



Essex Rental & Sales Center, INC.
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January 14, 2014

Re: H.58 An Act Relating to the Warranty Obligations of Supplier and Machinery Dealerships

Dear: House Commerce & Economic Development Committee Members

I am president of Essex Rental & Sales Center, Inc., DBA: Essex Equipment, a rental and sales dealership of tools and equipment representing dozens of manufacturers of equipment we rent and sell to our customer base of homeowners, businesses, municipalities, state agencies, military, fire and police departments, institutions, industry, and other specialty clientele. The nature of our equipment varies from power tools to construction equipment and high reach lifts. We pride ourselves in being able to offer a high quality and responsive parts and service department allowing our customers to receive the added benefit of knowing that we stand behind their every purchase.

Over the years, we have incurred added costs associated with the service and repair of equipment stemming from manufacturer's defects. Generally, many of the manufactures feel, we, as the dealership should bear the brunt of the costs associated with repairs by only paying a portion of what would be the normal charge for a retail repair or service. Reimbursements for warranty repair vary widely from a percentage as low as, in many cases, next to nothing to in a few limited cases, seventy-five percent. A best guess estimate for an average reimbursement from manufacturers on warranty work would fall in the forty to fifty-five percent range. With those added costs, it's essential to increase the selling prices accordingly. With many of our products, we are in constant competition with the big box stores and even some internet sales.

You're probably well aware that the big box stores do not offer a service department or conduct warranty repairs possibly adding to one of the reasons for lower pricing. And yes, I do realize that they have policies on returning a defective product for a very limited period of time.

We, all of us, at Essex Rental & Sales Center, Inc. respectfully request your consideration in the passage of this important legislation which will able us to continue to be a more competitive and local business supporting the needs of every purchase our customers make. Please do not hesitate to contact me should you like any additional information or specifics.

Respectfully yours,

A handwritten signature in blue ink that reads "Gary K. Morse".

Gary K. Morse

President

RENTALS – SALES - SERVICE