AUTOMOTIVE

The Auto Dealer HR Risk Reference

Industry-specific risk patterns across sales, F&I, service, and parts: the complaint categories the EEOC actively pursues right now, the supervisor behaviors that recur, and the program structure that addresses them, whether you run one rooftop or fifty.

AUTOMOTIVE | EEOC | HARASSMENT PREVENTION | RETALIATION

empathiHR Compliance Guide Series
Prepared for HR & legal decision-makers

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10 PAGES

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What's inside

BUILT FROM THE ENFORCEMENT RECORD

Every case, amount, and date in this reference is drawn from EEOC press releases, court dockets, and reputable trade reporting. Nine of the eleven matters cited landed in 2024, 2025, or 2026. Where a matter is still active litigation rather than a settlement, this guide says so plainly. The point is not to alarm. It is to show the specific, current patterns that repeat, so a dealer can get ahead of them before the next one lands on their own lot.

01 · The Pattern

Why every dealership is high-risk: one rooftop or fifty

Car dealerships appear in EEOC harassment and discrimination enforcement out of proportion to their share of the economy. The reasons are structural: baked into how a huge number of stores are staffed, paid, and managed, regardless of how many locations carry the flag.

A historically male-dominated sales floor and service bay create power imbalances. A commission culture rewards and protects high-revenue "producers," which makes managers reluctant to discipline them. High turnover reduces the incentive to invest in training and lets bad actors persist. None of that requires a second rooftop to be true.

THIS IS NOT JUST A MULTI-ROOFTOP PROBLEM

Multi-rooftop groups add one more layer of exposure: inconsistent HR infrastructure across locations, so a single manager's conduct at one store can implicate the whole group. But a single, independent dealership carries every one of the underlying risk factors above on its own: the same commission culture, the same power imbalance, the same turnover. Several of the enforcement cases on the next page involve a single-location dealer with no ownership group behind it at all. Size changes the blast radius of a failure. It does not change whether the failure happens.

THE RECURRING FAILURE MODE

In case after case, the dealership had a policy. It just wasn't enforced. Conduct was dismissed as "horseplay" or normal shop-floor culture, complaints were slow-walked, and high performers were shielded. The EEOC's long-standing warning is that an anti-harassment policy "must not merely be put on a shelf to gather dust."

02 · The Receipts

The enforcement record

Nine EEOC matters against dealerships from 2024 through 2026: the current docket, not the archive. Five are still active litigation. Amounts are the reported settlement or consent-decree figures.

DEALERSHIP (STATE)	YEAR	ALLEGATION	OUTCOME
Ourisman Toyota 40 (MD) ~50-rooftop group	2026	Racial harassment by a finance manager, including a slur directed at Black salesmen; manager not removed despite repeated complaints	*Filed, pending*
Gravity Autos (GA/FL/IL)	2026	Revoked an approved Sabbath/holy-day religious accommodation, then terminated the employee for objecting	*Filed, pending*
Landmark Dodge / Landmark South (MO)	2025	Sex-based hiring segregation ("women don't make good salespeople"); two HR staff retaliated against for objecting	**$275,000**
Criswell Chevrolet (MD)	2025	Denied a combat-veteran employee's request to bring a PTSD service dog; no interactive process; forced resignation	**$30,000**
Crain Kia of Bentonville (AR)	2025	Employee reported a manager's racist comment to HR; fired after declining to sign a statement he felt "safe"	**$47,500**
Garden City Jeep CDJR (NY) VIP Auto Group	2024	Inventory manager's repeated physical touching and sexual comments toward female staff; HR notified, no action taken	*Filed, pending*
Benson Enterprises (TX) Ingram Park CJDR	2024	Sexist treatment of a female fleet advisor, commissions diverted to male staff; terminated after reporting to HR	*Filed, pending*
Len Stoler Auto Group (MD)	2024	Service advisor recovering from traumatic brain injury demoted, relocated, then terminated because of her disability	**$105,000**
Pete's Car Smart (TX)	2024	18-year employee pressured into retirement after heart surgery; owner mocked her age and "old-timers disease"	**$145,000**

02 · Read the Decrees, Not Just the Checks

What a consent decree actually requires

The dollar figures get attention, but the decree terms are the real lesson: obligations that outlast the check, often for years. Across the recent dealership matters on the previous page, the confirmed decree terms include:

WHAT THE LANDMARK DODGE DECREE ACTUALLY REQUIRES

"The five-year consent decree resolving the suit prohibits Landmark Dodge from discriminating against persons because of sex and from retaliating against people who oppose discrimination in the future; requires the company to adopt procedures to ensure hiring managers do not consider the applicant's sex when hiring; and ensures that all Landmark Dodge employees receive training on those procedures. In addition, for the duration of the decree, Landmark Dodge must provide quarterly reports to the EEOC regarding its hiring practices."

EEOC press release, "Landmark Dodge to Pay $275,000 in EEOC Sex Discrimination and Retaliation Lawsuit," eeoc.gov/newsroom. Comparable 2024–2025 dealership decrees (Crain Kia of Bentonville, Criswell Chevrolet, Len Stoler, Pete's Car Smart) run two to five years and consistently pair the settlement check with mandatory training, revised procedures, and ongoing EEOC reporting.

A note on sourcing: this is the EEOC's own public description of the decree's terms, quoted from its press release. The underlying court-filed decree sits behind a PACER paywall and isn't independently published, so this is the closest verifiable, attributable language available.

PRIVATE LAWSUITS ARE RISING ALONGSIDE EEOC ACTIONS

The EEOC isn't the only exposure. In 2026, a CarMax service employee sued in federal court alleging he was fired weeks after requesting an ADA accommodation for a chronic illness (*Roman v. CarMax*, E.D. Va.). In 2023, a former Napleton's Kia of Elmhurst salesman sued alleging a supervisor's routine use of a racial slur and retaliatory termination after he complained (*Jennings v. Ed Napleton Elmhurst Imports*, N.D. Ill.): a real employee, a real dealership, no government agency required to trigger the exposure.

03 · Where It Happens

Risk by department

The exposure is not evenly distributed. Each department carries a distinct risk profile, and a program that treats the store as one undifferentiated whole will miss the patterns.

Sales floor

The single biggest source of harassment claims in the enforcement record. Commission culture, protection of top "producers," sales-meeting conduct, same-sex hazing of salesmen, and sex-stereotyped hiring all concentrate here.

F&I

Finance managers hold real authority over deal structure and pay: the kind of leverage that shows up again and again in harassment fact patterns, from racial slurs to escalation into physical misconduct.

Service

A lower-visibility, back-of-house environment. Techs and advisors work in tight physical spaces with less oversight: the same conditions that let hazing and harassment go unreported the longest.

Parts

Least represented in the harassment cases, but not risk-free: a small, tenured, often insular team where informal culture and unaddressed "jokes" can calcify fastest.

EVERY DEPARTMENT NEEDS THE SAME PROGRAM

Sales and F&I generate the most harassment exposure because that's where supervisory power and commission pressure concentrate. Service and Parts see fewer complaints, but the same recurring failure mode shows up there too: an informal culture with no real reporting channel. A dealer program has to reach every department, at a one-rooftop store just as much as a fifty-rooftop group.

04 · The Tell

The supervisor behaviors that recur

Across the 2024–2026 enforcement record, the same manager behaviors show up again and again. Each is a leading indicator, and each is trainable and correctable before it becomes a claim.

- Managers, not peers, are frequently the harassers: GMs, desk/used-car managers, finance managers, service managers.
- Complaints ignored, slow-walked, or "handled" with a warning at most.
- Retaliation: demotion, termination, or forcing resignation of the person who complained.
- High-revenue "producers" and long-tenured managers protected rather than disciplined.
- Reasonable accommodation requests denied without any real interactive process.
- Sex-stereotyping in hiring and assignment, and racial slurs tolerated as part of the culture.

61.6%

OF ALL EEOC CHARGES FILED IN FY2025 ALLEGED RETALIATION: THE MOST-CITED BASIS FOR THE 18TH STRAIGHT YEAR

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2024–2026 DEALERSHIP CASES ON PG. 4 INVOLVE A RETALIATION CLAIM

RETALIATION IS THE AMPLIFIER

Nationally, retaliation is now alleged in the majority of every EEOC charge (54,350 of 88,201 charges filed in FY2025), the single most-cited basis for the 18th consecutive year. In the dealership matters on the previous page, more than half involve a retaliation claim layered on the original conduct. Punishing the person who complained turns a manageable problem into a second, easier-to-prove violation, and strips away the employer's ability to argue it responded reasonably. Protecting complainants is the single highest-leverage risk control available, at any size dealership.

05 · The Lifecycle

How a complaint becomes a claim

Every matter on p.4 followed a similar arc. The break points are predictable, and each one is a place a dealer can intercept before it becomes a claim.

1 The incident

RISK

Conduct happens on the floor or in the shop with no witness statement captured and no record that it happened at all.

SOLUTION

A standing duty: any manager who sees or hears about misconduct documents it the same day, regardless of whether a formal complaint follows.

2 The report

RISK

The complaint reaches only the harassing manager or a peer, and never reaches HR, as in Garden City Jeep, where HR was notified and still took no action.

SOLUTION

Multiple reporting channels, including one that bypasses local store management entirely (p.9).

3 The response

RISK

A manager makes the call alone: denies an accommodation (Criswell), fires the complainant (Crain Kia), forces a retirement (Pete's Car Smart). This is the moment retaliation gets created.

SOLUTION

On-call advisory before the decision, and a defined intake-to-close investigation standard, not an ad hoc one (p.9).

4 The escalation

RISK

An EEOC charge or lawsuit lands, and there is no documentation trail proving reasonable care: the employer loses the Faragher/Ellerth affirmative defense before the case even starts.

SOLUTION

The same documented program (policy, training, hotline, investigation records) is exactly what carries the employer's burden of proof.

06 · The Fix

The multi-rooftop program structure

Dealer groups need one program deployed consistently across every rooftop, not a patchwork that varies by store. A single-rooftop dealer needs the exact same program, just without the cross-location coordination problem. The consent decrees the EEOC imposes are, in effect, a blueprint for what "adequate" looks like. Build it before you're ordered to.

1. **One enforced policy, everywhere**
   A single anti-harassment, anti-discrimination, and anti-retaliation policy, distributed and acknowledged at every store, explicitly covering sales, F&I, service, and parts. Not a binder on a shelf.

2. **Consistent training on a set cadence**
   Mandatory training for all employees and managers, on hire and refreshed regularly. Manager-specific content is what the EEOC repeatedly orders, and the potential for personal liability in states like Texas, with courts still defining its scope, only raises the stakes.

3. **Multiple reporting channels, including anonymous**
   A neutral, 24/7, multilingual hotline with secure follow-up, critical where complainants distrust local store management. A door that doesn't run through the GM.

4. **Prompt, neutral investigations**
   Defined intake-to-close standards, a structured investigation plan, and evidence-preservation protocols (a term the EEOC has specifically ordered for a dealership).

5. **Real consequences, no producer exceptions**
   Discipline applied consistently regardless of a harasser's sales numbers, and managers evaluated on compliance.

6. **Cross-location monitoring**
   Aggregate hotline and complaint data by location and issue type; track substantiation rate and time-to-close to spot a problem store before it becomes a class case.

7. **On-call advisory before the decision, not after**
   Not the employee hotline above: this one's for managers, and it runs before the decision, not after. Criswell Chevrolet's manager denied a service-dog request alone. Crain Kia's manager fired an employee alone for refusing to sign a "safe" statement. Each call took thirty seconds and cost five to six figures. A same-business-day call first is the cheapest safeguard in this program.

07 · Act

A dealer action plan: every rooftop counts

If you operate one rooftop or fifty, the same fundamentals close the gap the enforcement record keeps exposing.

1. Audit your rooftop(s) against a single standard: policy, training records, reporting channels.
2. Deploy one anti-harassment/anti-retaliation policy and get signed acknowledgments store-wide.
3. Train managers specifically, and stop protecting producers from consequences.
4. Put a neutral, anonymous hotline in place that bypasses local management.
5. Standardize prompt, documented investigations with evidence preservation.
6. Monitor complaint data across every location to catch patterns early, even if that's one location.

BUILT FOR DEALERS OF EVERY SIZE

Automotive is a primary vertical for empathiHR. We deliver the centralized policy, consistent training, neutral hotline, and documented investigations that dealers need, whether that's one rooftop or every rooftop in a group. Schedule a compliance assessment.

Schedule a compliance assessment · 866.240.6618 · empathihr.com

About this reference. This guide is an educational resource from empathiHR, not legal advice, and reading it does not create any professional relationship. Matters listed as "Filed, pending" are active litigation; the allegations described are claims, not adjudicated findings. Case details, amounts, and statistics are drawn from EEOC press releases, public court filings, and reputable trade reporting, current as of July 2026. Laws, regulations, and agency enforcement priorities change; confirm the specifics with qualified employment counsel before acting on anything here.