

PRESS RELEASE

Association Applauds Decision of City Council to Stay Out of Vehicle Storage Business

Palm Springs, CA – August 24, 2009 – The California Tow Truck Association (CTTA) applauds the San Bernardino City Council members who unanimously voted to reject the proposal presented by the San Bernardino Police Department to create a city run impound yard on Monday, August 17, 2009.

According to an article in the Contra Costa Times on August 17, 2009, the council voted 6-0 to reject the proposal. The initial proposal had generated strong opposition from San Bernardino towing contractors who expressed fear that the plan would force them to do without revenue sources that they need to survive.

“CTTA is pleased that the San Bernardino City Council unanimously voted to reject a city run impound yard. It appears that the City Council concluded that cities and counties should not be competing with private sector business and is sensitive to the small businesses that serve their community,” states Jeff Hunter, CTTA Executive Director.

Realizing that many towing companies have invested hundreds of thousands and in some cases millions of dollars purchasing equipment, land, and facilities to comply with the requirements to tow for cities and counties under current contracts, the CTTA Board of Directors is taking a strong stance in opposition to governmental entities engaging in unfair competition in the towing industry, and is currently exploring all avenues to assist privately owned towing companies in California to combat this growing trend.

“In these hard times and period of budget challenges, we applaud the principled approach the San Bernardino City Council chose to take to preserve, rather than destroy, small businesses in their community. Based on their decision to reject the proposal it appears that the members of the City Council realized that this was not the answer to deal with the city’s own structural deficit issues,” states CTTA President James Kruger. “Creating a new governmental program like a city-run tow yard would expand the bureaucracy and create a larger payroll for the city.”

“Cities and Counties must face the fact that destroying small businesses in their communities, ultimately destroys a vital means of production in a balanced economy. Cities and counties do not have the equipment, experience, or training to perform the wide variety of towing and storage services that our members provide. Cities and counties should take actions to create business opportunities that add sustainable value rather than destroying industries, which deliver public service to their communities. Most of our members are small businesses who have been serving their communities for decades,” declares CTTA President James Kruger.

“Cities and counties that open their own towing and/or storage business, in essence, are willing to have services diminished within the community. CTTA strongly encourages cities and counties currently contemplating entering the vehicle storage business to realize that this is not an appropriate resolution to assist in resolving their financial shortages. CTTA recommends that they take a closer look at the rationale used by the San Bernardino City Council when they voted unanimously to reject the proposal that was presented to them by the San Bernardino Police Chief,” expressed CTTA Executive Director, Jeff Hunter. “Our Association will continue to monitor this issue and evaluate appropriate measures to take to assist our over 1000 towing company members throughout California,” states Mr. Hunter.

About the California Tow Truck Association

Founded in 1969, the CTTA was established to provide a means of united efforts in the solution of problems, and to administer such action as might be deemed necessary to benefit the towing industry, to communicate with government agencies on a state and local basis, and to provide a concerted effort toward giving the Towing Industry a better public image and the professional status it deserves.

-End-