

ACTION PLAN 1

- S Specific
 M Measurable
 A Achievable
 R Relevant
 T Time bound

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?

My store's goal is working on total Absorption.
 We would like to start with fixed Absorption.
 We started the year at a total Absorption of 85% based on the
 formula from financial MANAGEMENT. Our goal is to be at 92%
 by the start of the 4th Qtr.

BOTTOM LINE: Benefits of Achieving Your Goal

- Benefits -
- * Ability to be more competitive in Sales
 - * Offer customers better deals
 - * Have additional funds to reinvest into the dealership

Consequences of Not Achieving Your Goal

- Consequences -
- * With Acwa sales down drastically 10% YTD its purely all about finding a path to better profitability.

When will you start?

We started our process in the beginning of Q2

How will you gauge your progress? When? Using which metrics?

- I will gauge our progress by factoring in
- 1) YTD GP total fixed ops
 - 2) YTD Gross Pre-Owned
 - 3) YTD Gross total
 - 4) YTD Total expenses
- This topic has become part of the BI-Monthly MANAGER meetings.

What specific actions will you take to achieve your goal? Who can help you?

We have adjusted labor rates for Service & Parts.
& implemented a Service drive sell us your vehicle policy
2 Employees were specifically hired to meet our used
Car needs and lower our overall cost in the used Car
dept by avoiding Auctions & Transport fees.

Potential Challenges?

⊗ The biggest problem is
related to having the
ability to give our customers
a check on the spot.

Potential Solutions?

⊗ We staggered the
office employees schedule
So no matter what time of day
I can provide our customers
with check at the time of sale.