

# Europcar warns car rentals face challenges as 1Car1 goes into administration



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Europcar, the UK's leading vehicle rental business, has warned that the vehicle rental sector will face challenges as 1Car1, one of Europcar's competitors, goes into administration.

The vehicle rental sector as a whole is facing serious challenges in terms of fleet supply and cost, cut backs in business travel and the general downturn in the economy. It's a tough time for the sector and really only the fittest will survive.

Catriona Lougher Marketing Director for Europcar UK Group said: "Our customers tell us that they want a company that delivers on its promises and we at Europcar are able to do just this in the current economic climate."

"At Europcar we were able to anticipate some of these challenges", confirmed Catriona Lougher. "We recognised the impact a downturn in corporate business would have on our income and began remodelling ourselves to become much more consumer focused - in fact we have a clear objective to become the UK's most consumer focused rental business."

A recent YouGov survey conducted by Europcar revealed that over 1 in 5 people (23%) have either used or are considering using [car hire](#) or car clubs as an alternative to car ownership. 1 in 3 drivers (34%) now think that people are trapped into car ownership by their location,

work and family commitments. And, around 1 in 4 thinks that the cost of ownership outweighs the benefits. These figures are reinforced by additional responses from Europcar customers who reported that 27% were worried about the reliability of their car, 21% because their own car has broken down and 24% needed a vehicle bigger than their usual car. A further 23% reported renting because in the current climate they don't even own a car themselves.

With holiday budgets tight, and families reducing costs on car maintenance and even downscaling their car to a more economical vehicle Europcar looks to be perfectly positioned to capitalise on the rise of the 'stay-cation' and the demand for flexible, no nonsense car and [van hire](#) to help consumers manage their motoring costs.

"2008 saw a resurgence of the UK holiday which led to a real uplift in rentals and it looks set for this trend to continue in 2009 as households try to cut costs but not at the expense of safety or comfort", Catriona concluded.

### **About**

Owned by French private equity firm Eurazeo, Europcar is the European leader in passenger car and light utility vehicle rentals, offering short and long term [car hire](#). The company serves business and leisure customers throughout Europe, Africa, the Middle East, Latin America and Asia-Pacific. Excluding franchise operations, in 2007 Europcar signed more than 10 million rental contracts, with 7,700 employees and a fleet exceeding 215,000 vehicles. In September 2008, Europcar and U.S. market leader Enterprise Rent a Car joined forces in a strategic alliance to form the world's largest car rental network, with more than 1.2 million vehicles and 13,000 locations in 162 countries and offering a number of [car hire deals](#).

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