

RYDER SYSTEM INC

FORM 8-K (Current report filing)

Filed 09/27/05 for the Period Ending 09/22/05

Address	11690 N.W. 105TH STREET MIAMI, FL 33178
Telephone	3055003726
CIK	0000085961
Symbol	R
SIC Code	7510 - Automotive Rental And Leasing, Without Drivers
Industry	Rental & Leasing
Sector	Services
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

September 22, 2005

Ryder System, Inc.

(Exact name of registrant as specified in its charter)

Florida

1-4364

59-0739250

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

11690 NW 105th Street, Miami, Florida

33178

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(305) 500-3726

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 4.01 Changes in Registrant's Certifying Accountant.

The Audit Committee of the Company's Board of Directors solicited proposals from the four major accounting firms and conducted an extensive evaluation process in connection with the selection of the Company's independent auditor for the fiscal year ending December 31, 2006. Following this process, on September 22, 2005, the Audit Committee dismissed KPMG LLP ("KPMG") as its independent auditor for the Company's fiscal year ending December 31, 2006 and appointed PricewaterhouseCoopers LLP ("PwC") to serve as the Company's independent auditor for 2006. KPMG will continue as the Company's auditor for the fiscal year ending December 31, 2005.

KPMG's audit reports on the Company's consolidated financial statements for the fiscal years ended December 31, 2004 and 2003 did not contain an adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles, except that KPMG's audit report dated February 22, 2005 as of and for the fiscal years ended December 31, 2004 and 2003 included an explanatory paragraph related to change in methods of accounting for variable interest entities and asset retirement obligations in 2003. The audit reports of KPMG on management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial reporting as of December 31, 2004 did not contain an adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles.

During the Company's two most recent fiscal years and the subsequent interim period from January 1, 2005 through September 22, 2005, (i) there were no disagreements between the Company and KPMG on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of KPMG, would have caused KPMG to make reference to the subject matter of the disagreement in its report on the Company's consolidated financial statements, and (ii) there were no "reportable events" as that term is defined in Item 304(a)(1)(v) of Regulation S-K.

The Company has provided KPMG with a copy of the foregoing statements and has requested and received from KPMG a letter addressed to the Securities and Exchange Commission stating whether or not KPMG agrees with the above statements. A copy of the letter from KPMG is attached as Exhibit 16.1 to this Form 8-K.

During the two most recent fiscal years and the subsequent interim period from January 1, 2005 through September 22, 2005, neither the Company nor anyone acting on behalf of the Company, consulted PwC regarding any of the matters or events set forth in Item 3.04(a)(2) of Regulation S-K.

Item 9.01 Financial Statements and Exhibits.

Exhibit 16.1: Letter from KPMG LLP to the Securities and Exchange Commission dated September 26, 2005.

Exhibit 99.1: Press Release dated September 26, 2005 announcing the appointment of PricewaterhouseCoopers LLP as the Company's auditor for 2006.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

September 26, 2005

Ryder System, Inc.

By: /s/ Tracy A. Leinbach

Name: Tracy A. Leinbach

Title: Executive Vice President and Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
16.1	Letter from KPMG LLP to the Securities and Exchange Commission dated September 26, 2005.
99.1	Press Release dated September 26, 2005 announcing the appointment of PricewaterhouseCoopers LLP as the Company's auditor for 2006.

September 26, 2005

Securities and Exchange Commission

Washington, D.C. 20549

Ladies and Gentlemen:

We are currently principal accountants for Ryder System, Inc. and, under the date of February 22, 2005, we reported on the consolidated financial statements of Ryder System, Inc. as of and for the years ended December 31, 2004 and 2003, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2004, and the effectiveness of internal control over financial reporting as of December 31, 2004. On September 22, 2005, we were notified that Ryder System, Inc. engaged PricewaterhouseCoopers LLP as its principal accountant for the year ending December 31, 2006 and that the auditor-client relationship with KPMG LLP will cease upon completion of the audit of Ryder System, Inc.'s consolidated financial statements as of and for the year ended December 31, 2005, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2005, and the effectiveness of internal control over financial reporting as of December 31, 2005, and the issuance of our reports thereon. We have read Ryder System, Inc.'s statements included under Item 4.01 of its Form 8-K dated September 26, 2005, and we agree with such statements, except that we are not in a position to agree or disagree with Ryder System, Inc.'s statements (i) that the Audit Committee solicited proposals from the four major accounting firms and conducted an extensive evaluation process in connection with the selection of the Company's independent auditor for the fiscal year ending December 31, 2006, (ii) that the Audit Committee appointed PricewaterhouseCoopers LLP to serve as the Company's independent auditor for 2006, and (iii) that PricewaterhouseCoopers LLP were not engaged regarding the application of accounting principles to a specified transaction or the type of audit opinion that might be rendered on Ryder System, Inc.'s consolidated financial statements.

Very truly yours,

/s/ KPMG LLP

News Release

For Information Contact:

Media:

Investor Relations:

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(305) 500-4999Bob Brunn
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RYDER APPOINTS PRICEWATERHOUSECOOPERS AS ITS AUDITOR FOR 2006

- KPMG to Continue as Company's Auditor for 2005 -

MIAMI, September 26, 2005 – Ryder System, Inc. (NYSE: R) announced today that it has appointed PricewaterhouseCoopers LLP (PwC) to serve as the Company's independent auditor effective for the fiscal year beginning January 1, 2006. PwC replaces KPMG LLP (KPMG) which will be retained to complete the fiscal year 2005 audit.

In early 2005, the Company's Audit Committee decided, in accordance with good corporate governance practices, to undertake a thorough assessment of each of the four major accounting firms prior to selecting an auditor for 2006. After conducting an extensive evaluation process, the Audit Committee selected PwC based on the firm's audit approach, reputation, transportation expertise and competitive pricing. The change was not the result of any disagreement between the Company and KPMG on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

"The Audit Committee is pleased with the results of the evaluation process and the selection of PwC as the Company's auditor for 2006. Ryder has had a long and very satisfying audit relationship with KPMG and we want to thank them for their service to the Company over the years," stated Gene Renna, the Chair of Ryder's Audit Committee.

Tracy Leinbach, Ryder's Chief Financial Officer, said, "I look forward to working with PwC in the upcoming months as they transition into their new position." Ms. Leinbach, who previously announced her intent to retire from the Company during the first quarter of 2006 to pursue personal endeavors, will continue as CFO through the close of the 2005 fiscal year and is committed to overseeing the transition process as PwC prepares to assume auditor responsibilities.

About Ryder

Ryder is a *Fortune* 500 company providing leading-edge transportation, logistics and supply chain management solutions worldwide. Ryder's stock (NYSE:R) is a component of the Dow Jones Transportation Average and the Standard & Poor's 500 Index. For more information about Ryder System, Inc., visit www.ryder.com.

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Note Regarding Forward-Looking Statements: Certain statements and information included in this presentation are "forward-looking statements" under the Federal Private Securities Litigation Reform Act of 1995. Accordingly, these forward-looking statements should be evaluated with consideration given to the many risks and uncertainties inherent in our business that could cause actual results and events to differ materially from those in the forward-looking statements. Important factors that could cause such differences include, among others, our ability to obtain adequate profit margins for our services, our inability to maintain current pricing levels due to customer acceptance or competition, customer retention levels, unexpected volume declines, loss of key customers in the Supply Chain Solutions segment, the possibility that changes in customers' business environments will limit their ability to commit to long-term vehicle leases, changes in market conditions affecting the commercial rental market or the sale of used vehicles, increased competition from vehicle manufacturers and large service providers, higher borrowing costs and possible decreases in available funding sources caused by adverse changes in debt ratings, changes in accounting assumptions, adequacy of accounting accruals, changes in general economic conditions, availability of heavy- and medium-duty vehicles, increases in fuel prices, availability of qualified drivers, the Company's ability to create operating synergies in connection with its acquisitions, our ability to manage our cost structure and changes in government regulations, including regulations regarding vehicle emissions, drivers' hours of service and security regulations issued by the Department of Homeland Security. The risks included here are not exhaustive. New risks emerge from time to time and it is not possible for management to predict all such risk factors or to assess the impact of

such risks on the Company's business. Accordingly, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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