

MFN and Its Purpose in these Negotiations

Rather than focus on its own agreement, the NCDC has become obsessed with getting the Union to agree to a “Most Favored Nations” clause. The NCDC’s proposal allows it to pick and chose terms from other contracts that it sees as “more favorable.” Despite what we have heard from various sources, the NCDC has told us it’s the dealerships who are responsible for this proposal. In order to try and better understand their perspective, please ask your service manager and other dealership principals these important questions:

- Wouldn’t your MFN proposal allow you to implement lower wages if another agreement has lower wages?
- Wouldn’t your MFN proposal allow you to drop the IAM 701 pension plan if another agreement has only the 401(k) plan and no pension plan?
- Wouldn’t your MFN proposal allow you implement a 34-hour guarantee if it’s in another agreement?
- Does the NCDC gets to determine, in its sole discretion, what is “more favorable”?
- Are you going to demand copies of every single car dealer agreement and comb through them looking for terms you think are “more favorable”?
- The NCDC has been around for decades, why is this an issue now?
- What issues in other contracts have you identified that make this MFN so important?
- Why can’t you wait until the end of the contract to negotiate changes like everyone else?
- What would change tomorrow if the MFN language was agreed to today?
- Is there something in another contract that you want that you didn’t include in your proposals that you’re trying to get?
- If you elect a provision from another contract, do you get to keep that provision in the contract indefinitely? Unless you agree to give it up at the negotiation table?
- How does your MFN proposal “protect the Union” as David Sloan has told the media?
- Doesn’t your MFN proposal put all of our contract terms at risk? If the employees at one single dealership vote in less favorable terms against the union’s recommendation, wouldn’t you be able to force those terms on us?

- Couldn't the same lawyers representing the NCDC who represent a "me too" dealership target the most vulnerable bargaining unit and, if successful in negotiating something "more favorable," force those terms on the NCDC bargaining units?
- Doesn't your MFN provision force the Union to walk away from bargaining units who might vote for less favorable terms?
- David Sloan said the MFN is an attempt to keep rogue dealerships from "illegally" leaving the organization and negotiating their own deals with the Union—can you explain how your MFN clause prohibits dealerships from negotiating separately with us?
- The NCDC insists that the MFN "ensure a level playing field for dealers and techs, making sure that employees at similar companies are treated fairly and consistently"—do owners of non-union stores treat their techs the same as their union store techs?
- Does the CATA require all of its 400-plus dealerships to treat each other and their employees fairly and consistently? Including its new and used car sales, finance departments and parts employees?
- David Sloan said "An MFN clause prevents the union from treating NCDC technicians as second-class citizens today and into the future"—how has "the Union" treated NCDC technicians like second class citizens and how does the MFN prevent that?
- Couldn't the MFN language negatively impact the CATA's other hundred-plus non-NCDC union dealerships by tying the Union's hands in negotiations? How is that good for the non-NCDC members of the CATA?
- Is the purpose of the MFN to allow the NCDC to try and rebuild its membership decline from the 2017 strike fall-out?
- The NCDC proposal doesn't apply to "newly organized" dealers—but when the first contract becomes a second contract, would you be able to exercise your MFN rights and cherry pick whatever language you want?
- Are you willing to agree to a mutual MFN that would allow the union to automatically implement more favorable terms for the techs that it gets in other contracts?

We think the answers to these questions are obvious. This is an NCDC issue. It all ties back to the 2017 strike—David Sloan admitted as much. The NCDC is mad that the "defectors" made a decision that was in their best interest and their tech's best interest. The consequence of your decision to strike in 2017 and the "defectors" breaking rank, caused the NCDC to move on the guarantee, semi-skilled advancement, and other issues that all improved your working terms and conditions. You already see the MFN for what it is—pay back that is detrimental to you, your families and your Union!