

# **Fleet Planning for the New Car Rental Landscape**

## **Fleet Planning--Now More Important than Ever – Part 2**

**Keynote with Mark Eckhaus, Jack  
Goode and Tim Yopp, Eckhaus Fleet**

Thanks to Bobit Media for Stats and Industry Data and Bluebird for  
sample reports

# **Congratulate Yourself**

You have weathered one heck of an economic downturn.

History has proven that companies that have survived these events.-

**Emerge Stronger And More Profitable.**

**We start where we ended last  
year.**

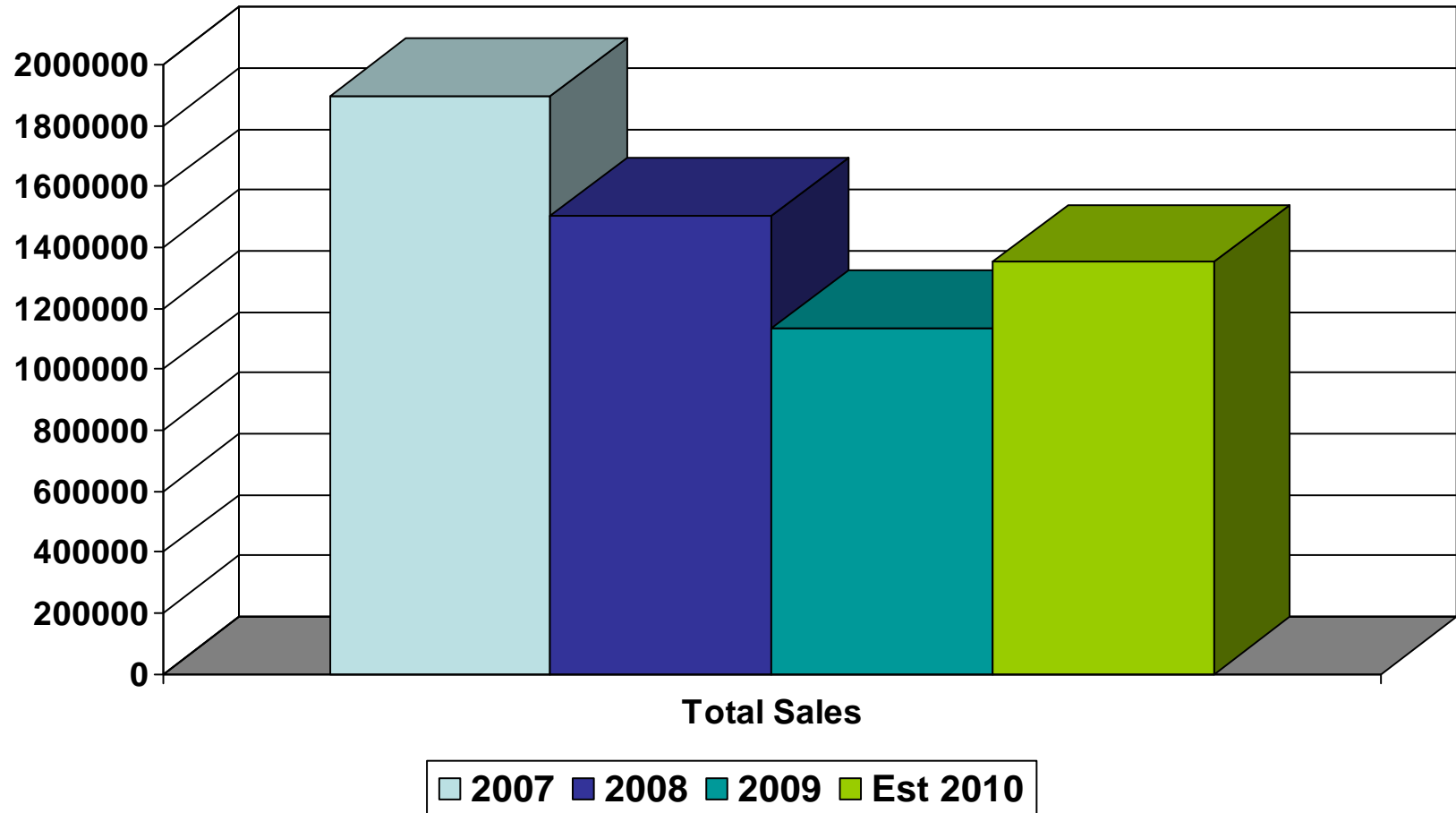
The Car Fairy did not come and may  
never come until Chinese cars hit our  
shores



# The Automotive Landscape

- Reduced production
- New competition for used cars – discontinued dealers and new car dealers
- The retail customer has switched from new to used
- Fleet is still a bad word on Wall Street and with the Government

# NEW CAR SALES TO RENTAL FLEETS



# The Rental Industry Landscape

- A Few Less Players
- Smaller Fleets
- Higher Utilization
- More Risk Less Repurchase
- Vehicles In Service For Longer Periods - Higher Miles
- Higher Daily Rates

# **Because Of The Changed Landscapes Proper Fleet Planning Is Even More Important**

- Ordering and Buying Right
- Managing Right
- Selling Right
- **Leads you Right to Profits**

# Ordering and Buying Right

1. Do You Know What To Buy And When?

# Do You Have A Fleet Plan

## ECKHAUS FLEET

2921 Larkin Ave. Clovis, CA 93612  
 Phone: (800) 768-3303 in Alaska (559) 291-4400 Fax: (559) 346-1500  
 www.ECKHAUSFLEET.COM

### 2010 - 2011 FLEET PLAN/GUESSTIMATE

Company Name:  
 Email:

City/State: /

Phone:  
 Fax:

Delivery Month	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	Total
Subcompact											
Compact											
Intermediate											
Full Size											
Premium											
Luxury											
Minivan											
12/15 Passenger											
Convertible											
Mid Size SUV											
Full Size SUV											
Cargo Van											
Pickup											
Box Truck											
Total											

Copyright 2010 Eckhaus Fleet LLC.

Copyright 2010 Eckhaus Fleet LLC. DO NOT Distribute without Permission

# Do You Maintain A History?

## ECKHAUS FLEET

2921 Larkin Ave. Clovis, CA 93612  
 Phone: (800) 768-3303 in Alaska (559) 291-4400 Fax: (559) 346-1500  
 www.ECKHAUSFLEET.COM

### Fleet Planning History Worksheet

Location:

Vehicle Class: **Compact**

Month	Sep	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr	May	Jun	Jul	Aug	Ave
<b>2008 Units</b>													
<b>2008 Utilization</b>													
<b>2008 RPU</b>													
<b>2009 Units</b>													
<b>2009 Utilization</b>													
<b>2009 RPU</b>													
<b>2010 Units</b>													
<b>2010 Utilization</b>													
<b>2010 RPU</b>													
<b>Est 2011 Units</b>													
<b>Est 2011 Utili</b>													
<b>Est 2011 RPU</b>													
<b>Average Units</b>													
<b>Ave Utilization</b>													

Copyright 2010 Eckhaus Fleet LLC.

Copyright 2010 Eckhaus Fleet LLC. DO NOT Distribute without Permission

# Ordering and Buying Right

2. Do You Have A Process To Project Future Value?
  1. Use MMR/Blackbook/Blue Book To Project Vehicle Future Value
3. How Do You Set Depreciation?

# Ordering and Buying Right

4. Do You Know How To Schedule Delivery For Fleet Vehicles?
  1. They Don't Always Come When You Want Them Or Need Them
5. Do You Know Why You Might Buy Repurchase Vehicles Rather Than Asset Value Vehicles (Formerly Risk)
  1. Seasonal Need
  2. Don't Want To Get Stuck With The Vehicle
  3. Trying A New Class Of Vehicle
  4. Flexibility You Can Always Send It Back

# Managing The Fleet When They Arrive

- Do you take advantage of your rental information system?

The screenshot displays a software interface for fleet management, divided into several sections:

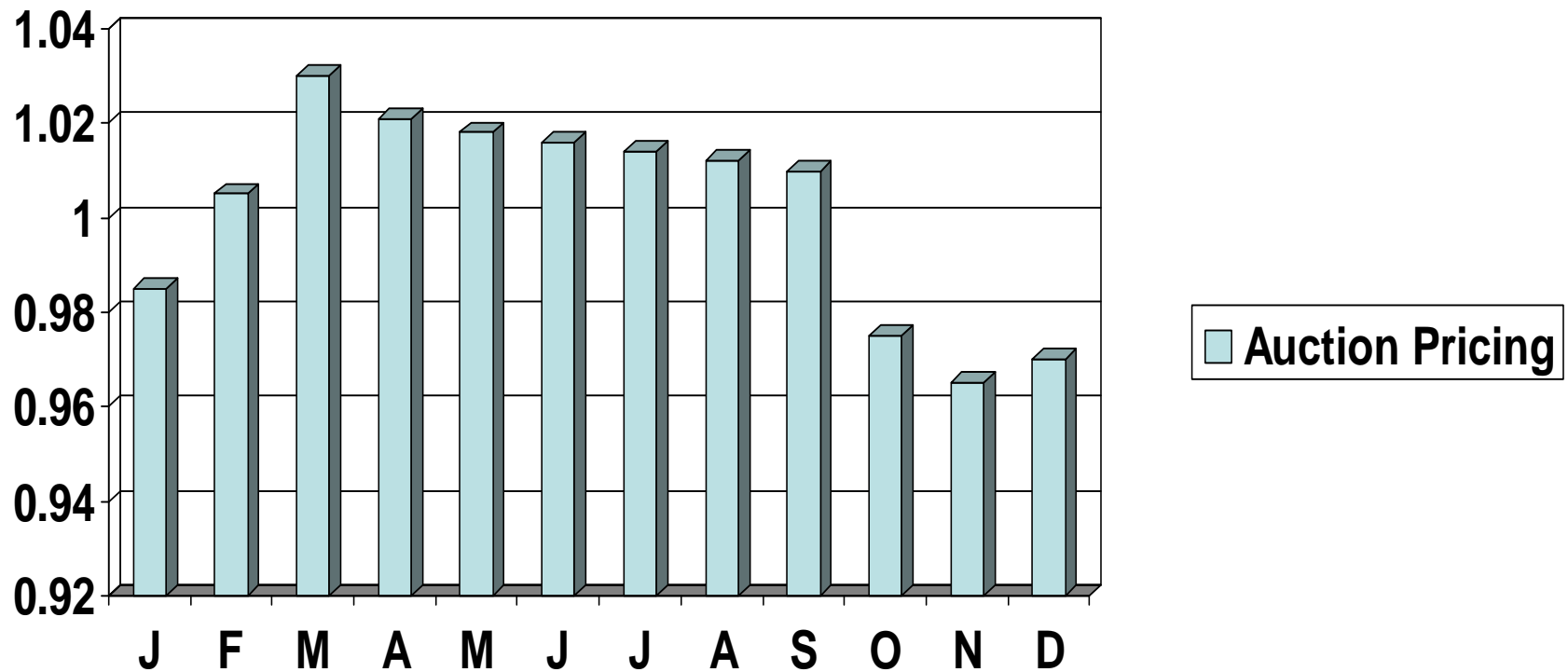
- Vehicle Information:** Includes fields for Year (2003), Make (Ford), Model (Focus), Color, Description, Class (Mid), Engine, and a checkbox for Smoking. An Image field is also present.
- License Information:** Includes fields for Lic. #, St., Exp. Date, Lic. Amount (0.00), Reg. #, VLF Amt (0.00), First Reg., and Date Posted.
- Key Codes:** Includes fields for Ignition, Trunk, and Misc.
- Due Back Information:** Includes fields for Location, Date, and R#.
- Available Options:** A list of options including Air Conditioning, Automatic Trans., Baby Seat, Car Phone, CD Player, and Heated Seats.
- Disposal Information:** A separate window showing Grounding Miles / Date, Minimum Keep Miles / Date, and Maximum Keep Miles / Date, each with a value of 0 and a calendar icon.

# Manage The Fleet

- **Everyday Look At Every Car**  
CHECK Condition, Mileage, Utilization
- **Every Week Look At The Whole Fleet**  
CHECK Reservations, Mileage, Utilization,  
Deliveries and Orders
- **Every Month Look At Your Fleet Plan**  
Review The Month, Adjust Your Fleet Plan, Update  
Your Fleet History

# Selling Cars

Know The Natural Sales Cycle



# Selling Cars

- What Are The Sales Avenues
  - Repurchase - Send Back
  - Retail Including Ebay, Craigslist, Etc.
  - Retail Lot
  - Wholesaler
  - Direct To Dealer
  - Brick And Mortar Auction
  - Internet Auctions
- Compare Costs

# Planning For The Next Year

- Review Credit Line Needs For The Coming Year
- Diversify
- Make Your Plan For Next Year
- Review Your Suppliers
- Order Cars For Next Year.

# The Future.

- A Slowly Improving Economy
- Improved Credit Environment, but Increased Borrowing Costs
- Price and Value of Vehicles Increase
- We Do Not Want To Repeat the Past
  - Over Production Of Automobiles By The Manufacturers
  - Over Fleeting By The Rental Companies.
- **Fleet Planning Leads to Higher Profits**