

EUGENE CHOSEN TO CHAT

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Within a few months, customers in North America renting cars from Enterprise Rent-A-Car, or its National or Alamo affiliates, will chat on the phone with agents in Eugene, when the company opens a call center in the former Symantec building downtown.

Enterprise, which is based in St. Louis and has call centers there and in Salt Lake City, plans to start hiring about 100 workers in mid-February, and eventually to have at least 200 employees in Eugene, company spokeswoman Laura Bryant said.

Under a very different scenario, those jobs might have gone to India.

Before picking Eugene late last year, company officials “had just taken a trip to India and visited call centers there,” said Jack Roberts, executive director of the Lane Metro Partnership, the agency that helped bring Enterprise to Eugene.

Bryant said she didn’t know what other communities the company had considered in its search, but she said that India had nothing to do with the siting decision.

In recent years, a flood of U.S.-based companies sent their customer service work to centers overseas where labor costs were much lower than in the United States. But the pendulum appears to be swinging back — at least for companies such as Enterprise, whose financial health depends on top-notch, front-line customer service, call center recruiters said.

“The U.S. market (for call centers) is very active,” said King White, founder and president of the Site Selection Group, which is based in Dallas and specializes in the call center industry.

“The India call center thing has had its problems,” including quality control, he said. “That’s what’s driving a lot of the U.S. stuff to stay domestic.”

For starters, consumers can become frustrated if they can’t understand a customer service representative’s accented English.

A captive consumer, such as one who already has purchased software and is trying to figure out how to use it, may have to just suffer through that, Roberts said. But if people

called Enterprise-Rent-A-Car and couldn't understand the agent, they could just hang up and call a competitor, Roberts said.

Also, competition for workers has pushed up wages at overseas call centers, making their cost savings less compelling to U.S. businesses, White said.

"Most offshore markets are becoming saturated," he said. Wages are increasing at overseas call centers at 10 percent a year, compared with 3 percent a year at centers in the United States, he said.

Overseas centers used to be able to boast annual employee attrition rates of just 10 percent to 20 percent, but now the rate has climbed to about 50 percent, comparable to many U.S. call centers, White said.

Bryant, the Enterprise spokeswoman, said the company was drawn to Eugene's friendly atmosphere and ready supply of college students, who might be looking for flexible, part-time work. The rental car business is seasonal, with a surge around holiday and summer travel.

"We think Eugene is a very vibrant and friendly community, and we're excited to be there," she said.

Enterprise is the latest in a raft of companies that have found the Eugene-Springfield area to be a good site for a call center because of its labor supply and relatively low wages. The downtown Broadway building that Enterprise is renting has been home to two previous call centers: Stream, which had provided customer service for Symantec and closed in 2004 when Symantec ended that contract, and Symantec itself, before it built its customer contact center in Springfield.

Employees at Enterprise's Eugene center will handle more than 10,000 reservations and customer service calls a day for Enterprise, National and Alamo. They'll have to complete three weeks of classroom training, plus additional training on the job, Bryant said. Customer service representatives will make \$9.75 to start, with opportunities for promotion, she said.

Roberts, of the Lane Metro Partnership, said that after training, workers could make an average of \$13 to \$14 an hour.

Full-time workers are eligible for benefits such as health and dental insurance and a 401(k) retirement plan, Bryant said.

The full wage and benefit package is valued at about \$37,000 annually, according to figures from the Oregon Economic and Community Development Department.

Enterprise employs a small number of employees who work from their homes in association with its call centers in St. Louis and Salt Lake City, and it could do the same in Eugene, Bryant said.

“It appeals to some employees,” she said, adding that hiring home-based agents also would have to fit the needs of the business.

Chris Monnette, director of trade and support service at Royal Caribbean Cruises Ltd.’s call center in Springfield, said he considers Enterprise a more direct competitor for labor than the half-dozen other call centers in the Eugene-Springfield area. Royal Caribbean’s center has about 400 employees and will remain at that level during the first quarter, its busiest time of the year, he said.

“I’m sure it will make it a little more difficult” to find qualified workers, Monnette said. “But anything that helps this community grow is probably good for all of us here. I’m not terribly concerned at this point that we’re not going to find the people we need.”

Bryant, the Enterprise spokeswoman, said the company isn’t worried about finding enough qualified workers.

“I think we’re pretty confident that we’ll be able to tap into a work force that has a slightly different profile than the other call centers — more part-time employees who are looking for that flexibility.”

Enterprise is leasing the 45,000-square-foot first floor at 175 W. Broadway, a building owned by Eugene landlords Tom Connor and Don Woolley.

Roberts said the company has first right of refusal to lease the rest of the building, should it become available, as well as on the former Kaufman’s building next door. He said Enterprise is spending \$3 million on improvements.

Enterprise is in line to receive financial inducements from the state and Lane County. Last month, the governor approved a \$50,000 forgivable loan from his Strategic Reserve Fund.

The loan would become a grant if Enterprise maintains 250 full-time equivalent jobs for a two-year period from July 1, 2008, to Dec. 31, 2012. If the company doesn’t meet that minimum, it must repay the loan at the pro-rated amount of \$200 per job not created. The state rejected a request for \$50,000 to help with employee training.

The money from the governor is contingent on Lane County matching it with a \$50,000 economic development grant, Roberts said.

He said he explained the project to the Lane County Economic Development Standing Committee before Enterprise announced last month its plans for a Eugene call center.

“We received favorable comment from them,” Roberts said. “We have every reason to believe that they’ll support this.”