

Wholesale Action Plan

SMART STATEMENT: Our goal is increasing wholesale volume to a minimum of \$1,000,000 in total sales by the end of 2024.

Outline

This goal would require an increase in volume of total of sales by 15.75% YOY compared to our 2023 EOY total. This is a manageable increase in volume with our current staff and vehicle, and will only net us with an increase in gross, while net expenses should not incur a significant change due to volume. We would see an increase in sales would maximize on-clock work productivity, where there is an issue with the driver having downtime by the end of the day. This would be absorbed by an increase in deliveries. Another impactful benefit to an increase in wholesale volume is a larger manufacture return allowance due to an increase in order volume from our OEM. If performance criteria are met, and factory returns are kept to a minimum, this could lead to an upside of an additional several thousand dollars of pure gross a quarter.

Monitoring Growth

Sales volume would be tracked on weekly basis. Wholesale accounts must be measured by gross profit percentages, sales volume, return volume, account status, payment activity and quality of parts ordered. Most information can be found in the sales analysis report, as well as the wholesale analysis report. On weekly basis, the accounts receivable schedule will be run to ensure charge accounts are paid up to date. Reports on sales by counter person will also be measured to evaluate who has the most exposure to our clients. The wholesale counter person will periodically be checked in with to gauge clientele quality, needs and concerns.

Problems

Solutions

Increase In Returns	Universal 20% Restocking Fee
Increase In Fuel Usage	Flat \$3.95 Delivery Fee
Increase In Damaged Parts	Claims Filed in 15 Day Window, Inspection Upon Delivery with a signature
Vehicle Maintenance Increase	Absorption With Delivery Fee
Increase In Accident Probability	Monitor Driver Behavior, Dash Cam, GPS Tracking and Vehicle Maintenance
Delinquent Account's	Forced COD After 60 Days, Weekly Schedule Checks
Price Matching After Market	Price Matching VIA Collision Link and Seeking Reimbursement
Local Competition	Competitive Pricing Strategies, Advertisement, "Door Knocking", Quality Service

Jordan Leca
Ken Harvey's Dublin Mazda

Bottom Line

Successfully managed wholesale growth to \$1,000,000 in sales this year will see us an increase in gross of profit of \$25,444 YOY. Newly implemented delivery fee will help us recoup \$3.95 per delivery to help with operating expenses, as well as enforcing a mandatory 20% restocking fee on returns to absorb manufacture return fees. Manufacture return allowances can vary, but with an increase of roughly \$2-\$3.000 in additional money quarterly from increased volume, we can expect a YOY credit increase of \$10-\$12,000 in performance credit from Mazda. This increase in volume should lead to large upside potential, with minimal cost increase, given our expense absorption strategy.