

inside TRALA

Destination: San Diego

Membership heads west for annual leadership conference

There's only one place where truck renting and leasing executives can learn about the latest industry trends, and that's the Truck Renting and Leasing Association's 2002 National Leadership Conference and 24th Annual Meeting.

More than 400 industry leaders are expected in San Diego on April 3-7 for a whirlwind of informative events and entertaining activities.

"Enthusiasm is contagious, and we expect to have our industry fired up to realize that hopefully we've weathered the storm of this mini-recession we've been in," said Jerry Kress, the president of Carmenita Leasing Inc. and the 2002 conference chairman.

This year, the association is delighted that Amtralease and PacLease system members will for the first time hold integrated business programs for their own leasing system members during TRALA's annual meeting. These leasing system members will join Idealease, Mack and NationalLease for the annual meeting activities.

"I'm excited that all the leasing systems are coming together for this meeting, which I think is a show of unification in our industry," Kress said.

"The decision of these well respected national truck leasing systems to bring their members to San Diego makes this truly an industry-wide event," said TRALA President and CEO Peter Vroom. "TRALA members, as competitors and colleagues, have always understood the importance of industry cooperation and involvement. I'm



PHOTO COURTESY SAN DIEGO CONVENTION AND VISITORS BUREAU
COME SAIL AWAY: Located on the shores of the Pacific Ocean, San Diego offers activities for both land and water lovers.

proud to see that challenging economic times have brought even greater unity among our membership."

Amtralease typically holds a convention in the spring, but to join with TRALA this April, the system instead decided to hold its convention in the fall.

"It is a good show of unity, and it shows that competitors can put aside differences and come together as a responsible industry," said Amtralease President Frank Daley. "We have common interests that make it important for us to get together and talk."

STRATEGIES FOR SUCCESS

TRALA members purchase nearly 40 percent of all new medium and heavy-duty commercial trucks. These same members are responsible for the lease, rental, and maintenance of more than a million vehicles every year.

To put the latest trends in the industry's hands, a variety of speakers will share their knowledge, including:

- U.S. Transportation Secretary Norman Y. Mineta. (Invited)

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San Diego

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- Cummins Inc. Chairman/ CEO T.M. "Tim" Solso.
- PACCAR Vice President Edward Caudill.
- Volvo Trucks North America President Michel Gigou.
- International Truck and Engine Corp. President John Horne.
- Freightliner Corp. President Rainer Schmueckle.
- Mack Trucks President Paul Vikner.
- Best-selling authors Dr. Kevin Freiberg and Dr. Jim Harris.

Solso, whose company had \$5.68 billion of sales in 2001, will share his secrets of success on Wednesday. The panel of top executives from the leading North American heavy truck makers will analyze new directions in manufacturing and technology on Friday, and the executives are also expected to discuss the surplus in the used-truck market.

Freiberg, the co-author of *Nuts! The Story of Southwest Airlines*, will also speak on Wednesday how to create a workplace employees love.

On Saturday, Harris will present an overview of his book, *Managing @ Net Speed*, which builds on his work with more than 200 of America's top companies.

And staying on the cutting edge of technology, TRALA is again featuring a half-day Technology Exhibit on Thursday. More than 30 suppliers will show off the latest industry innovations.

inside TRALA

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New face at TRALA

TRALA welcomed its first director of communications at the beginning of 2002.

In the new position, Lesley Brown Garland will be taking on a variety of duties, including coordinating the association's government affairs and general interest newsletters.



Garland will also assist with the association's website, www.trala.org, and media outreach.

A native of Alabama, Garland comes to TRALA with a background in print journalism and political marketing.

GARLAND Lesley served as an associate editor at Hanley-Wood LLC and a reporter at the Columbus (Ga.) Ledger-Enquirer.

In addition, she worked for two years as the director of marketing for a Capitol Hill political consulting firm.

"This is a very exciting opportunity for me, and I am excited to meet the members at the April annual meeting," Garland said. "I look forward to helping our association tell its story."

UPCOMING EVENTS

WHAT: Seventh Annual Larry Miller Memorial Golf Tournament

WHEN: September 24, 2002

WHERE: Kemper Lakes Golf Club in Long Grove, Ill.

WHAT: TRALA Board of Directors Meetings

WHEN: October 9-13, 2002

WHERE: Ritz Carlton Hotel in Amelia Island, Fla.

QUESTIONS? Call Leslie Hummel at (703) 299-9120.

2002 NATIONAL LEADERSHIP CONFERENCE AND 24TH ANNUAL MEETING IN SAN DIEGO



WHEN: April 3-7

WHERE: Loews Coronado Bay Resort

DEADLINES: February 28 is the last day for the discounted room and registration rates.

QUESTIONS? Call TRALA at (703) 299-9120 or visit www.trala.org.

Krom racing into future with TRALA

TRALA was pleased to welcome you onto our board last year. Please tell us a little bit about Southeastern Leasing. Our company has been owned by Pat McMahon since 1996 when he retired from Mack Trucks as vice president for North American marketing and distribution. His vision and commitment to the leasing industry kept us on a steady course in these turbulent economic waters.

A substantial part of our business comes from NASCAR teams. We currently work with all of the Hendrick Motorsports teams led by the current NASCAR champion, Jeff Gordon. We believe in investing

back into the community where we make our living, so we donate a tractor that pulls the Motor Racing Outreach Community Center. Motor Racing Outreach provides the church on wheels for all NASCAR events and supports all of the NASCAR family.

We have learned that our customers don't want to think about their trucks. They want to concern themselves with their own products and customers. That has allowed us to grow from a two person, 20-truck operation to a six person, 300-truck operation in five years.

You are extremely active in recruiting new members. What is your history with the organization? I have been a long-time member of TRALA for 20-plus

years and have also served as the president of the Ohio Vehicle Leasing Association.

TRALA has always been money and time well spent. It means a lot of letter writing, getting the other leasing companies to support the efforts and appearing before state and city lawmakers to get the job done. The Ohio Vehicle Leasing Association always kept us informed, and we were able to stop several tax initiatives that saved the Ohio truck leasing industry thousands of dollars.

That is what TRALA is all about – being personally involved and taking the initiative to protect our industry and our customers' businesses.

A FEW QUESTIONS WITH...



NAME: Don Krom

CAREER: Leasing Manager, Mack Southeastern Leasing and Rental Company in Charlotte. 35 years in leasing industry.

EDUCATION: BA, Montclair State College

PERSONAL: Age 58, wife Karen, two daughters, two grandchildren

What do you think is the biggest challenge facing the industry, and how can it be overcome? Wow! What can you say about 2001? The challenges we have all faced pales in comparison to the September 11th attacks and our ongoing war efforts to defeat terrorism.

TRALA has been challenged to take a proactive position on security issues and to be a part of the process to formulate policy. Prior to that, we felt we had our collective hands full with a glut of used trucks, overcapacity in manufacturing and a declining economy. The bottom line is this: our country is stronger than ever, and the free enterprise system will function the way it always has.

New Members

Nassau Asset Management is a leading-edge provider of asset management services for the lending and leasing industry. As a market maker and a full service provider, the company bridges the gap between sellers and buyers eager to acquire these assets. Nassau combines established brick-and-mortar relationships with the efficiency, cost effectiveness and global reach of web-based transactions. For more information, contact Edward Castagna at (800) 4-NASSAU (462-7728) or see the website at www.nasset.com



Ultron, formerly DEL Liftgates, is best known for its medium-duty rail-style liftgates. Since becoming the new owner of Ultron,



Michael Militello has introduced a new line of tuckunder-style liftgates and a new direct cylinder rail style liftgate. Ultron offers a full range of tuckunder, rails and cantilever liftgate designs ranging in capacity from 1,250 pounds to 8,000 pounds. For more information, contact Robert Tonon at (800) 289-1335 or see the website at www.liftgate.com.

Quick Fuel Fleet Services is a comprehensive fuel management company for commercial fleets anchored by a network of 50 automated fueling facilities located in major cities of the Midwest and South. Quick Fuel's automated fueling programs give fleets a competitive advantage by lowering bottom line fuel costs and increasing fleet efficiency. For more information, contact Steven Vanden Noven at (800) 522-6287 or see the website at www.quickfuel.com



TRALA battles revenue-hungry states

Lawmakers eye additional fees and taxes on industry

With a majority of states facing budget deficits for the first time in a decade, TRALA is engaged in an extremely active 2002 legislative session as states examine every possible option to increase revenues.

A number of factors, most notably the nation's slowing economy and the September 11 terrorist acts, have contributed to the demise of previous state budget surpluses.

Throughout 2001, a variety of revenue shortfalls appeared sporadically as states including Alabama, Massachusetts, New York, Tennessee, Washington and North Carolina felt the squeeze of the economic slowdown.

Each state's legislature was forced to begin lengthy and hotly contested budget debates to address the shortages.

The debates of 2001 were a mere foreshadowing of what is occurring nationwide this year.

The economic slowdown is not the only factor reducing the states' revenues, as the increased costs associated with more strict homeland security measures following September 11 placed more financial strains on state governments.

States facing shortages prior to September 11 went deeper into debt, while others are now in a deficit situation.

Legislators are expected to be very creative and leave no rock unturned in the quest for new revenues. Every business tax exemption or loophole is being reviewed.

In some states, TRALA has already seen large budget packages intended to address deficits with provisions taking direct aim at the truck renting and leasing industry.

Some examples of unfavorable legislation facing the truck renting and leasing industry include:

- A budget bill introduced for the second consecutive year in **Tennessee** containing a provision to establish a 6 percent motor vehicle rental tax.

- Arizona** legislation would remove tax exemptions for a number of industries, including the state and local privilege tax exemption for truck lessors that have already paid the state motor carrier fee.


- In **Florida**, a sales tax proposal overhaul would remove the option for truck lessors to pay sales tax at the time of purchase or collect on the lease/rental stream.

To prevent unfair or discriminatory taxation of the renting and leasing industry, TRALA is working with state trucking associations, local counsel and association members.

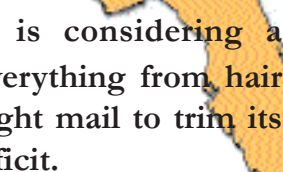
Should any member become aware of possible tax increases that would impact the industry, please contact TRALA immediately at (703) 299-9120.

Government in the RED


States are scrambling to come up with more than \$40 billion in budget deficits, which includes \$5 billion in unexpected expenses for homeland security. Here are some of the states facing the deepest deficits.




CALIFORNIA faces a \$12.5 billion gap over two fiscal years, due almost entirely to the dot-com collapse.




FLORIDA is considering a plan to tax everything from hair cuts to overnight mail to trim its \$1.3 billion deficit.



ARIZONA will cut the budget 4 percent but will still be \$1.6 billion short.



MICHIGAN may delay work on I-94 through Detroit to help make up for its \$1.4 billion deficit.



NEW JERSEY raised corporate income taxes \$420 million last year but will still be \$2.4 billion in the red in 2002.