



5910 W. Plano Parkway, Suite 200
Plano, TX 75093
972-625-8655
www.rentatoll.com

**Corporate Workforce Productivity:
“Corporations Lose Millions of Dollars Annually from
Employees Waiting in Lines to Pay Toll Road Fees”**

By: Ben Robinson, CEO

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Introduction

Corporate business travelers lose hundreds of work hours annually waiting in line to pay toll road fees while local drivers speed by them in the “fast lane” using RFID transponders. Because national toll transponders are not available and because of the difficulties associated with the installation and maintenance of RFID transponders in rental cars, car renters either wait in long lines to pay cash for what amounts to pennies compared to the value of their time or they are forced into violating the toll gate and pay steep penalties and fines later. For the car renter that waits in line to pay his tolls, many times they won't have the correct change, so they violate the toll booth without paying. This problem creates issues for not only the car renter, but rental agencies and toll authorities lose significant revenues and face increased expenses in order to track down the renter when they finally understand that a violation has occurred. The problem is further exacerbated for the corporate travel manager trying to manage hundreds of employees travel expenses.

Corporations across the country are reimbursing employees for toll fees, even though employees often don't attach their toll receipts. Because of

the low dollar value associated with the expense, many corporations simply trust employee expense reporting; other companies force the employee to collect multiple toll fee receipts during business trips. All of this adds up to more hassles and frustrations for the corporate traveler, not to mention the lost productivity associated with waiting in line to pay minimal tolls.

Workforce productivity is significantly impacted by time lost waiting in line to pay tolls, the collection and management of toll receipts until they are expensed, and the additional hassle and efforts by employees to reconcile travel expenses. Wasted time doesn't end with the employee who does the traveling; corporate finance teams must reconcile \$.50, \$.75, and \$1.00 receipts for employees who, ironically, use toll roads to increase their productivity.

Why are we putting our employees through all this? There must be a better solution to gain back worker productivity and drive greater bottom line results to America's corporations.

Marketplace Problem

A major problem for millions of car renters, especially corporate business travelers, is the explosive growth in the number of toll roads and the resulting frustration with different toll systems. A January 10, 2006, article in *The New York Times*, “Giving Drivers More Access to Fast Lanes,” reported that the growing number of toll systems creates major headaches for car renters, car rental agencies and toll authorities. According to Ric Williamson, Texas Transportation Commissioner, “in your lifetime most existing roads will have tolls.” This marketplace problem is going to continue to grow for generations to come.

The problem is growing, and corporate travelers will continue to encounter more toll roads as the trend to move from government-funded road systems to user-funded roads



expands nationwide. “It’s either toll roads, slow roads or no roads,” Williamson continued. You and your employees are not going to be given a choice. The need for a solution to worker productivity lost on toll roads will continue to grow as the traveler encounters more and more toll systems nationwide.

Corporate travelers are frustrated by long and very slow toll lines, the need to pay tolls in cash, the need for correct or proper change, and the need to collect written receipts. As a result, many car renters break the law by simply running toll booths. Nationally, toll authorities experience millions of car rental violations each year. A vast amount of these violations are committed by corporate business travelers who are simply trying to get to their next appointment or catch a flight home. Independent research by the San Francisco-based Power Decisions Group shows that nearly forty percent of business travelers lose in excess of one hour per day waiting in lines to pay tolls and collect receipts. Unfortunately, there are very few solutions for the rental car agency and their customers.

Car rental agencies are caught in the middle between their law-breaking customers and toll authorities that must collect toll revenues. Forced to hire additional employees to pursue, collect, and reconcile fines and fees from toll runners, car rental agencies find themselves at odds with the very customers with whom they are trying to build brand loyalty.

Toll authorities lose more revenue from car renters than from any other source. The process of pursuing toll

violators is expensive and time-consuming and involves internal processing, dealing with collection agencies, and interacting with the appropriate Department of Public Safety. It is not uncommon for toll authorities to spend millions of dollars annually to collect small amounts from car renters who run toll booths. The time has come for a solution to all the parties involved.

Previous Options

To date, there has been no system or product to put car renters in the “fast lane.” Corporate travelers are forced to sit and wait to pay and lose hundreds of hours annually in productivity or run the toll gate “fast lanes” and incur the penalties and fines associated with the collection of toll fees. Those fines and fees can be detrimental to the employees’ pocketbooks, with the outlay in many of the nation’s toll systems topping \$100 per violation!

A few companies have tried to develop solutions based on transponder rentals, kiosks, and license plate readers with the inclusion of a collection-based business model to go after the violators.

While transponders are the standard mechanism to collect electronic tolls in the U.S., it is difficult for car rental agencies to manage and maintain them. The average car rental agency turns over their vehicles every six to twelve months – a huge obstacle to the nationwide deployments your employees need as they conduct business across the country. In addition, transponder technology is different from one toll authority to another, and future technologies are focused on integrated communication protocols within the vehicle directly from the manufacturer. In short, the transponder technology may be a short-lived solution to your employees’ toll road needs, and the potential for national availability will be limited. There is also the risk of having the transponder stolen from the



rental car and the thief running up huge toll bills, leaving an employee liable for tolls he never transacted.

Kiosks create additional steps in the traveler's process to locate the machines that dispense the transponder, and employees often buy too little or too much coverage. The kiosk may be advantageous for local market users who don't want the ongoing monthly expense for subscribing to the toll authority for an RFID transponder, but it creates more time delays and the need to track tolls for employees.

Video tolling through license plate readers is an effective method for violation management, but it is not a long-term proactive solution to totally eliminate violations. License plates are often obscured by snow, ice, and grime, and some toll authorities only recoup forty to fifty percent of the car renter tolls because the technology does not capture all tolls. In addition, the process to convert license plates captured via video tolling to actual license plate string of data can take 24 to 48 hours, and sometimes longer. This creates a delay in tolls being invoiced to a particular rental agreement, and car renters are forced to cover tolls that may be charged back to them weeks after they incurred the expense, and often after the expense report for that trip was created and submitted. For the corporate traveler, this means another drain on productivity as he takes the time to reconcile the tolls.

Do employees really need more delays, hassles and inconveniences?

The Solution

The solution to this problem requires five components:

- Easy-to-use electronic toll payment solution for car renters
- Proactive toll payment method embedded in the car rental process
- Rental receipts that reflect tolls and fees at the time of check-in
- Facilitated relationships between toll authorities and rental agencies to provide an offering that benefits their corporate travel customers
- Ability to operate with toll systems nationwide

The most desirable solution would offer a service that frees car renters from paying tolls at any toll booth. The optimal solution is one that includes all tolls and fees at the time of the rental return and allows the car renter to use either express or regular toll lanes without stopping. The current solutions in the marketplace do not offer these characteristics.

Using real-time software technology to deliver the tolls and fees to the renter's receipt at check-in would not only reduce wait times at toll booths, but would also eliminate the hassle of paying tolls altogether. A solution of this nature would make business travel more pleasant and more efficient, and would save significant productivity time. Such a solution would save corporations millions of dollars annually and, at the same time, improve employee job satisfaction.

The optimal approach to this problem should convert what has historically been a strained and sometimes adversarial relationship between toll authorities and car rental agencies to a positive and productive relationship where all concerned benefit. Chief among the benefits is consistent focus on a positive corporate traveler experience. From the car renter's perspective, the value proposition of



convenience, fewer hassles, saving valuable time, and increased productivity are key to a solution.

Every day, tens of thousands of employees from corporations such as EDS, Microsoft and GE for example travel within toll system markets in rental cars. The loss in worker productivity incurred in paying tolls can account for thousands of unproductive employee man hours. Even small companies that pay their field employees hundreds of dollars an hour are impacted by what normally amounts to a few dollars in tolls, but many hours in lost worker productivity. The national average cost for traveling on toll roads is approximately nine cents per mile. According to independent research by the Power Decisions Group, “the average business traveler spends about \$4 per day in tolls while conducting business.” Compared to the hourly compensation rate of corporate travelers, there is a huge disparity between the cost paid to travel on the toll road and the cost of the employee’s time to wait in line to pay tolls.

Corporate travelers and their travel managers should demand a service that can be selected when they make their car reservation or at the checkout counter when they pick up their rental car. What are the benefits to the corporation for a solution like the one described in this paper?

Benefit 1

Increased worker productivity: A solution which offers the renter unlimited toll travel while incorporating all tolls and fees directly in the renter’s receipt when turning in

the vehicle would eliminate hassles and delays on toll roads, in processing the rental transaction and in expensing such transactions. The renter would no longer have to deal with long lines, scrambling for loose change and receipt tracking for expense reports. These benefits translate into fewer hours lost by corporate travelers and increased worker productivity to the corporation.

Benefit 2

Improved Expense Management: A major issue with any corporate travel department is managing the expense budgets of their corporate travelers. This can be a difficult task when many of the expenses incurred by the traveler are of low dollar amounts. When it comes to toll road fees, the traveler can incur as many as 10-15 toll receipts in a given day. Since each receipt is for minimal dollar value, the corporate travel manager is left to trust the integrity of an employee’s expense report for accuracy. Many times the traveler does not keep all their receipts and thus they have to remember the approximate amount they spent on tolls while traveling. Expense padding can become a bad habit in order to account for all the out of pocket expenses an employee incurs while conducting business.

A solution which incorporates all toll fees directly into one receipt upon returning their rental car or at a recurring billing date during the month would not only give corporate travel managers more insight into what their employees are actually spending, but it would allow for future budget forecasting to be more accurate. This may seem like a small advantage but when a company is accounting for 10,000 travelers on any given day, this benefit can be a huge cost savings to the company and its shareholders. Remember, we are talking about \$4 a day in tolls across 10,000 employees. That is \$40,000 per day or about \$8,000,000 per year in expense management for the corporate travel manager. Just for Tolls? Wow! Not to mention all of



the time savings and increased productivity your employees gain from using an automated Toll Solution while renting a car on business.

Benefit 3

Convenience: Corporate travelers have a multitude of tasks to handle on any given day. Think of all the things one has to do to prepare for an effective and efficient business trip: client preparation and scheduling, presentation preparation, booking the hotel, booking the rental car, airport check-in, picking up the rental car, returning the car filled up with gas, carrying spare change for the toll booth...does your employee really need the inconvenience of waiting in line to collect receipts to expense minimal funds?

Benefit 4

Greater employee satisfaction: How would you feel if your boss gave you back an extra hour for every day you traveled in a toll system with a rental car? What if you could make your daughter's soccer game because you caught an earlier flight out of town? (I missed one of my child's games because of a one-hour delay on a Houston, Texas, toll road). Whether it is for greater productivity when conducting business or to get home an hour earlier on Friday evening, you and your employees want to stop wasting time waiting in toll lines. In fact, you should demand it. A satisfied employee means a more productive worker and a more successful corporation.

Implementation

You may be asking how you can get this service. Where can my employees

use it? When will it be available? What do I have to do to take advantage of such a great service?

Rent A Toll is currently engaged to test its pilot in Texas. The only thing you need to do to activate the service is tell your car rental agency when you set up your reservation to add the service to your contract. If they don't have it over the reservation systems, request it at the check-out counter. The rental agency must be a subscriber for Rent A Toll services to offer you a solution. If they are not a subscriber, ask them when they will be one.

The service is easy for any rental agency to set up. Rent A Toll has created a seamless software application that easily integrates into the rental agency point-of-sale systems to make the service available to you and your employees. The service requires no hardware; all you do is check out the vehicle and drive your way to the toll plaza fast lane. Rent A Toll is preparing for a national rollout of services; without your help, though, we cannot make it available everywhere. Your rental agency needs to know this is something your company and your employees want.

Summary

In summary, please don't let your company or your people lose any more of their valuable time, convenience, or quality of life. Take the next step; request the-service on your next business trip or vacation. Contact your travel manager and have him request the service the next time he books your rental car for business. It's time for all travelers to have the option to a service that is long overdue.

For more information, contact Ben Robinson, CEO, at 972-625-TOLL (8655) or visit the website at www.rentatoll.com.