Date: 4/7/2025

Subject: Addendum to PAN for Nick Casto

Nick Casto is one of two assistant managers at Houston Freightliner (HFI). His particular responsibilities have, and currently, included managing interactions between counter staff and customers, with a strong emphasis on back counter transactions with technicians for SelecTransportation (STR).

Sales requests from technicians to parts generally come through a software interface known as VBC. While much of the communication flows through this platform, face to face is still required when a problem arises, such as a request that is not understood, or is vague, or is in language from the technician that indicates frustration. VBC is not perfect and is subject to updates and improvements like any software ie a smartphone, or application on a desktop.

The relationship between a shop and a parts department is a symbiotic relationship. The shop needs parts and parts need the shop. That said, however, relations between HFI’s shop and HFI’s parts department have gradually deteriorated and are at an ugly low point. Frankly, I don’t recall relations being this bad. For most of my tenure the shop and the parts department worked well together resolving issues to better care for the shop’s customers.

Very much worth noting, and this, presumably, is a well-known reality in the commercial truck industry, but certainly known in our building: our biggest customer is the shop. In fact, if individual technicians were stand-alone businesses HFI parts department’s top 20 customers would have several names of technicians on that list. It is imperative that we treat them as our biggest customers, but we don’t.

Nick’s dismissal is reduced to three chief reasons: the lack of time he spends assisting the shop, his argumentative – and not constructive – nature of conflict with shop management and – an objective measure – recent resignations of several high profile, highly skilled and productive technicians.

**Time**

As a manager of the company, Nick is salaried, is highly compensated and is expected to work from 8am until 6pm on most weekdays. It is also expected that he work most Saturdays. HFI is 24 hours a day and seven days a week. Our business never stops. Reason one. Reason two is also of great importance: if our employees work weekends, then it is not beneath management to do the same. Video records show that Nick arrives most days after 8am and departs the building before 5pm.

In the normal course of a person’s life, personal issues arise, whether family or otherwise. Employees and managers are neither prevented nor discouraged from attending to that business, however, it is expected that they put in the time to mitigate the impact of these absences. Nick has had several family issues, property issues, issues with pets within the past few months, which happens, but these absences have not been compensated with more robust time commitment, nor even the minimal standard.

Perhaps more disappointing than failing to meet minimal guidelines for time at work is how he has spent his time. Records from IT regarding his time on the internet show an inordinate amount of time and frequency electing personal time on the internet as opposed to work use. The STR Employee Handbook is very clear: “The use of…internet…should be restricted to use for Company business. To ensure Company business use only, employee use of all such devices…may be monitored and reviewed for legitimate Company business purposes…”. Reviewing the records provided by IT shows that roughly (this is an eyeball estimate) that since 1/1/2025 only 20% of usage was for business purposes. Searches include topics of Chornobyl, delicious food from McDonald’s, current lives of former NFL quarterbacks, etc. This is but a few examples. All these records are in a one-inch three ring binder and instances abound. These many hours of surfing the internet for personal use should have instead been spent on the crumbling relationship between parts and service and addressing the very real needs of technicians.

**Conflict resolution**

The most important thing to note is that HFI service shop and its technicians are by far the largest customer of the parts department. While the customer is not always right, the customer deserves the greatest respect, effort and deference.

I understand that when managers or other employees come to me, occasionally it is to vent. That said, in my many dealings with Nick over communication issues between parts counter salespeople and technicians, or between parts and foreman, or between himself and shop management I cannot recall one time where Nick did not try to finger point and lay the blame on the shop. It is not about blame. It is about constructive conversation that enables us to take care of the customer.

I personally met with handpicked technicians over a number of sessions. I purposely elected not to include HFI parts management. My goal was to hear what they said unfiltered from them to me, and address what I could promptly. Among other things, the technicians voiced their displeasure with Nick, his failure to address issues, or his tit for tat about what they also did wrong. After a period of time the need for meetings with me involved was no longer necessary. We ceased having these meetings, and I turned over all of my commitments and goals to Nick. One of the technicians I handpicked recently quit, because of my parts department’s failure to stay the course, but rather fell back into “us and them”.

I will not abide an “us and them” attitude toward the shop. We should work together to care for the end customer, where the parts department supports the service department in attaining service’s objective. And with the shop being our biggest customer, this means that occasionally decisions will not favor the parts department, but they will benefit the shop and the whole of the dealership.

**Resignations**

As mentioned above, one of our star technicians recently quit to go to work for our competition, as have several other technicians. The first that left lured those that eventually left with but one selling point: how well the back counter took care of them relative to our back counter.

Our competitor has turned this into a major recruiting point and they have targets on our technicians, even paying recruitment bonuses. The brass tacks are as such: the technicians that left billed out an average of approximately $180,000 in labor per month; the value in parts is approximately $125,000 in parts per month.

**Summary**

Our treatment of the shop is costing the parts department business, costing the service department business, costing the service department employees (all of whom are trained at significant annual expense), costing the dealership profits, jeopardizing the reputation of our dealership as a whole.

The time for coaching success is now past and this treatment of the shop will no longer be tolerated.