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Dollar Thrifty Automotive Group, Inc. Q1 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Emily Shanks - Lehman Brothers.

Emily Shanks - Lehman Brothers

Can you give us a bit more color around what the specific rate was that it priced at, and then secondly you had mentioned that, I believe, I want to make sure I understood, some banks are getting out of the conduit business? Can you mention which banks those are?

Richard W. Neu

I can tell you that the overall cost of the program all in is up about 200 basis points from last year. As we said in our remarks, given where short-term rates are, the net effect from a forecast standpoint is fairly neutral, but it's up about 200 basis points.

In terms of specific banks, that is not something that we would offer, but I would say that in this environment, in the banking environment, you obviously have banks that are looking at their business plans and changing their balance sheet dynamics as well, so at the end of the day we felt very pleased with the facility we ended up with, it's sufficient to meet our peak needs, and we ended up with, we think, a very good core solid bank group.

Emily Shanks - Lehman Brothers

I know the past couple of quarters that's been an issue from one of your larger suppliers. Have you seen any hold up in delivery since then in this quarter?

Gary L. Paxton

No, deliveries during the first quarter have been flowing relatively smoothly, pretty much on schedule as much as they have been historically.

Emily Shanks - Lehman Brothers

Thank you for the information around if one of the monolines does file bankruptcy. Just to be clear, as that debt is paid off, if you needed or wanted to increase your fleet thereafter, you would need to be getting financing from an alternative method.

Richard W. Neu

Within reason, right now as we've looked at our liquidity profile as we mentioned in our remarks, a single monoline default is something that we can handle. I think it's very clear to say that between extending hold periods and looking at better ways to manage our fleet, we're very prepared to continue to operate our fleet in this credit environment. Having said that, no different than I think the rest of the rental car industry or folks that tap the assets securitization markets, we have to continue to explore other means and more efficient means of raising liquidity.

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