

January 22, 1997

Dwayne D. Gremler
1629 Shetland Court
Moscow, ID 83843
(208) 882-6289

Frank Olsen
President
Hertz Corporation
225 Bray Blvd.
Park Ridge, NJ 07656

cc: Traci Atkerson

Dear Mr. Olsen,

I am writing you in order to give the Hertz Corporation one last chance at my future business. I have not been able to get a resolution to my problem by going through your Customer Relations department, so I am writing to you as a last resort.

My problem with Hertz began last July (1996). I have corresponded with Traci Atkerson in Oklahoma City several times about this matter (FILE # DD3790). I have enclosed copies of everything I have related to this circumstance.

To summarize the situation, I rented a car from Hertz in Innsbruck, Austria, last summer. When I made reservations, through my travel agent--Travel Agents International (TAI), I understood this to mean (as did they) that I would receive a prepaid voucher (\$425) and that I should not expect to accrue any additional fees. Once I returned from my trip, I learned that an additional \$178.58 had been charged to my American Express credit card (# -----1006)--with no explanation at all as to what the charges were for. After writing twice to Hertz, I finally learned that these were additional taxes, airport service charges, and a charge for an extra driver. As you can imagine, I was quite upset since I was under the impression the car had been completely paid for when I made the reservation.

In dealing with Hertz about this matter, I have consistently been given basically the same response, which can be summarized as:

YOU signed a contract, YOU didn't ask about any additional charges, YOU have to pay up, HERTZ is right, YOU are wrong, end of story.

My travel agent at TAI agrees with me that these additional charges were also hidden from them (the agent) and should have been explained to me by Hertz at the time I picked up the car. In fact, TAI wrote a letter on my behalf to Ms. Atkerson. (See the attached letter.) Ms. Atkerson, in responding to TAI's letter, stated that Hertz "does not cover every detail of the contract due to the time constraint this

would place on hurried travelers.” When I picked up the car in Innsbruck, I was the only customer at ANY of the rental car counters. There were no other customers in sight and I was in no hurry to get anywhere! The counter person had plenty of time to explain any additional charges that would be added.

Ms. Atkerson also states in her letter to TAI that “we encourage our customers to ask any questions for further clarification before signing the rental agreement.” Since I was led to believe that I had “pre-paid” everything when I made the reservation, there was no reason for me to question the counter person about additional charges. Despite her claim, the additional charge of \$178.58 was NOT CLEARLY PRESENTED in the contract.

In my opinion, Hertz has been anything but customer-oriented throughout this whole process. I have a hard time believing that Hertz treats all of its customers in this fashion. I have learned from the experience, and I will never sign another rental car contract without asking specifically for clarification on each line on the contract. However, I don’t think my failure to seek clarification on the contract I signed in Innsbruck gives Hertz the right to add an **additional 42%** (\$178/\$425) to my bill!

As I stated earlier, I am writing you to give Hertz one more chance to do the right thing. How you respond to this letter will determine whether I ever do business with Hertz again. Since I do quite a bit of traveling in my job (as a professor at the University of Idaho), this could mean a substantial loss of revenue for your company if you continue to support this stance. In terms of my story telling and word-of-mouth communication about Hertz, your response will either turn me into an “advocate” for your company or a “terrorist” against it.

On a final note, I teach a class on Services Marketing at the University of Idaho. In this class we talk quite a bit about situations such as this. You can be assured that I will discuss this situation in class. As I always do when I have any service encounter, I will relay the facts of this situation to my students and let them form their own opinion. Your reply to this letter will be the end of the story, so you have the chance to make quite an impression on many students with your response.

Since this situation has been dragging on for over six months now, I would appreciate your prompt response to this letter.

Sincerely,



dg: enclosures