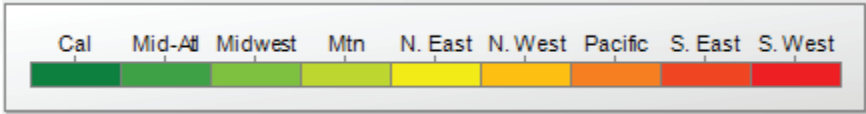
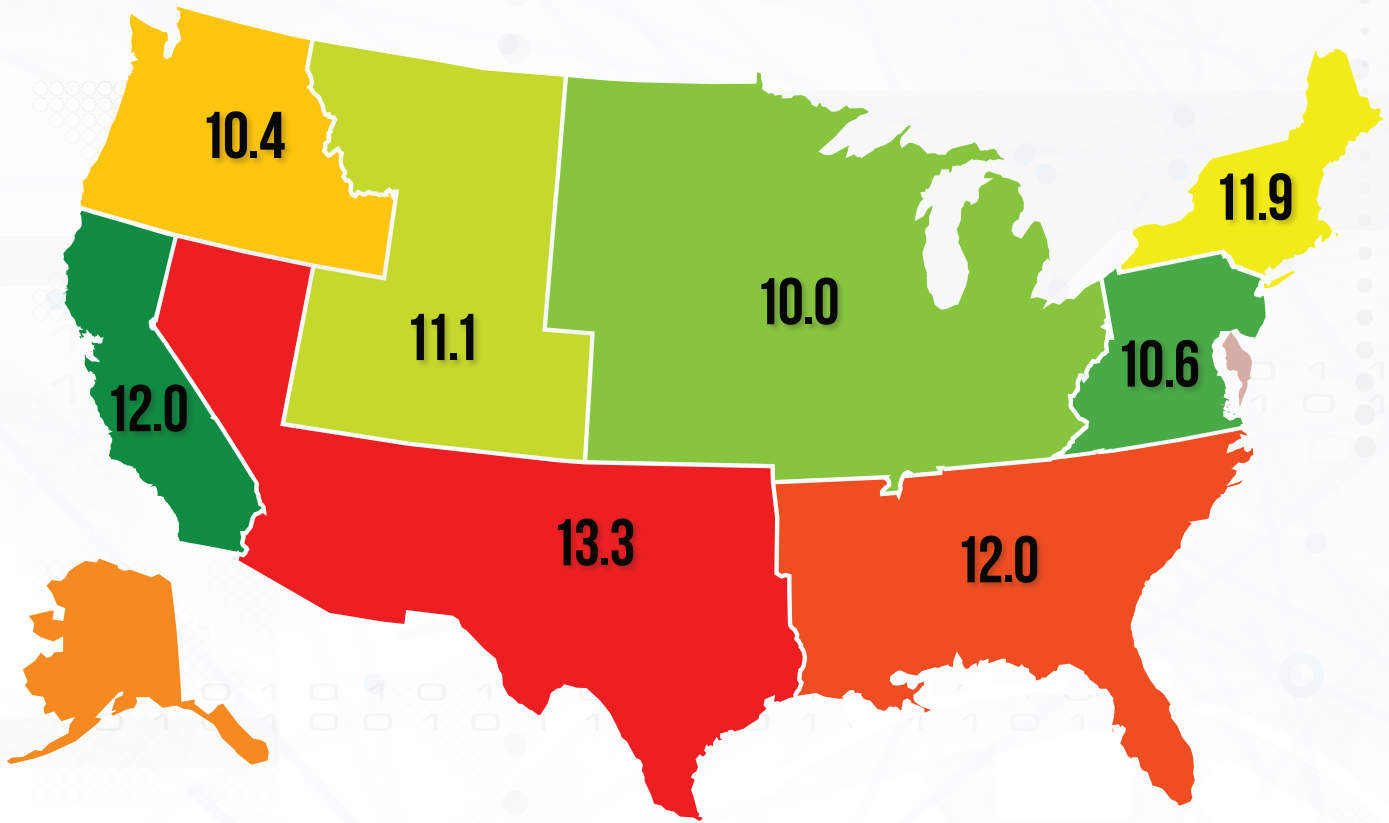


U.S. Average Length of Rental by Region

Q2 - 2016

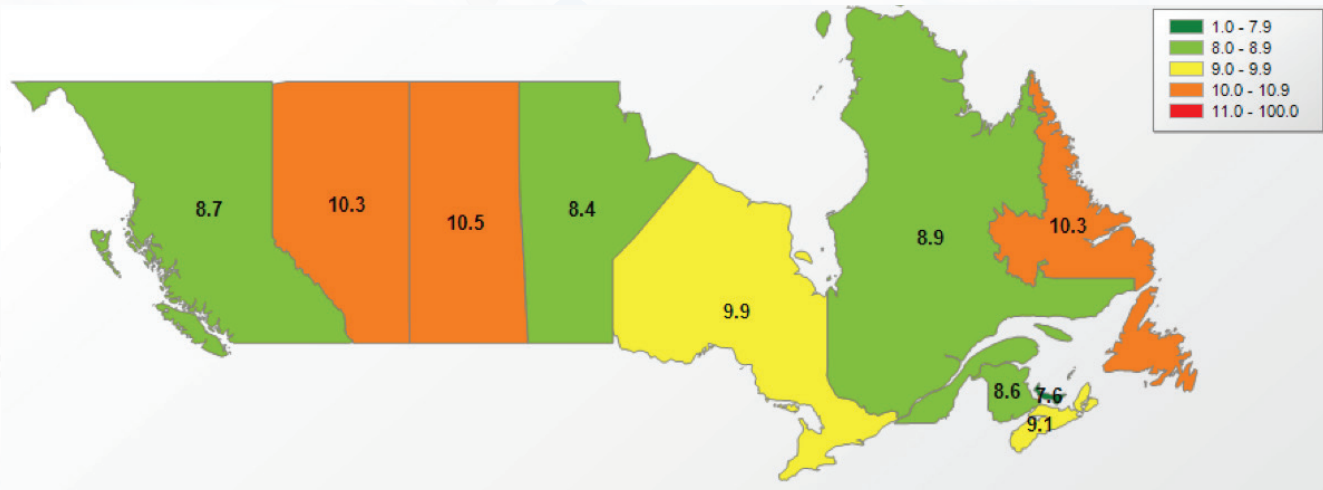


Average Billed Days for US		
Q2 2015	Q2 2016	Change
11.0	11.5	Up

Region Avg Billed Days for US			
Region	Q2 2015 LOR	Q2 2016 LOR	Change
California	11.3	12.0	Up
Mid-Atlantic	10.4	10.6	Up
Midwest	9.8	10.0	Up
Mountain	11.2	11.1	Down
Northeast	12.3	11.9	Down
Northwest	9.4	10.4	Up
Pacific	10.1	10.5	Up
Southeast	11.2	12.0	Up
Southwest	12.0	13.3	Up

Canada Average Length of Rental by Province

Q2 - 2016



Average Billed Days for Canada		
Q2 2015	Q2 2016	Change
10.0	9.8	Down

Province Avg Billed Days for Canada			
Province	Q2 2015 LOR	Q2 2016 LOR	Change
British Columbia	7.7	8.7	Up
Alberta	11.1	10.3	Down
Saskatchewan	11.7	10.5	Down
Manitoba	7.9	8.4	Up
Ontario	9.8	9.9	Down
Quebec	8.9	8.9	Same
Newfoundland and Labrador	10.3	10.3	Same
New Brunswick	9.8	8.6	Down
Nova Scotia	9.7	9.1	Down
Prince Edward Island	8.6	7.6	Down

Year over year change

* Source: Enterprise Rent-A-Car. Includes ARMS® Insurance Company Direct Billed Rentals; Excludes Total Loss Vehicles.

U.S. Length of Rental Trend Continues for Q2 2016

Overall U.S. Length of Rental (LOR) increased .5 days in Q2 2016 from 11 to 11.5, although the change varied greatly by state and region. As with Q1, a number of long term issues continued to be contributing factors, including the increasing complexity of modern vehicles combined with robust sales of new cars and a persistent shortage of collision technicians. While there were not any significant weather events in Q2, much of the repair volume was driven by the earlier weather-related catastrophes in Texas. As a result, the Southwest region increased by 1.3 days, the largest of any region. The Mountain and Northeast regions actually decreased by .1 and .4 days respectively, likely as the result of relatively mild winters.

The West Coast experienced large increases of .7 days in California and 1 day in the Pacific Northwest. Both Oregon and Washington jumped 1.1 days while Idaho remained relatively flat, only moving up .2 days.

The Mountain region's decrease was driven almost completely by Colorado which dropped .5 days. This offset an increase of .8 days in Utah and nominal increases in the other states. In the Northeast, every state experienced a decline led by Massachusetts at 1day.

The Mid-Atlantic and Midwest each moved .2 days higher driven by a combination of modest increases and decreases including -.5 days in both West Virginia and South Dakota, -.3 days in Pennsylvania and -.2 days in Ohio.

The Southeast region was up .8 days driven by a 1.2 day jump in Georgia and South Carolina, while a 1.6 day spike in Texas pushed the Southwest up 1.3 days, the largest of any in the U.S.

In each state and region, there is a significant delta between the top and bottom quartiles which indicates the opportunity for shops to drive results by focusing on the elements they are able to control. The three most impactful pieces, based on data and feedback from best in class operations, are formal training (I-Car Gold shops outperform the market by approximately 1.3 days), utilization of the ARMS Data Manager (approximately 1 day better) and a robust scheduling strategy.

Canada

Q2 2016 saw Canada's Length of Rental (LOR) decrease 2 percent to 9.8 days from 10 days in Q2 2015.

Provincial results were closely aligned with national metrics, although there were some significantly stronger results in Atlantic Canada.

Alberta had a .8 day decrease, moved from being 1.1 days higher than the Canadian average in 2015 to just .5 days higher than Canadian average in 2016.

Ontario saw a nominal increase of .1 days to 9.9 days, and came in just above the national average. Meanwhile, Quebec was static at 8.9 days, or .9 below national average.

Atlantic Canada was home to the biggest reduction, with Nova Scotia and PEI each dropping 1.2 days. PEI led the country with a 7.6 day LOR in Q2. New Brunswick also saw strong returns, with a .6 day reduction to 8.6 days.

The quarterly LOR summary is produced by Dan Friedman, Assistant Vice President Collision Industry Relations and Sales at Enterprise Rent-A-Car. Dan has 21 years of experience with Enterprise working within the collision repair industry. Through its ARMS® Automotive Suite of Products, Enterprise provides collision repair facilities with free cycle time reporting with market comparisons, free text/email capability to update their customers on vehicle repair status, and online reservations. More information is available at armsautosuite.com or by contacting Dan Friedman at Daniel.Friedman@ehi.com.