

Enterprise Rent-A-Car

To: Chairpersons Daily and Staples and Members of the Finance Revenue and Bonding Committee

From: Joseph Kilgallen, Business Rental Area Manager

Date: February 23, 2009

Re: Enterprise Rent-A-Car Support for the Connecticut Production Coalition

Thank you, Chairpersons Daily and Staples and members of the committee, for allowing me the opportunity to speak to you today in support of the Connecticut Production Coalition's effort to retain tax credits for film production in the state of Connecticut. My name is Joe Kilgallen and I am the Area Manager of Business Rentals for Enterprise Rent-A-Car in the state of Connecticut.

There are a great number of people here today that will explain how the film industry creates major investment in our state. What I would like to talk about is an area of business and job growth that you may not have considered; the rental car industry. Production business is a growing segment in Connecticut, and has been growing since Connecticut initiated a strategic tax credit program. The rental car industry is one of the many businesses that has seen indirect growth as a result of this program.

Many people would not automatically consider the relationship between the film industry and the rental car industry. Whenever a production comes to our state, there is a need for vehicles to transport crews, staff, and to be used in the filming itself. This business represents a significant and growing segment of the rental industry. Speaking only for Enterprise, we can experience rental needs up to 50 vehicles per production with an average rental length in months, not days. This may not sound significant, but the average size of a rental location is 50 vehicles. This means that our growth opportunity for production business is significant. This fuels job creation and also generates significant tax revenue for the state. A healthy film industry helps the rental industry, which in turn supports local car dealers, repair facilities and many other vendors that rely upon us as well.

The rental car industry is currently experiencing double digit losses in our fleets, the closing of locations, and employee layoffs in the thousands. The idea of losing these tax incentives is another hit that will only exacerbate our struggles. Additionally, the film industry is a highly competitive industry. Connecticut competes with a number of states as well as Canada for this business. We need to stay competitive. Taking away these incentives would put a huge "Do Not Film Here" sign on our state.

On behalf of Enterprise and our employees, I thank you for allowing me to share these perspectives. I would ask that you vote to continue to support tax credits for the film industry in Connecticut. The investment created and the tax revenue generated as a result far outweigh the tax relief offered by the state. Along with many others, the auto rental industry, its employees and their families depend on the jobs and revenue generated by this growing industry in Connecticut. Thank you for your time.