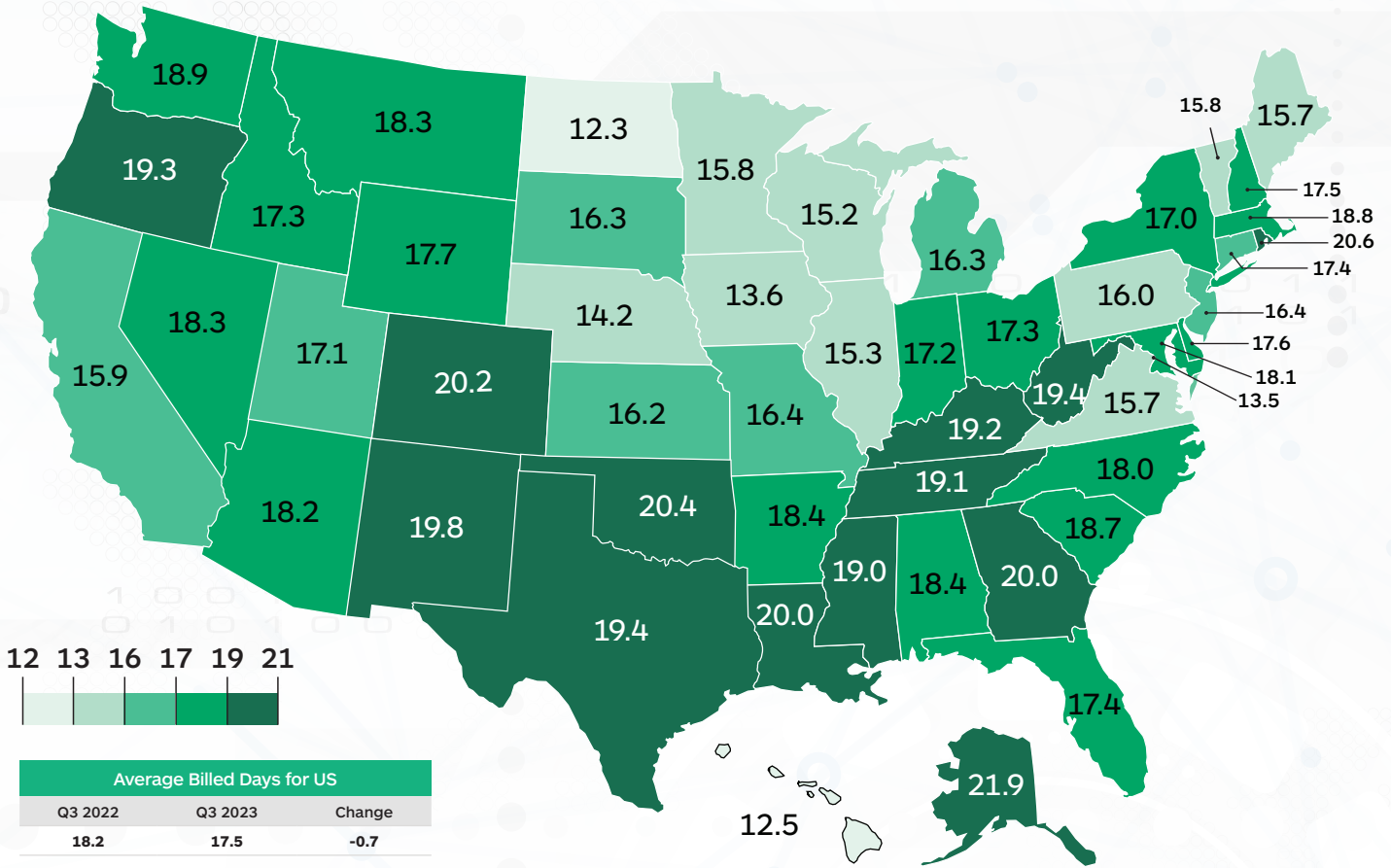


U.S. Length of Rental by State

Q3 2023



Average Billed Days for US		
Q3 2022	Q3 2023	Change
18.2	17.5	-0.7

Average Billed Days for US by State			
State	Q3 2022	Q3 2023	Change
AK	20.3	21.9	1.6
AL	18.5	18.4	-0.1
AR	19.2	18.4	-0.8
AZ	19.5	18.2	-1.3
CA	16.9	15.9	-1.0
CO	20.1	20.2	0.1
CT	18.0	17.4	-0.6
DC	14.7	13.5	-1.2
DE	19.3	17.6	-1.7
FL	17.7	17.4	-0.3
GA	21.0	20.0	-1.0
HI	13.7	12.5	-1.2
IA	13.9	13.6	-0.3
ID	18.1	17.3	-0.8
IL	16.1	15.3	-0.8
IN	18.3	17.2	-1.1
KS	16.9	16.2	-0.7

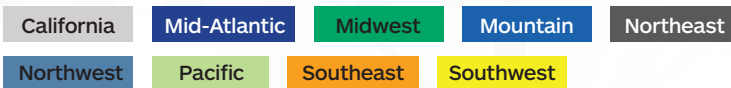
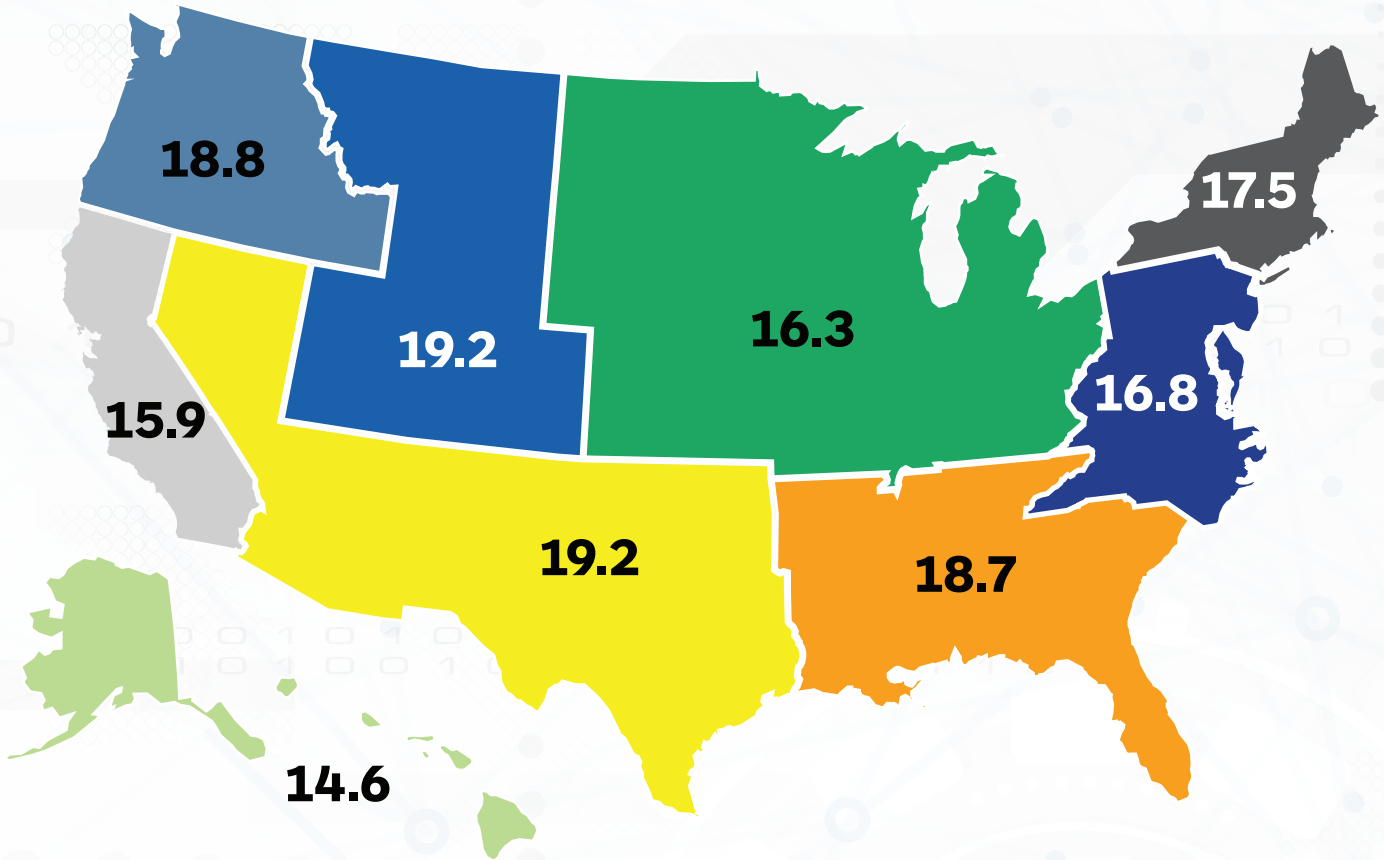
Average Billed Days for US by State			
State	Q3 2022	Q3 2023	Change
KY	19.8	19.2	-0.6
LA	22.2	20.0	-2.2
MA	19.3	18.8	-0.5
MD	18.8	18.1	-0.7
ME	16.1	15.7	-0.4
MI	16.8	16.3	-0.5
MN	16.0	15.8	-0.2
MO	17.1	16.4	-0.7
MS	19.3	19.0	-0.3
MT	18.1	18.3	0.2
NC	18.5	18.0	-0.5
ND	13.0	12.3	-0.7
NE	15.6	14.2	-1.4
NH	17.9	17.5	-0.4
NJ	16.8	16.4	-0.4
NM	18.9	19.8	0.9
NV	18.3	18.3	0
NY	17.7	17.0	-0.7

Average Billed Days for US by State			
State	Q3 2022	Q3 2023	Change
OH	18.2	17.3	-0.9
OK	20.9	20.4	-0.5
OR	19.5	19.3	-0.2
PA	16.6	16.0	-0.6
PR	18.2	16.8	-1.4
RI	20.5	20.6	0.1
SC	19.9	18.7	-1.2
SD	17.8	16.3	-1.5
TN	19.9	19.1	-0.8
TX	20.0	19.4	-0.6
UT	17.2	17.1	-0.1
VA	16.5	15.7	-0.8
VT	15.1	15.8	0.7
WA	19.5	18.9	-0.6
WI	16.3	15.2	-1.1
WV	19.9	19.4	-0.5
WY	17.4	17.7	0.3

*Source: Enterprise Rent-A-Car. Includes ARMS® Insurance Company Direct Billed Rentals.

U.S. Average Length of Rental by Region

Q3 2023



Average Billed Days for US by Region

Region	Q3 2022	Q3 2023	Change
California	16.9	15.9	-1.0
Mid-Atlantic	17.4	16.8	-0.6
Midwest	17.1	16.3	-0.8
Mountain	18.9	19.0	0.1
Northeast	18.1	17.5	-0.6
Northwest	19.3	18.8	-0.5
Pacific	15.1	14.6	-0.5
Southeast	19.4	18.7	-0.7
Southwest	19.9	19.2	-0.7

*Source: Enterprise Rent-A-Car. Includes ARMS® Insurance Company Direct Billed Rentals.

United States Overall

Overall length of rental (LOR) for collision-related rentals was 17.5 days in Q3 2023, which is down 0.7 days from Q3 2022's LOR of 18.2 days (which itself was up three full days from Q3 2021). Likewise, LOR for Q2 this year dropped 0.3 days from Q2 2022. The growing trend of lowered LOR is promising, but it's important to note these are still "new normal" figures, as LOR was 15.2 days in Q3 2021 and 12.3 days in Q3 2020.

Alaska had the highest overall LOR at 21.9 days, which was an increase of 1.6 days from Q3 2022. Rhode Island (20.6), Oklahoma (20.4) and Colorado (20.2) were the next-highest. North Dakota brought in the lowest LOR at 12.3 days, a decrease of 0.7 days from Q3 2022. Hawaii was right behind at 12.5 days, reflecting a 1.2-day decrease.

Louisiana (20.0 days) may have been near the top in overall LOR (6th), but it's significant to note that this represents a 2.2-day decline from Q3 2022. In addition, 10 other states plus Washington, D.C. had decreases of a full day or greater, while an additional 21 states had decreases of at least half a day. Only seven states (Alaska, New Mexico, Vermont, Wyoming, Montana, Rhode Island and Colorado) had increases, while Nevada's results were flat.

As we continue track the impact of EVs, ADAS and other new technology on the repair process, we've asked Ryan Mandell, Director of Claims Performance for Mitchell International, for his insights: "Electrical Vehicles (EVs) continue to occupy a greater portion of repairable claims volume at 1.86% in Q3 2023 compared to 1.59% in Q2 2023 and 1.31% in Q3 2022. EVs have more than six additional labor hours on average per estimate than ICE vehicles. The frequency of calibrations increased above 10% for the first time in Q3 2023, compared to 8.8% in Q2 2023 and 7.5% in Q3 2023."

Drivable

LOR for vehicles associated with a drivable claim was 15.7 days in Q3 2023, flat from Q3 2022's results.

Alaska had the highest drivable LOR at 19.2 days, a 2.4-day increase over Q3 2022. Following closely behind were Rhode Island (18.7), Oklahoma (18.6), Georgia (18.4) and Colorado (18.2). North Dakota had the lowest LOR at 10.3 days, which itself was a 0.4-day increase. Hawaii (11.0) was next-lowest, followed by Washington, D.C. at 11.6 days and Iowa at 11.9.

We have observed drivable LOR increases becoming smaller with each subsequent quarter for some time now, and this neutral result gives optimism that Q4 could potentially bring a decrease.

We asked PartsTrader's Chief Innovation Officer, Greg Horn to weigh in with PartsTrader delivery days for parts: "Our average delivery days for all part types are virtually unchanged when we compare Q3 2023 to the same quarter in 2022, which aligns with Enterprise's drivable LOR being unchanged. We are also seeing that shops are sourcing parts when the vehicle is being scheduled for repairs. This seems to indicate that repairers are scheduling more drivable vehicles to arrive when there is capacity, and therefore reducing repair cycle time."

Non-Drivable

LOR associated with non-drivable claims was 25.0 days in Q3 2023, a 2.2-day decrease from Q3 2022.

Alaska had the highest non-drivable LOR at 32.5 days, which reflected a decrease of 1.7 days, followed by West Virginia (30.9), Montana (30.8), Colorado (30.5) and Washington (30.0). These five states were the only ones with LOR greater than 30 days, whereas in Q2 2022, we observed 12 states with non-drivable LOR greater than 30 days.

Washington, D.C. came in with the lowest LOR of 21.1 days, a 1.1-day decrease. Iowa (21.3), New York (21.6), North Dakota (21.9) and Nebraska (21.9) were the next-lowest.

Overall, only three states had an increase in non-drivable LOR: Montana, South Dakota and Vermont. Louisiana had the greatest overall decrease, going to 29.2 days from 34.3 in Q3 2022 – a 5.1-day drop.

Seven other states (Delaware, Hawaii, North Dakota, Kentucky, Arizona, Georgia and South Carolina) recorded decreases of three full days or greater.

John Yoswick, editor of the weekly *CRASH Network* newsletter, offered insights into some of the headwinds facing the repair industry: “First, while no one would suggest the technician shortage has significantly improved, among 500 shops surveyed by *CRASH Network* in June, more than 1 in 5 said they were fully staffed and had no job openings. That’s not a lot, but it was up from just 15% a year earlier. Secondly, shops’ backlog of work has eased a bit, falling from a nationwide average of 4.7 weeks in the second quarter of this year to 4.3 weeks in July. The average backlog this past summer was more than 10 days shorter than it was in the fourth quarter of 2022.”

“Finally, shops may be juggling fewer in-process jobs, which is perhaps a sign that parts supply issues have continued to improve (at least pre-UAW strike). We measure work-in-process as the number of jobs (car count) a shop has in-progress compared to that shop’s typical monthly job count. Our survey in September found that among more than 400 respondents, the average shop had work-in-process equal to 64% of their typical monthly volume. That was down just 2 points from the prior quarter, but down 14 percentage points from a year ago,” Yoswick concluded.

Total Loss

Rentals associated with total loss claims dropped 1.2 days from Q3 2022, coming in at 16.6 days.

The highest total loss LOR was also Alaska at 23.4 days – almost five days higher than the next-highest state, Washington, at 19.5 days. The lowest LOR was 14.8 days in Iowa, whose results were unchanged from Q3 2022. Kansas (14.9), Nebraska (15.0) and Virginia (15.0) were the next-lowest.

Variances from quarter over quarter were across the board with no discernable pattern. Take Hawaii and Alaska – the former’s results were down 7.0 days from Q3 2022 and the latter up 7.6 days. Comparing the next two, we have Arkansas with a

4.1-day decrease and Wyoming up 1.3 days.

Mandell weighed in: “Total Loss frequency declined to 18.0% from 18.5% in Q2 2023 but was slightly higher than Q3 2022 (17.8%).”

Summary

As the numbers show, the trend of ‘predictable’ seasonal LOR continues; the LOR decrease is positive, and many repairers are finding ways to anticipate and operate in the new normal. However, challenging market conditions remain, and overall LOR remains significantly higher than it was pre-pandemic. While parts disruptions from the UAW strike are unclear, PartsTrader’s Greg Horn opined: “The impacted OEMs are deploying employees from other areas and hiring temp workers to minimize the impact to OE parts delivery, and though there has been an increase in ‘unable to quote’ parts, the combination of the parts distribution center temporary staff and the increase in alternate parts sales has reduced the impact of the strike efforts.”

As always, Enterprise is committed to partnering with insurers, repairers, and suppliers on all the issues impacting repair times and LOR. Through foundational support provided by the Enterprise Mobility Foundation, Enterprise is spearheading the Collision Engineering Program, designed to attract and develop entry-level talent to fill essential roles within the collision repair industry. Enterprise is thrilled to expand its longtime partnership with Ford Motor Company, through its philanthropic arm, the Ford Fund, to expand the program and help address this ongoing industry challenge. For more information, visit www.beacollisionengineer.com.