

Hertz Withdraws Lawsuit Against Research Firm Audit Integrity

By Jessica Papini
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NEW YORK (Dow Jones)--Hertz Global Holdings Inc. (HTZ) has withdrawn its lawsuit against research firm Audit Integrity, which was accused by Hertz of defaming it in a research report, according to a court document.

Hertz had filed a lawsuit in Superior Court in Bergen County, N.J., against Los Angeles-based Audit Integrity in September. A Hertz spokeswoman did not immediately return a phone call seeking comment. The court record listing the withdrawal was dated Nov. 15.

"The lawsuit was completely without foundation, and we look forward to continuing our efforts to provide objective, insightful research," said Jack Zwingli, CEO of Audit Integrity.

Audit produced a research report, based on quantitative analysis, called a Bankruptcy Risk Model, and identified the 20 large-capitalization companies it said were most at risk of declaring bankruptcy. The report stated that Hertz, along with 19 other firms, was likely to file for bankruptcy protection within the next year.

In October, Audit Integrity's founder and chairman, James Kaplan, wrote a letter to the Securities and Exchange Commission stating Hertz was trying to "silence" its independent analysis, an effort that "warrants an investigation by the SEC."

Hertz was seeking injunctive relief and unspecified monetary damages, including punitive damages, for "false and harmful" information about Hertz.

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