How to treat unionized employees during upcoming holidays

Most area dealers indicated in a poll earlier this year that they would mark the Christmas Eve and New Year’s Eve holidays with Saturday closings on Dec. 23 and 30, respectively. That jibes with the collective bargaining agreement for Teamsters Local 731 unionized employees.

But in a quirk of sorts, the contract with Auto Mechanics Local 701 observes those holidays on other days: Friday, Dec. 22 and Friday, Dec. 29.

The contract with the 731 union treats the coming holiday schedule as follows:

**Teamsters Local 731**

- Thanksgiving Thursday: Nov. 23
- Day Before Christmas: Friday, Dec. 22 or Saturday, Dec. 23 (see below)
- Christmas Day: Monday, Dec. 25
- Day Before New Year’s: Friday, Dec. 29 or Saturday, Dec. 30 (see below)
- New Year’s Day: Monday, Jan. 1

According to the 731 contract, when Christmas Eve and New Year’s Eve fall on a Sunday, the holidays shall be treated as a Saturday holiday. However, when any holiday in the contract falls on a Saturday, a dealer can specify by Wednesday preceding the holiday whether Friday shall be the regular workday or regarded as a paid holiday.

If the dealership designates Friday as the holiday, the employee will receive the day off with pay. If the dealership designates Saturday as the holiday and requires employees to work on these Fridays, the employee will receive an extra day’s pay (i.e., six days’ pay for five days’ work).

**Payment**: Holiday pay equals the number of straight-time hours the employee ordinarily works on a regular day times the employee’s hourly rate. For most employees, this will equate to 8 times the employee’s regular hourly rate. When an employee works on a designated holiday, the employee receives time-and-one-half in addition to holiday pay.

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20 Group
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such as analyzing when the larger stores reached certain benchmarks.

Jeff Price, service manager at D’Arcy Motors, said the 20 Group talks will help him refresh his thinking. “I’ve done just about all the methods over the years. Here, I hear ideas that remind me, ‘Why did I get away from that?’ ”

Since completing Bootcamp in September, the service managers enacted a few easy changes at their stores, to show their staffs that change can occur and to prepare them for more changes.

Price said service departments at import stores have for years faced situations that domestic stores are adapting to, like expanded and extended warranties. “It changes the dynamics of your work mix,” he said.

Also this month, 21 fixed ops personnel completed the CATA’s second Bootcamp class. They will meet at their first 20 Group in January.

George Bilkowski, service director of the Rosen Auto Group, termed the recent four-day Bootcamp led by Lloyd Schiller as “inspiring.”

“I haven’t had a five-day vacation in 30 years,” he said. “Being here for four days was stressful but worth it.”

Tom Green, service manager at Rosen Honda, sat beside Bilkowski and said the Bootcamp duration is proper. “If it was condensed, there wouldn’t be enough time for all the topics,” he said.

Bilkowski said he intends to enroll service managers from the other Rosen franchises in future Bootcamps.

The CATA significantly underwrites the tuition for the Bootcamps and 20 Groups, to entice all CATA member dealerships to undertake the training. Enroll in similar continuing education programs through other dealer associations typically costs $2,800 for the Bootcamp, plus $250 a month over the three-year 20 Group. Special CATA prices are $1,000 for the Bootcamp and $160 a month for 20 Group tuition.

And for service directors and managers who complete the 20 Groups, the CATA will rebate tuition to their dealers at the following levels: 50 percent of the first year, 75 percent of the second year, and 100 percent of the final year.

For more information on the training and to register, call Jim Butcher at the CATA at 630-424-6020.

AYES update

By Jim Butcher
ILLINOIS AYES MANAGER

AYES, the training program for high school student-technicians, is on track for the current school year to qualify students to enter local dealership workforces next spring.

Here is an update on what the students are doing today to prepare themselves for employment in your dealership in the upcoming months. The students are completing the following items:

- Studying braking systems, steering and suspension systems, electrical theory and engine performance, all NATEF areas of study;
- Qualifying through exemplary attendance, initiative, cooperation, and dependability standards in their local automotive training program;
- Job-shadowing activities at area dealerships (hopefully at your dealership);
- Participation in all Skills USA activities as well as CCAR and SP2 training (Industry OSHA and Environmental Safety Training); and

AYES participating schools:

Curie Metro High School (near Midway Airport), Chicago
Hammond Area Career Center, Hammond, Ind.
Lake County High Schools Technology Campus, Grayslake
Parkland College, Champaign
Streamwood High School, Streamwood
Technology Center of DuPage, Addison

Beginning in 2007, Joliet Township High School will be the area’s newest AYES high school.

DC traffic report tracks viewer searches

See the flyer included in this newsletter for a recap of aggregate traffic on the DriveChicago.com portal during October. During the first week of each month, dealers receive e-mails with traffic reports specific to their dealerships.
By Ray Scarpelli Sr.

Metro Chicago NADA Director

The NADA board of directors has elected a new chairman and vice chairwoman for the coming year.

Dale Willey, of Dale Willey Automotive, Lawrence, Kan., was elected 2007 chairman. Willey is the NADA’s 2006 vice chairman.

Annette Sykora of Smith Ford/Mercury in Slaton, Texas, and Smith South Plains Ford/Lincoln Mercury/Dodge/Chrysler/Jeep in Levelland, Texas, is the 2007 vice-chairman. Stephen Wade of Utah was elected secretary, and William Underriner of Montana was re-elected treasurer.

Larry Brown of Ottawa (Ill.) Ford/Lincoln Mercury was elected to a two-year term as vice chairman, Region III. The new officers will be installed at the NADA convention in Las Vegas, Feb. 3-6, 2007.

In other NADA news:

Did you host an Automotive Career Month event in October? Be sure your dealership gets credit for your efforts—let the NADA know about it. Also, submit your best event photos or video footage; they may be posted on the NADA Web site or used in NADA’s “AutoExec” magazine or in next year’s event planning kit. E-mail photos to acm@nada.org or call 800/248-6232, ext. 7147 for more information.

• The latest NADA car shoppers guide, “Car Shopping: Today’s New Cars and Trucks are Safer, Greener and More Fuel Efficient,” appeared in the Nov. 6 issue of “Time” magazine. You can view and download the feature at www.nada.org. The guide offers a host of car-buying tips for consumers, plus information on the services and products offered by dealerships. This year’s issue includes tips for consumers from racing greats Mario Andretti, Rusty Wallace and Bobby Rahal. It also highlights the many ways that dealers help their communities. This is the fourth consecutive year that NADA has published a car shoppers guide in “Time,” reaching millions of readers. Special NADA advertising features focused on dealer financing and community service also have appeared in the magazine.

• 2007 NADA convention speakers have been announced. American Honda Executive Vice President Richard E. Colliver will speak at the NADA Convention and Exhibition in Las Vegas on Saturday, Feb. 3. Also speaking at the opening session is former professional boxing champion Sugar Ray Leonard, a popular speaker and host of the reality TV show “The Contender.” Jack Welch, former chairman and CEO of General Electric Co., will address the convention on Monday, Feb. 5. New York City Fire Chief Richard Picciotto, the last fireman to escape the World Trade Center’s North Tower on Sept. 11, 2001, will lead the inspirational session on Sunday, Feb. 4.

• Advance registration for the convention continues through Dec. 22. To register online or download a registration form, visit www.nada.org/convention or call the convention department at 703/821-7188.

• Preview the 2007 exposition show floor online at www.nada.org/convention. Search for a specific exhibiting company by keyword, product category or country, or view the full exhibitors list. Also available: searchable lists of franchise meetings, workshops, and other convention activities.

In legislative news:

The House total-loss disclosure bill may move in the lame-duck session of Congress, so a major push is on to secure cosponsors for the legislation, known as the Damaged Vehicle Information Act (H.R. 6093). To support that effort, NADA has a Web page about the bill to provide background information and action items for dealers. The information can be found on the lefthand side of the NADA home page, www.nada.org, under the heading Total-Loss Disclosure. It includes talking points on H.R. 6093 and the Senate bill, S. 3707, the Passenger Vehicle Loss Disclosure Act.

The sponsor of H.R. 6093, Rep. Cliff Stearns (R-Fla.), has indicated that the bill could move to the floor if it gains enough support from cosponsors. Cosponsors will be added when Congress returns on Nov. 9.

The site includes sample letters for dealers and local and state association leaders to send to their legislators, urging them to cosponsor H.R. 6093 and S. 3707. Dealers are encouraged to visit the site to familiarize themselves with the bills and to download the sample letters to send to their representatives and senators.

In Memoriam

James E. Baumhart, who worked for the Better Business Bureau of Chicago for more than 42 years, the last 17 as its president, died Nov. 12 of a form of cancer. He was 66. He is survived by his wife, Barbara; and sons Peter, Charlie and Jon.

Donations may be made to several area charities. Consult the Petkus Lemont Funeral Home, 630-257-6667.
Chicago planning department seeks dealers for focus group

The City of Chicago’s Department of Planning and Development is seeking input from dealers about problematic issues they face—or would face—in operating in the city. Dealers in the city and those thinking about opening in the city should call Fran Spencer at 312-744-2737.

The department promotes economic development in Chicago by helping new and existing businesses meet their goals for growth while creating new jobs.

Departmental efforts use community-based planning and are augmented through the cooperation of community residents, business groups, delegate agencies and other organizations.

The department also offers a comprehensive menu of financial resources, such as low-interest loans and tax increment financing, and business services like site assistance and market information.

Carfax

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to use the information in its vehicle history reports. In exchange for providing this information, dealers reportedly would receive advertising and other benefits from Carfax.

The NADA advises dealers to review the program carefully, noting that access to dealer data and its use by third parties have been issues of concern. If customer information is involved, federal and state privacy laws must be complied with.

In its materials, Carfax suggests that its program complies with applicable federal and state laws. With respect to the latest data it is seeking, Carfax states that no “personal information is used.”

Nevertheless, Moors and Price said dealers should note that they are also being asked to agree to waive and release any claims against Carfax relating to the use of the inventory and service records or the Service Link program.

The attorneys said each dealer needs to make an independent decision about whether or not to participate in this program. Information about a vehicle’s history is important to dealers and consumers.

However, dealers need to be vigilant in reviewing agreements that provide third parties with access to information in their DMS. Therefore, Moors and Price said dealers with questions about the Carfax program should consult their professional advisors.

Dealers also should make sure that they have a policy in place that makes clear which officers or employees at the dealership have the authority to enter into agreements that allow access to dealership information.

Unions

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Eligibility: Holiday pay is required only for employees who have passed their probationary period by working at least thirty (30) working days. Also, in order to qualify for holiday pay, an employee must work his scheduled workday immediately before and after the holiday.

Auto Mechanics’ Local 701

Thanksgiving: Thursday, Nov. 23
Day Before Christmas: Friday, Dec. 22
Christmas Day: Monday, Dec. 25
Day Before New Year’s: Friday, Dec. 29
New Year’s Day: Monday, Jan. 1

Employees may not be required to work on a designated holiday. Where an employee volunteers to work a holiday, and the dealership agrees to allow the employee to work, the employee receives two times (2x) the employee’s applicable rate of pay for hours worked (hours booked for incentive technicians) in addition to the holiday pay. Alternatively, the dealership and its employees may agree to substitute another day(s) in lieu of working on what the 701 contract recognizes as the Day before Christmas and/or the Day before New Year’s. In such instances, the holiday overtime premium need not be paid to employees who work on the Day before Christmas or the Day before New Year’s.

Tuesday to Saturday Employees: The contract explicitly designates Friday Dec. 22, Monday Dec. 25, Friday, Dec. 29, and Monday, Jan. 1 as the designated holidays. As a result, employees working a Tuesday-to-Saturday workweek receive a Friday off with pay on both Dec. 22 and Dec. 29, and then report to work as usual the following Saturdays (Dec. 23 and Dec. 30) because these days are not designated holidays under the contract. With respect to the Monday holidays (Dec. 25 and Jan. 1), Tuesday-to-Saturday employees receive an additional day’s pay for these holidays (i.e., 6 days’ pay for 5 days’ work).

Auto Mechanics’ Local 701 has advised that it will agree to an alternative holiday schedule for Tuesday-to-Saturday employees on an individual dealer basis. Under this alternative plan, Tuesday-to-Saturday employees would work their normal schedule on the designated Friday holidays (Dec. 22 and Dec. 29), but the dealership would not be required to pay the holiday premium pay for those days. The employees would then be given Saturday off as the recognized holiday. With regard to the Monday holidays (Dec. 25 and Jan. 1), the dealership may either: 1) provide 6 days’ pay for 5 days’ work (i.e., require the employee to work the following Tuesday); or 2) allow the employee to take Tuesday off with pay as the recognized holiday.

Dealers who are interested in an alternative holiday schedule must discuss it and reach agreement with their Union representative in advance of the holidays.