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Dollar Thrifty Automotive Group Inc. Q1 2009 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). Your first question comes from John Healy – North Coast Research.

John Healy – North Coast Research

Since you guys have been there, you've been pretty clear in your message in terms of managing the business for cash flow, liquidity, and reducing expenses, and you guys have made substantial progress there, and you're starting to look at the business and it seems like there's some progress being made in the industry in terms of the industry being more right fleeted and more rational pricing. When you look out a little bit longer term, how do you feel about what the right size of this company should be from a fleet size and maybe a location standpoint? I'm trying to understand where you want to position Dollar Thrifty longer term in the industry and what size a player that you guys feel that you can be in the industry on a standalone basis.

Scott L. Thompson

Right now, let's call us a 10-12% market player right now. I think that is probably the market share for this company. I don't think any of our competitors are going to give up significant amount of market share without a fight, and a fight we probably don't want to have. I also think that Dollar Thrifty has been very clear that if anybody tries to work in stand box and take share that we'll aggressively protect our share through reduced revenue per day. Overall, I'd say we're a 10-12% player. I think that we can be very successful as a standalone company, and I think there is opportunity both to run the fleet we have better and I also think we have under-invested probably in some of our international operations and our franchising network.

We've got to get through the storm, as we talk about internally here, kind of walking through the minefield without tipping on any of the mines, but I think we can see an end of the minefield and a pretty robust environment after you get to the other side.

John Healy – North Coast Research

From a fleet standpoint, you guys had about 100,000 cars here per average period. How big of a fleet do you guys want to operate if the economic environment were to stabilize from here?

Scott L. Thompson

I think if you tell me what GDP is going to be in the future, I could probably tell you fleet size, but I think we want to be a 10-12% player. I think we've been fairly clear that without the GDP cars that we

would not be fleeing up as much during the summer and will be cutting off the peak, and that we're going to run primarily a risk fleet, and that's probably call it 95% and 5% GDP, so our peak fleeing even if you get back to what I'll call a normal economy I doubt will be as tall as it was before, but that's really going to be dependent on the market. We want 10-12% of the market share.

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