



CONNECTICUT AUTOMOTIVE RETAILERS ASSOCIATION

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ATTACHMENTS:

- A. MVAC Certification Registration Form
- B. U.S. Armed Forces Employer Partnership Agreement

ROUTE:

GENERAL MANAGER _____	SALES MANAGER _____
BUSINESS MANAGER _____	NEW CAR MANAGER _____
SERVICE MANAGER _____	USED CAR MANAGER _____
F & I MANAGER _____	PARTS MANAGER _____
TITLE CLERK _____	OTHER _____

Worker's Comp Safety Corner

This time of year it can get really hot in the service department and body shop. Have you trained your managers on the signs and symptoms of heat-related illnesses? Do they know how to recognize symptoms and know what to do if an employee is overcome by heat? Make sure to provide plenty of water and Gatorade for employees who have to work in the heat. Also, make sure that fans in use are safe.

**1.
ARE YOU IN
COMPLIANCE WITH
EPA AIR
CONDITIONING
REGULATIONS?**

Now that warm weather is here, repair work on vehicle air conditioning systems will increase. The Environmental Protection Agency (EPA) reminds dealers to comply with its Air Conditioning Refrigerant Recycling Rule.

The EPA has increased its enforcement of the rule and, in the recent past, has fined dealers across the country for air conditioning refrigerant recycling violations. The Clean Air Act Amendments of 1990 require technicians that work on air conditioning systems to be certified in refrigerant recovery and recycling procedures.

EPA Checking for Technician Certification

The EPA has focused on service departments where technicians lack certification cards. EPA officers review repair orders for the past three to four years to verify that a certified technician was doing A/C related work. Fines can amount to as much as \$32,500 per violation per day.

Applying For A/C Technician Certification

Technicians need to obtain certification only once. But because of turnover, service managers need to be sure technicians doing AC-related work are certified. Service departments should also make certain that copies of certifications are kept in personnel files or other appropriate files.

To have your technician(s) certified through the CAR Association's program simply complete the attached registration sheet (ATTACHMENT A).

Equipment Must Also Be Certified

In addition to properly training technicians, dealers are required to use approved recover/recycle equipment and submit certification of equipment to the EPA. Also, if there is a change in ownership, the new owner of the equipment must certify the equipment to the EPA within 30 days of the change of ownership. Dealerships should review their records to ensure this has been done.

The **MVAC Recover/Recycle or Recover Equipment Certification Form** can be found at http://www.epa.gov/Ozone/title6/609/mvac_cert_form.pdf or visit www.nada.org to obtain a copy of *A Dealer Guide To The EPA Mobile Air Conditioning Coolant Recycling Regulation*. Click on Publications, then Management Education catalog, then Shop Now.

New Refrigerants To Be Recycled

The EPA also requires service technicians to recycle HFC-134a and other non-ozone-depleting refrigerants. Any equipment used to recover and recycle HFC-134a from air conditioners must meet EPA standards and be tested by an approved laboratory. Technicians currently certified for CFC-12 systems are certified automatically to handle non-ozone-depleting chemicals.

**AIR CONDITIONING
REGS CONTINUED . . .****2.
OSHA ANNOUNCES
THREE MAJOR
ENFORCEMENT
EFFORTS****Dealers Allowed To Buy And Sell Non-Ozone-Depleting Refrigerants**

The EPA allows the sale of HFC-134a or any other non-ozone-depleting refrigerants and, unless local regulations dictate otherwise, anyone may purchase these refrigerants in any size container. However, CFC-12 in units less than 20 lbs. are restricted from being sold to a person who is not A/C certified.

OSHA has announced three major enforcement efforts that impose additional obligations upon employers.

The Severe Violator Enforcement Program (SVEP) applies to employers who “have demonstrated indifference to their OSHA obligations by committing willful, repeated, or failure-to-abate violations.” OSHA created the SVEP in response to scrutiny from Congress and the DOL Inspector General last year when they concluded that OSHA did not take sufficient enforcement measures against recalcitrant employers as required by the Enhanced Enforcement Program (EEP). OSHA has replaced the EEP with the SVEP to increase its enforcement efforts against employers who have demonstrated an “indifference” to workplace safety obligations in four areas: (1) fatality or catastrophe situations; (2) industries that expose employees to the most severe hazards, including those identified as “high-emphasis hazards”; (3) industries that expose employees to the potential release of highly hazardous chemicals; and (4) egregious enforcement actions.

Under the SVEP, OSHA will conduct follow-up and nationwide inspections to assess whether the violation identified in a citation occurs at other worksites or is part of a broader pattern of noncompliance in the company. OSHA will also pursue higher-profile enforcement by notifying company headquarters of site-specific issues and publishing press releases upon the issuance of citations. Finally, OSHA will seek enhanced settlement agreement provisions in any case under the SVEP, including: (1) requiring the employer to hire an independent safety and health consultant; (2) applying settlement agreements company-wide; (3) imposing interim abatement controls if final abatement cannot be accomplished in a short period; (4) requiring employers to notify OSHA of other jobsites prior to work starting at new construction sites; (5) requiring employers to report work-related injuries and illnesses on a quarterly basis and consent to inspections based on that data; and (6) requiring employers to report for a specific time period any serious injury or illness requiring medical attention, and to consent to inspections based on that data.

OSHA’s has decided to alter its penalty classification scheme. OSHA believes that its penalties are too low to have an adequate deterrent effect. As a result, OSHA plans to expand the time frame it uses to consider an employer’s history of violations when determining penalty enhancement and reductions and when issuing repeat citations. OSHA plans to increase this

OSHA CONTINUED . . .

period from three to five years. This change will likely increase the number of repeat violations and lower the chances that an employer will receive a penalty reduction based on OSHA history. Another notable change is the limitation on area directors' settlement authority during the informal conference stage of a case. Under this new scheme, area directors will be limited to a 30% maximum penalty reduction for employers during an informal conference. To obtain any penalty reduction beyond this 30%, area directors will have to obtain approval from regional administrators. OSHA anticipates that the new penalty classification scheme will increase the overall dollar amount of penalties. For example, OSHA predicts the average penalty for a serious violation will increase from \$1,000 to \$3,000 to \$4,000.

OSHA plans to initiate a rulemaking for an injury and illness prevention program rule that will require employers to "find and fix" hazards in their workplaces. The rule would contain three distinct parts requiring employers to plan, prevent, and protect employees from workplace injuries and illnesses. Under the rule, OSHA would require employers to create a plan for identifying and remedying risks associated with hazards and OSHA violations. Employers would have to take significant steps to implement the plan and cannot get by with drafting a plan but taking few steps to ensure implementation. Finally, employers will have to ensure that the plan's objectives are met on a regular basis.

The CAR Association and KPA, our endorsed Safety Partner, will keep our members updated and informed of the progress of these initiatives and their impact on automobile dealerships.

3. COPIER DISPOSAL AND RETURN CAN HAVE PRIVACY RAMIFICATIONS

CBS News recently released an investigative piece regarding information stored on the hard drive of copy machines. You might not be aware, but most digital copiers have an internal hard drive which stores images of every copy made or document printed on the machine. Obviously, this creates a huge issue for a dealer selling his used copy machine or turning in a leased copy machine, and at the same time ensuring compliance with the proper safeguarding of customer information. It is recommended that any dealership considering the sale or return of their digital copier has an information technology professional completely erase their copier's hard drive before it is delivered to the purchaser or returned to the lessor. Failing to do so could result in the exposure of both your dealership's and your customer's private information. *(Keep your own information safe – make sure your attorney, accountant and doctors know about this as well)*

4. DMV CORNER: WETHERSFIELD LANE HOURS

We have been notified by DMV that effective June 21, 2010 the Wethersfield Inspection Lane will no longer be open on Mondays. New hours are Tuesday through Friday 8:00 AM to 4:00 PM.

**5.
CAR ASSOCIATION
AND U.S. ARMED
FORCES EMPLOYER
PARTNERSHIP
AGREEMENT**

As you may know, the Connecticut Automotive Retailers Association signed an Employer Partnership Agreement with the U.S. Army Reserve. This agreement has now been expanded to include all the armed services. The agreement offers our servicemen and women from every branch the opportunity to interview for positions in Connecticut’s new car dealerships; it will also offer dealers the opportunity to have smart, talented, disciplined and dedicated employees... employees who have proven themselves in so many ways as part of the United States Military, work in our small businesses. Though assured an interview with participating dealerships the candidate would have to be qualified and obtain any job strictly on their own merit.

If you would like to participate in this worthwhile program, please take a moment to sign the attached Partner Information Form (**ATTACHMENT B**) and return it to either the CAR Association office via fax (860) 527-2582 or email cara@ctcar.org or you can send it directly to: Kenneth Forchielli, Military Personnel Services Corporation via fax (508) 757-3410 or email to kenneth.forchielli@usar.army.mil.

Once you have signed on, you will be given instructions for posting your job opportunities to their website so you can draw from their available talent pool. Please review the enclosed Q&A Fact sheet and feel free to call the Association office (860) 293-2500 with any questions you may have.

**6.
DOOR-TO-DOOR
SALES (3-DAY
COOLING-OFF)
RULE DOES NOT
APPLY TO
AUTOMOBILE
PURCHASES**

There is no Cooling-Off Period on automobile purchases. The long-standing Federal Trade Commission (FTC) “Rule Concerning Cooling-off Period for Sales Made at Homes or at Certain Other Locations” (Door-to-Door Sales Rule) covers the “sale, lease or rental of consumer goods or services with a purchase price of \$25 or more . . . in which the seller or his representative personally solicits the sale . . . and the buyer’s agreement or offer to purchase is made at a place other than the place of business of the seller.” Importantly, the buyer in such transactions is given the option to cancel the contract within three business days of the transaction date, and the seller must provide a specified notice in the language used to carry out the transaction.

CAR and other state dealer associations have requested and received clarifications of certain points, described below:

1. Auto Auctions: The law carves out auto auction and tent sales in stating that “the requirements of the part do not apply for sellers of automobiles, vans, trucks or other motor vehicles sold at auctions, tent sales or other

**COOLING-OFF RULE
CONTINUED . . .**

temporary places of business, provided that the seller is a seller of vehicles with a permanent place of business.” Accordingly, your auction transactions are not subject to the Cooling-Off Rule. *(Please note that tent sales and temporary places of business are not allowed for auto dealerships in Connecticut)*

2. Off-Site Deliveries: The FTC has clarified that dealers who negotiate the terms of sale for a specific vehicle online or over the phone with a customer, and then have the customer sign a completed contract off-site (without ever having visited the dealership) are not deemed to have performed a Door-to-Door sale under the rule. *While off-site deliveries that meet this description are not subject to the Door-to-Door Rule they do raise several other legal issues that must be addressed – be sure to consult competent counsel before engaging in any off-site delivery activities.*

3. Brokered Transactions: For circumstances where a customer identifies a particular type of vehicle that he or she wants to purchase through an auto broker, and the auto broker locates and negotiates the contract terms with the dealer for the customer to sign off-site, the FTC reached the same conclusion as for the Off-Site Deliveries – the Rule does not apply.

The FTC clarification concluded that when a “delivery driver’s only function is to obtain the buyer’s signature on a fully completed contract that contains terms that have been negotiated before the delivery occurred, then the act of obtaining the buyer’s signature at the buyer’s residence would not constitute an act of solicitation that would trigger Rule coverage.”

While the FTC advice was certainly positive with regard to off-site deliveries and brokered transactions, this does not mean that dealers are completely out of the woods with regard to Door-to-Door Sales Rule. The following circumstances should be avoided to prevent potential implication under the Rule:

Ongoing Negotiations: When the dealer has a general agreement to sell a car, but then completes the negotiations and the contract with the customer off-site, the Door-to-Door Sales Rule may apply.

Co-Buyer Signatures: When a contract is negotiated and signed by one of the two co-buyers at the dealership, but a salesperson explains and has a second co-buyer sign the agreement at another location without following appropriate procedures or other steps to avoid the Rule, the entire contract may not have been negotiated at the dealership’s location – potentially triggering the Door-to-Door Sales Rule.

7.
**WATCH
YOUR CASH**

Watch Your Cash

This article was written by NADA-ATD 20 Group Consultant Chip Maher.

Many dealers are not here today because they ran out of cash. Even profitable dealers got caught off guard without enough cash to sustain the downturn. The lack of working capital or even failing to meet the manufacturer's "working capital guidelines" can be a serious concern for your store. Review and manage your receivables and cash on a regular basis to find frozen capital and root out ineffective processes. If your customer receivables are above guide (no more than 50 percent of parts, service and body shop sales) or if there is a substantial amount of aging, it is obvious that the processes you have in place are not working. It doesn't make a difference how much gross you hold, if you cannot effectively manage and collect cash generated by your operations.

Manage Your Inventory!

As the new-and-used-vehicle markets have become more efficient, downward pressure on margins has made turning inventory more important than ever. "Gross per unit" is not the standard it once was. Now, total gross and turns are key to profitability. To turn inventory efficiently, you need to have the right mix (days' supply to market) acquired at the right price (cost to market) and then priced right (price to market). When all three of these components are optimized, you will generate more total gross, turn inventory faster and increase profitability.

In Memoriam

It is with sadness that we inform you of the passing of longtime CAR Association Member Thomas W. Curran, Sr. owner of Curran Cadillac in Westport and Curran Volkswagen in Stratford on June 9, 2010.

Over his career, Mr. Curran had an interest in five dealerships and represented eight franchises. He sat on numerous industry boards and councils and was one of the founding fathers of the Oldsmobile Scramble which went on to become the largest amateur golf tournament in the world, and he served on the national board of directors.

He is survived by his wife of 54 years Ruth, his six children, Kathy, Tom, Jr., Chris, Jim, Trish and Michael and his sixteen grandchildren.

He was very active in his community and his parish and will be missed by many. The Officers, Members and Staff of the CAR Association extend their deepest sympathies to the entire Curran family.

**U.S. Environmental Protection Agency
Motor Vehicle Air Conditioning
Technician Certification**

ATTACHMENT A

**ONLINE TRAINING AND TESTING
SYSTEM AVAILABLE**

The U.S. EPA approves MVAC technician certification programs. Becoming certified allows a technician to perform refrigerant servicing of vehicles with R-12, R-134, or blend refrigerants.

To help you obtain certification for your technicians the CAR Association is partnering with the Greater Cleveland Automobile Dealer's Association to provide an **Online Freon Certification Training and Testing System.**

This system is a convenient, user friendly and time saving resource for your technicians. It provides them with the required study guides together with an easy to use testing format.

If you would like to take advantage of this service please complete the registration form below and return it with payment to the CAR Association. You will then be sent a test package containing the program specifics and your testing code.

Please Return With Payment to The CAR Association, 36 Trumbull Street, Hartford, CT 06103

MVAC Certification Test Fee: 15.00 + .90 CT Sales Tax = \$15.90 per technician

Dealership Name: _____

Contact Person: _____

Address: _____

Telephone: _____ Facsimile: _____

Please list each technician enrolling for the test:

Enclosed Fee: \$15.90 x _____ Technicians = \$ _____

CONNECTICUT AUTOMOTIVE RETAILERS ASSOCIATION



EMPLOYER PARTNER INFORMATION FORM

The undersigned is an authorized company representative for these purposes. Signature below confirms the company's desire to enter into a non-binding partnership with the Armed Forces Employer Partnership Office to further the development of common interests in employment and workforce development.

Name: _____

Signature: _____

Title: _____

Company Name: _____

Date: _____

How did you find out about the partnership? (Please make your selection by double clicking on the box) EPO Website Program Support Manager (PSM) Other _____

If by PSM, please indicate their name: Ken Forchielli

Please provide your primary human resources or head of employment / recruiting for EPO coordination:

First and Last Name:

Job Title:

Address:

City & State:

Zip:

Phone:

Fax:

Email:

Please provide your human resources contact for compliance, EEO or diversity programs:

First and Last Name:

Job Title:

Address:

City & State:

Zip:

Phone:

Fax:

Email:

Please provide your IT contact for your employment web page:

First and Last Name:

Job Title:

Address:

City & State:

Zip:

Phone:

Fax:

Email:



Please provide your CEO contact information (Note: At times, the Chief of the Army Reserve hosts special events for the CEOs of our employer partners):

First and Last Name:

Job Title:

Address:

City & State:

Zip:

Phone:

Fax:

Email:

Is your company a federal government contractor? Yes or No

Does your company have an internship or fellowship program? Yes or No

Your company's main website URL:

Your company's employment website URL (this is the page where your jobs are posted on your website):

Please provide a short paragraph describing your company:

Please indicate one choice for how you wish to post your company's jobs to the Employer Partnership website. (For details on each option, please refer to the **Job Posting Options Guide**):

- My company is a member of DirectEmployers Association, so my jobs will be automatically indexed.
- My company is not a current member of DirectEmployers Association, but we have a career section on our company's website where job vacancies are listed. We wish to request to have our company's jobs **automatically indexed at no cost**. (Employer: Please read the **Request Free Indexing** section in the *Job Posting Options Guide*).
- If you do not want your company's jobs indexed automatically, OR your company's website cannot be indexed, OR your company does not have a career section or has just a general careers web page, your company can utilize DirectEmployers Association's Job Posting System (JPS). (Employer: Please read the **Job Posting System** section in the *Job Posting Options Guide* to learn how to utilize this free service to manually post your company's job opportunities to Employer Partnership website).
- My company posts its employment opportunities with the local One Stop Center (State Workforce Agency – Employment Division)

Please send completed form to: hirenow@employerpartnership.org

To contact the Employer Partnership Office:

Call: 703-601-0898 Fax: 703-601-0673

Website: www.employerpartnership.org