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## Car renters eager to use tollway pass systems

### Vehicles outfitted with transponders while some call for bridging gaps

By **CHRISTOPHER ELLIOTT**  
**New York Times**

For drivers like David Leonard, E-ZPass used to be anything but easy.

E-ZPass, a plastic transponder that is mounted to a car's windshield, lets motorists zip by highway tollbooths in several states, including New York, New Jersey and Pennsylvania. But Leonard, an actuary who makes frequent business trips to the New York area, is based in Ormond Beach, Fla. — outside E-ZPass territory. So renting a car in Newark, N.J., automatically meant spending a long time waiting to cross each bridge or to use a tollway.

But on a recent trip, an agent at the Budget Rent A Car counter offered the option of renting an E-ZPass transponder for 99 cents a day, tolls not included.

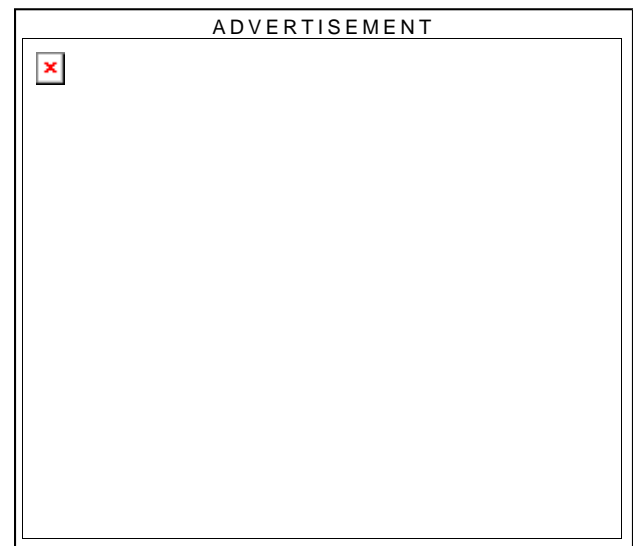
Leonard readily agreed.

"I think I must have saved more than half an hour in total by using E-ZPass," he said. "I can't imagine not having it on my rental now. I would even turn down a better deal on a car if it meant that I couldn't rent a tag."

### Drivers' frustration

Leonard's frustration is shared by millions of business travelers — to say nothing of tens of millions of leisure motorists — who venture far from home and end up crawling along in a line of traffic to pay cash to toll collectors.

Recognizing the predicament, several companies are rushing to provide technologies that could open up the fast lanes almost anywhere for any motorist with a credit card. Their products, now in the last stages of development, could one day allow America's 200 million licensed drivers to use more than 5,000 miles of tollways in the United States without ever having to wait in line or fumble for change.



This new highway freedom, analysts say, would amount to the second stage of the electronic collection revolution, which began in 1993 with the first E-ZPasses issued by the state of New York and which has made progress in unclogging the nation's turnpikes and parkways. Many of the new products are being tried out first by the car rental industry.

It's not as if nobody else has thought of trying to connect all the different electronic toll-collection systems, like E-ZPass in the Northeast, FasTrak in the West and SunPass in Leonard's home state. Universal toll transponders are expected to become standard equipment on new vehicles sometime within the next five years.

## **Retrofitting issues**

But the problem is not so much getting the devices, called 5.9 GHz transponders, into new cars and then modifying toll readers to accept them, says Peter Samuel, editor of the Web site Toll Road News. It is retrofitting older cars, which would cost about \$150 each, or about \$18.4 billion for the nation's existing fleet of cars.

"At the present rate of planning, I would expect to see toll reader interoperability in about 2020," Samuel said. (A less expensive technology, 915 MHz sticker tags, could move that date up by about five years if it is widely adopted, he added.)

In the meantime, a few technology companies want to profit by jump-starting the process. Budget's E-ZPass transponders were developed by a small company called Highway Toll Administration in Great Neck, N.Y. The tags are being installed in about 1,000 cars in Budget's Newark fleet. But Cendant Car Rental Group, which owns the Budget and Avis brands, is close to signing an agreement that will make Highway Toll Administration's rental tags available across the country, according to several sources.

David Centner, Highway Toll Administration's president, says he believes that the time is right for a nationwide toll payment system for rental cars. His own customer surveys suggested that renters — particularly time-strapped business travelers — were choosing Budget over other companies because of the passes.

"If you're driving in New York, chances are you're going to go through at least one tollbooth," he said. "Renting a tag is a no-brainer."

## **Across the country**

But what about rentals in regions with more fragmented toll road payment systems?

Centner said that his company's system could work in other regions, too — say, on Denver's E-470 beltway, which uses EXpressToll transponders. But it is not the only option. American Traffic Solutions, a 14-year-old company in Scottsdale, Ariz., that specializes in processing toll and traffic violations, is planning to introduce a service called PlatePass that it says will do away with transponders altogether.

James Tuton, American Traffic's president, said that his company would share its database of PlatePass members — and their license plate numbers — with toll authorities. PlatePass drivers could then use the fast lanes without transponders, even though the tollbooth screens would flash violation warnings at them as they sped by. Rather than registering them as cheaters, the turnpike's electronic system would scan the PlatePass list for their names and charge the tolls to their credit cards, with American Traffic

collecting a small surcharge.

PlatePass is expected to be introduced before the end of the first quarter in Houston, he said. So far no other toll road authorities have signed up for the service, pending the outcome of the Texas test, although some rental car companies are said to be interested in testing the system.

American Traffic Solutions is also planning a PlatePass option for motorists driving their own cars.

## **Tracking plates**

Another company that has stepped into the breach separating toll collection systems is Rent A Toll in Dallas. It relies on several technologies, including plate-tracking systems, transponders and other wireless devices to address what it says are its rivals' shortcomings: a limited coverage area (like the transponders used by Highway Toll Administration) or not allowing motorists to use a gated toll booth (like PlatePass). Rent A Toll, like PlatePass, is planning to offer its system to all motorists eventually — not just car rental agencies.

"The ability to drive across the country without having to stop at a tollbooth is really cool," said Ben Robinson, Rent A Toll's president. "Travelers absolutely need it. But none of the solutions that are out there make everyone happy yet. We're trying to be as flexible as possible in order to accommodate everyone."

Robinson said that Rent A Toll was in discussions with several major car rental companies but was "weeks and maybe months away" from revealing specifics about its technology or its clients.

## **Toll roads multiplying**

Meanwhile, new toll roads are popping up all over the place.

Last spring, an 11-mile stretch of Interstate 394 in Minneapolis previously reserved for carpools became a toll road for solo drivers.

In September, a 5-mile toll section of the President George Bush Turnpike, called the "missing link," went into service in Dallas. And last month, 5 new miles of the Daniel Webster Western Beltway opened to toll traffic near Orlando, Fla.

Frequent travelers are becoming increasingly agitated by the roadblocks. "Most business travelers don't object to paying a toll," said Patrick Jones, the executive director of the International Bridge, Tunnel and Turnpike Association, a trade group of toll road operators. "They object to waiting in line to pay a toll."

## **Meeting demand**

With scores of new toll roads scheduled to open in 2006 and many more likely to be built, the demand for anything that lets a driver pass quickly through a tollbooth is high.

Car rental companies know it. A Hertz spokesman, Richard Broome, acknowledged that toll payment systems were an "area of interest" to the company but said that Hertz had not made a decision about which one to use. "We are interested in exploring the technology as another customer service initiative," he said.

Michael Caron, the vice president of product and program development for the Cendant Car Rental Group, says the company is in talks with several technology companies and that a formal announcement regarding its electronic toll-payment initiatives is near.

Car rental operators stand to benefit in several ways. Neil Abrams, an auto rental consultant, estimates that the industry loses "millions of dollars a year, maybe more, on unpaid tolls. It's a huge headache."

Tracking down deadbeats is not always worth the time, because the cost of collecting the fines often exceeds the penalty.

The innovations would create a small new revenue stream for the car rental companies and could give the some a competitive advantage.

"Customers are asking for a way to use the fast lane when they rent a car," Caron said. "This is something we want to be able to offer."

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