



OSHA vaccine mandate penalties to start Feb. 9

The Occupational Health and Safety Administration said Dec. 18 that it would not issue citations tied to its coronavirus vaccination mandate before Jan. 10, giving companies time to adjust to and implement the requirements.

The federal agency separately said there would be no citations of companies regarding its testing requirements before Feb. 9.

The announcement came after the U.S. Court of Appeals for the Sixth District in Cincinnati decided Dec. 17 that the mandate for large employers could go forward, reversing a previous court decision made after 27 Republican-led states, conservative groups, business associations and some individual companies challenged the mandate.

OSHA said in a statement that it would not issue citations before the listed dates “so long as an employer is exercising reasonable, good faith efforts to come into compliance with the

SEE **MANDATE**, PAGE 3

Whiplash on vaccine mandate ‘confusing’

The November marching orders from the Biden administration had seemed clear: Large employers were to get their workers fully vaccinated by early January or make sure the workers were tested weekly. But a little over a month later, the Labor Department’s vaccine rule has been swept into confusion and uncertainty by legal battles, shifting deadlines and rising Covid case counts that throw into question the very definition of fully vaccinated.

The spread of the highly transmissible Omicron variant has seemingly bolstered the government’s argument at the heart of its legal battle over the rule, that the virus remains a grave threat to workers. But the recent surge in cases has raised the issue of whether the government will take

its requirements further — even as the original rule remains contentious — and ask employers to mandate booster shots, too. The country’s testing capacity also has been strained, adding to concerns that companies will be unable to meet the rule’s testing requirements.

“My clients are totally confused as, quite frankly, am I,” said Erin McLaughlin, a labor and employment lawyer. “My sense is that there are a lot of employers scrambling to try and put their mandate programs in place.”

No company has been spared the whirlwind of recent changes, set off by the spike in Covid cases that in some instances have cut into their workforces. Then on Dec. 17, an appeals court lifted

SEE **WHIPLASH**, PAGE 2

Holiday to close CATA office

The office of the Chicago Automobile Trade Association will close Friday, Dec. 31 to mark the New Year’s holiday. Have a great 2022!



Pent-up demand to drive new-car sales higher in '22

New-car sales in the U.S. are expected to rise in 2022, driven by pent-up demand after automakers in 2021 cut production due to pandemic-driven supply chain issues and semiconductor shortages, industry consultant Edmunds said Dec. 16.

The online car shopping

guide estimated that 15.2 million new cars would be sold in 2022, a 1.2% increase from its 2021 vehicle sales estimate.

Shortages of semiconductor chips that control everything from heated seats to infotainment systems have caused major automakers to

cut production or, in some cases, build vehicles without certain features.

“Sales have been depressed since the spring, but consumer appetite for new vehicles continues to run high, which will only serve to build up deferred demand

SEE **SALES**, PAGE 4

Millennials surpass boomers, Gen X as biggest buyers of new vehicles

Millennials, a generation that some disregarded as not being interested in driving, have rapidly become the largest generation of new-car buyers in the U.S.

While it's traditional for each generation to eventually overtake the previous one, millennials — born between 1977 and 1994 — have done it at an “astounding” rate, according to Tyson Jominy, J.D. Power's vice president of data & analytics.

“Demographic information moves very slowly, but last year millennials took over in April during the peak of the coronavirus pandemic. We thought it was kind of a blip, but it's only increased since then,” he said. “It shifted over-

night, and it has gotten faster every month.”

Most impactful for the current U.S. market is that millennials for the first time this year will be the largest buyers of midsize, full-size and heavy-duty pickups. The segments are known as light-duty trucks. They represented 2.85 million sales, or 20%, of the U.S. new-vehicle market in 2020.

‘Coming-of-age story’

Amid the burgeoning coronavirus pandemic last year, millennials overtook sales of larger pickups from baby boomers — born between 1946 and 1964 — and are on pace this year to beat Gen X buyers — born between 1965 and 1976 — as the top buyers of mid-size and compact pickups, ac-

ording to J.D. Power.

“It's a coming-of-age story for millennials and maturing and getting promoted in their jobs and coupling and procreating and moving to the suburbs and all that normal stuff,” Jominy said.

The rapid ascent of millennials to become the largest demographic of U.S. car buyers corresponds with another generational shift, according to Jominy.

Baby boomers overtook pre-boomers, from the Great Generation, as the largest buyers when the Ford Mustang was rising in popularity in the late-1960s and '70s. Now, millennials have overtaken them with the introduction of the first all-electric Mustang

Mach-E crossover.

“You sort of have this Mustang for each generation,” Jominy said.

EVs

While the average buyer age for the Mustang Mach-E are 50-year-old Gen Xers, J.D. Power reports millennials are the largest buyers of EVs. J.D. Power reports they've represented 35% of new EV purchases this year compared to baby boomers at 29% and Gen X at 26%.

While millennials are the top buyers in 17 of 27 vehicle segments, baby boomers still dominate more expensive, luxury vehicle segments.

“The higher the price the vehicle, the more likely we are to see boomers in it,” Jominy said.

Whiplash

CONTINUED FROM PAGE 1

the legal block on the vaccine rule, though appeals to the ruling were filed immediately, leaving the rule's legal status up in the air. Hours after that ruling, the Labor Department's Occupational Safety and Health Administration urged employers to start working to get in compliance. But OSHA also gave employers some leeway, pushing back full enforcement of the rule until February, recognizing that for all its best intentions the rollout of the rule has been muddled.

For companies struggling to meet OSHA's standards because of testing shortages, the Labor Department said that it would “consider refraining from enforcement” if the employer has shown a good-faith effort to comply.

The latest reaction of companies has been muddled as well. Some took the first steps in developing testing programs. Others remained in wait-and-see mode. And some employers went even further than what the government so far has required by mandating boosters, spurred by fears over the spread of Omicron.

“I was just on a call with a client who said he can't keep his workforce — not because of any vaccine mandate but because people keep getting sick,” McLaughlin said.

Adding a layer of confusion, many states and cities have created their own vaccine rules, some more stringent than the

federal government's. There's also the question of whether companies eventually will be required to mandate boosters, which would require accommodating the six-month delay between the second and third shots.

Anthony Capone, president of the technology and health care company DocGo, which sets up Covid testing programs for employers, said he had gotten a rush of inquiries from companies that are scrambling to set up their testing programs. In the past few weeks, DocGo has roughly tripled the number of daily Covid tests it usually conducts.

Capone added that he and many of the employers he works with are anticipating resistance if they mandate boosters.

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CATA Educational Seminar

'Digital Retailing in Today's Unique Marketplace'

[Register here](#)



When: 9:30 a.m. Thursday, Jan. 20

Where: CATA Headquarters, Oakbrook Terrace

Speaker: Steve Zabawa, Dealer Principal of Rimrock Subaru, and CEO & Co-Founder of WebBuy

Given the quickly changing retail landscape, this educational seminar will provide a new-car dealer's insight into today's digital-focused marketplace and examine the pressures placed on dealers to balance the demands of the OEM and the customer while still delivering a positive buying experience and maintaining profit margins. Learn the key ingredients to successful digital retailing that ensures the right ROI while achieving a 30% close rate. This seminar also will discuss how OEMs are stepping into the retail arena and what it means from a dealer's point of view — today and in the future.

Key takeaways

- 4 key things to demand when selecting digital retailing tools and why they are important to achieve 30%+ close rates.

- How to defend your choice with the OEM on your digital retail solution
- How the key ingredients — lenders, dealer process, solution, and customers — equal sales and high close rates
- How Digital Retailing will evolve for the dealer, consumer and OEM in 2022 and beyond ...

About Steve Zabawa

- 34 years' experience in the retail auto industry, starting as salesperson
- 24 years as Dealer Principal of Rimrock Auto Group
- CEO & Co-Founder of WebBuy, a complete digital retailing solution built for dealers, designed by dealers

Supreme Court to consider stay of OSHA's 'vax or test' mandate

The U.S. Supreme Court has given the U.S. Department of Labor until Dec. 30 to respond to several petitions for an emergency stay of the Occupational Safety and Health Administration's "Vax or Test" Emergency Temporary Standard (ETS). A divided three-judge panel of the U.S. Court of Appeals for the Sixth Circuit on Dec. 17 lifted a pre-existing stay, effectively reinstating the ETS for covered employees with at least 100 workers.

The ETS is now in effect. However, OSHA has stated that it will exercise enforcement discretion **with respect to employers exercising reasonable, good-faith efforts to come into compliance** by not issuing citations for noncompliance before Jan. 10, 2022 for those mandates originally required to be met by Dec. 5, and by not issuing citations before Feb. 9 for noncompliance with the "vax or test" mandates originally required by Jan. 4.

Since the Supreme Court is unlikely to issue a decision prior to the New Year, it is very important that dealers review the mandates set out in [OSHA's ETS](#) now, and **consult with their counsel as to what steps toward compliance they should be taking**. In that regard, see an NADA webinar, "[OSHA's New COVID-19 Employer Vaccine-or-Test Mandate: A Summary for Franchised Dealerships.](#)"

In addition, recent examples of law firm outreach regarding OSHA's ETS can be found [here](#). Specific questions on how and when to comply with the ETS or with related state and local laws should be addressed to individual counsel. General questions on the ETS and on related court actions can be directed to regulatoryaffairs@nada.org.

Mandate

CONTINUED FROM PAGE 1
standard."

The mandate originally was slated to take effect Jan. 4.

The Biden administration's vaccine requirement applies to companies with 100 or more employees and covers

about 84 million U.S. workers. Employees who are not fully vaccinated have to wear face masks and be subject to weekly COVID-19 tests. There are exceptions, including for those who work outdoors or only at home.

Companies are springing up to help employers meet

the mandate. One used by the CATA and a northwest suburban dealer is [Centers for Disease Testing](#), which can visit a business twice weekly to provide Covid testing at no cost to the business.

The Centers for Disease Testing sets up testing booths, gets tests to labs,

and returns results in a confidential format. They can test employees and their families. Reach the company's Tony Maxie at (847) 204-2471.

Biden administration officials estimate that the mandate will save 6,500 lives and prevent 250,000 hospitalizations over six months.

CATA member-discounted auto show tickets on sale

Tickets and coupons that admit the holder to the 2022 Chicago Auto Show free or at a reduced price can be ordered by CATA members using the order form posted at www.CATA.info.

The passes promote goodwill with customers and even can help persuade a prospect to close a deal. Two kinds of passes are available, General Admission tickets and Weekday Discount coupons. The former, which costs CATA members \$7 each for a minimum 100 tickets, admits the holder to the auto show free, without a box-office wait. The coupon costs members \$100 for 100 and admits the holder for \$10 during the week.

Regular admission is \$15.



Illinois minimum wage to increase again in 2022, on journey to \$15

Illinois' minimum wage is set for another adjustment on Jan. 1, when the state's base rate increases to \$12 an hour.

The rate will continue to rise each year on New Year's Day until 2025, when it hits \$15 an hour. The adjustment comes after Illinois Gov. J.B. Pritzker in 2019 signed legislation to provide a path to grow the state's minimum wage.

There have been three increases in the minimum wage since the legislation was signed. During 2020, most residents saw two minimum wage increases — first to \$9.25 in January, then to \$10 in July.

In Chicago, the minimum wage already is \$15 an hour for employers that

have 21 or more employees and \$14 an hour for smaller businesses. The Cook County minimum rate is \$13 an hour. Any adjustments to either rate are made July 1, the start of both entities' fiscal years.

Prior to the increases in 2020, the last time Illinois raised its minimum wage was more than a decade earlier in 2010 when it increased to \$8.25. Indiana is among 15 states that follow the federal minimum wage guideline, currently set at \$7.25 an hour. That rate last changed in 2008.

A \$15 minimum wage would lift more than 200,000 Illinois workers out

of poverty, according to a study by the Illinois Economic Policy Institute at the University of Illinois.

Workers under the age of 18 who work fewer than 650 hours in a year will earn a minimum wage of \$9.25 an hour beginning Jan. 1. That rate will gradually increase to \$13 an hour by 2025, according to the governor's office.

Illinois employers are advised to review their pay plans to make sure that they meet minimum wage obligations. Remember to obtain an updated Illinois minimum wage poster, as well as other [labor law posters](#) that employers are required to display.

Sales

CONTINUED FROM PAGE 1
next year and beyond," said Jessica Caldwell, Edmunds' executive director of insights.

Edmunds also expects the average transaction price for new vehicles, which jumped to \$45,872 in November from \$39,984 a year ago, to hit record levels.

The U.S. electric vehicle market will continue to see growth and will surpass 600,000 units in 2022, Edmunds predicted, adding that Ford's F-150 Lightning "will be the champion of the

segment."

Edmunds, which guides car shoppers from research to purchase, said the booming used-car market will continue to draw more shoppers as inventory shortages squeeze the new-vehicle market.

Data firm IHS Markit reported Dec. 16 that U.S. new-car sales in 2022 would rise to 15.47 million vehicles from an estimated 15.07 million in 2021. It also said it sees mainland China new-car sales rising to 26.92 million in 2023 and to 28.99 million in 2024.

October vehicle travel up 7%

U.S. motorists drove 7.1% more miles in October over the same month in 2020 as people returned to offices and resumed leisure trips, but the distance was slightly less than pre-pandemic levels. Nevertheless, traffic deaths jumped dramatically.

The Federal Highway Administration said Dec. 20 that motorists drove 277.5 billion miles in October, up 18.5 billion miles from October 2020, but still down 5.6 billion miles from October 2019. For the first 10 months of 2021, road travel is up 11.2%, or 262.5 billion miles, over last year.

The numbers remain down in part because millions of workers are working primarily from home.

Travel was up 0.5% over September levels. Travel on rural roads now exceeds pre-pandemic levels, while travel on urban roads still lags 2019 levels.

In the 12 months ending in October, drivers in the U.S. drove 3.09 trillion miles driven, which is at roughly the same rate as in 2015.