

# SERVICE

# JOB AID

# Labor Rate Submission Instructions for Second Level Dealers

## The On-line Labor Rate Change Request Form

Pictured to the left is an illustration of the on-line “ASSC Warranty Labor Rate Change Request Form.” To aid in the labor rate change request submission process, a few “step by step” instructions are included in this job aid.

The following instructions will detail the required information for each field in the red box.

## Selecting Analysis Beginning and End Dates for Annual Review

All information in the highlighted fields should reflect labor revenues received and shop supply and waste removal expenses incurred throughout the year, starting with the Analysis Begin Date and ending with the Analysis End Date.

The **Analysis Begin Date** should be the starting date of the reported revenue and expense data.

The **Analysis End Date** should be the ending date of the reported revenue and expense data.

**Note:** Rate calculations must result from data collected from the twelve months just prior to the Labor Rate submission date. For example, a Labor Rate submission with a January 1, 2014 effective date must result from data collected between December 1, 2012 and November 30, 2013.

- Global Warranty Job Aid (08/14)  
<https://warranty.cat.com/wtyguide>  
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Dealer and Dealers are defined as any Cat Authorized Dealer or Cat Authorized Repair Representative.

## The Vehicle Reporting Units Field

Use the drop down arrow to the right of the “Vehicle Reporting Units” field to choose between “Kilometers” and “Miles” as a unit of measurement for reporting data.

Note that Kilometers (Km) is chosen by default, and if Miles (Mi) is the preferred unit, it will need to be selected.

**Data Range of Review Period**

\*Analysis Begin Date :

\*Analysis End Date :

\*Vehicle Reporting Units :  ▼

Service Hrs

(Interdepartmental & Revenue) :

Shop Supplies Cost :

**Data Range of Review Period**

\*Analysis Begin Date :

\*Analysis End Date :

\*Vehicle Reporting Units :  ▼

Service Hrs

(Interdepartmental & Revenue) :

## The Service Hours Field

In the “Service Hours” field, enter the total number of interdepartmental and revenue hours sold during the year in review.

In the example to the left, a total of 10,000 external and internal labor hours were sold between the Analysis Begin Date of November 1, 2010 through the Analysis End Date of October 31, 2011.

## The Shop Supplies Cost Field

In the “Shop Supplies Cost” field, enter the total cost of shop supplies during the year in review.

In the example to the right, a total of \$50,000 was spent on shop supplies between the Analysis Begin Date of November 1, 2010 through the Analysis End Date of October 31, 2011.

**Data Range of Review Period**

\*Analysis Begin Date :

\*Analysis End Date :

\*Vehicle Reporting Units :  ▼

Service Hrs

(Interdepartmental & Revenue) :

Shop Supplies Cost :

## The Net Waste Disposal Fees and Recovery Fields

**Data Range of Review Period**

\*Analysis Begin Date :

\*Analysis End Date :

\*Vehicle Reporting Units :  ▼

Service Hrs

(Interdepartmental & Revenue) :

Shop Supplies Cost :

**Net Waste Disposal Fees**

Net = Fees - Recovery :

Fees :

Recovery :

In the “Waste Disposal Fees” section, data will be entered in two fields: the “Fees” field and the “Recovery” field.

In the “Fees” field, enter the total cost incurred for disposal fees during the year in review. In the “Recovery” field, enter the total amount of fees recovered from customers for waste disposal, plus the total amount of revenue received from waste material sales during the year in review.

**Note:** In this example, a total of \$3000 was spent on waste removal, and \$0 was recovered between the “Analysis Begin Date” of November 1, 2010 through the “Analysis End Date” of October 31, 2011.

The “Net = Fees – Recovery” field automatically populates when the rates are calculated. If the net value is negative, then a zero will display on the form.

## The Previous and Proposed Posted/Advertised Labor Rate Fields

In the “Previous Posted/Advertised Labor Rate” field, enter the posted advertised rate.

In the “Proposed Posted/Advertised Labor Rate” field, enter this year’s proposed labor rate.

**Note:** The previous Posted/Advertised Labor Rate and the Proposed Posted/Advertised Labor Rate should not include shop supplies or disposal fees.

Data Range of Review Period	
*Analysis Begin Date :	<input type="text" value="2010-NOV-01"/>
*Analysis End Date :	<input type="text" value="2011-OCT-31"/>
*Vehicle Reporting Units :	<input type="text" value="Mi"/>
Service Hrs (Interdepartmental & Revenue) :	<input type="text" value="10000"/>
Shop Supplies Cost :	<input type="text" value="50000"/>
Net Waste Disposal Fees Net = Fees - Recovery :	
Fees :	<input type="text" value="3000"/>
Recovery :	<input type="text" value="0"/>
*Previous Posted /Advertised Labor Rate :	<input type="text" value="110.00"/>
*Proposed Posted /Advertised Labor Rate :	<input type="text" value="115.00"/>

## “Calculate Rates” Button

Once all of the information is entered in the appropriate fields, click on the “Calculate Rates” button to open a new screen with the calculated rates displayed. The system will automatically calculate the rates that will be used in processing warranty claims.

**Note:** Calculations must result from data collected twelve months just prior to the Labor Rate submission date.

Req ID #	37	Request Status	DRAFT
Calculated Rates			
<b>Rate</b>			
% of Previous Base Rate :	0.00		
New Avg Realized Rate :	115.00		
New Shop Supplies Allowance :	3.11	Max : 3.11	Actual : 5.00 Actual % : 4.30%
New Waste Disposal Allowance :	0.30	Max : 1.50	Actual : 0.30 Actual % : 0.30%
New Sell Labor Rate :	118.41		
New Cost Labor Rate :	106.91		
New Travel Rate :	103.50		
New Vehicle (Mi or Km) Rate :	3.08	Unit Used : Mi	
<small>Final rate may change due to rounding. The labor rates showing in the MDLR look-up tool are the official rate(s).</small>			