the leasing industry and tire manufacturers participated in a forum that examined one of the most

important issues affecting the bottom line of truck lessors - tire maintenance and technology.

Representing the truck leasing industry on the panel were Jim Russo, director of field services for AmeriQuest Transportation and Logistics Resources, and Jim Salas, director of maintenance and technical services of Ryder System, Inc. The tire manufacturer participants were Al Cohn, marketing manager for commercial tires, Goodyear Tire and Rubber Company; Bill Forsch, manager of OEM sales and travel plaza sales - commercial division, Yokohama Tire Corporation; Mark Kath, strategic account manager, Michelin North America; and Guy Walenga, engineering manager - commercial truck tires, Bridgestone/Firestone. Serving as the moderator for the session was Ken McKibben, senior vice president of field maintenance, Penske Truck Leasing and chairman of TRALA's Equipment and Technology Advisory Group.

The leasing representatives delivered presentations on a wide range of topics including detailed overviews of the AmeriQuest and Ryder tire purchasing and maintenance programs; the impact, advantages and disadvantages of Super Single Tires; benefits of trailer tire inflation systems; tire retreading and tire sensor technology. The tire manufacturing representatives addressed the latest tire technologies in development and discussed the tire shortage problem. For a copy of the AmeriQuest and Ryder tire maintenance and technology presentations, contact TRALA's Anne Riser at ariser@trala.org.

2005 TRALA Founders Scholarship Roundtable

A special thanks to all our corporate and individual contributors. The TRALA Founders Roundtable campaign challenges corporate members and individuals to make a five-year commitment to support the scholarship program. We deeply appreciate your continued generosity over the years!

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Goodyear Tire & Rubber Company
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Tom Bylenga - Star Truck Rentals
Paul DeCarolis - DeCarolis Truck Rental, Inc.
Jerry Kress - Carmenita Leasing
Ken Seng - Seng Truck Leasing Company

New TRALA Founders Scholarship Recipients Named



It was sheer coincidence that TRALA's 2005 Founders Scholarship recipients are two outstanding high school seniors that hail from the Hoosier state of Indiana.



COURTNEY LONG recognize two such outstanding students," said TRALA President and CEO Peter Vroom. "With the support of our TRALA Founders Roundtable contributors, we are improving access to education for such deserving young people each year."

The TRALA Founders Scholarship rewards the children of TRALA member company employees for outstanding scholastic and personal achievements. Since 1996, 42 TRALA scholars have received up to \$20,000 each to attend college. The TRALA Founders Scholarship Program is now the most recognized and generous scholarship program in the trucking industry.



JORDAN YODER

Courtney is the daughter of Susan and Steve Long, an employee of Cummins Inc. She is president of the Show Choir and captain of the Varsity Pepsteppers. Courtney is on the math team and a member of the All-State Choir, as well as the Brown Vocal Scholarship recipient. She plans to major in mathematics and economics at Yale University.

The National Honor Society, Key Club, Rocket Club and the 4-H Swine Club and Sheep Club are among the extra-curricular activities that Jordan Yoder, the son of Jane and Jim Yoder, a Supreme Corporation employee, participates in. Jordan received the Key Club Top Achiever Award and plans to study pre-med at Duke University.


To become a TRALA Founders Scholarship contributor, please visit <http://www.trala.org/scholarship/roundtable.php>.

Joining Us...

We are pleased to welcome so many new members to TRALA. Please join us in welcoming them and be sure to contact them for more information about their products and services.

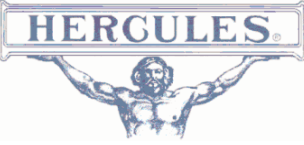
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