

## Wholesale Customer Case Study

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We have ranked our best and worst customers based on total gross profit **after** returns for the full period considered (YTD plus Prior Year = 24 months?). None of our best or worst costumers had overdue account balances.

Top 3 Accounts	24 Month Gross After Returns	YTD Gross After Returns
VanaMax	\$124,090.06	\$57,398.18
M&B Collision	\$64,278.54	\$32,340.07
MFD Car Doctor	\$36,377.77	\$14,643.73

Bottom 3 Accounts	24 Month Gross After Returns	YTD Gross After Returns
AAAAAuto Collison	\$5,401.94	\$3,630.69
Accidents Happen	\$6,088.57	\$2,135.73
Import Specialists	\$7,491.20	\$6,311.90

We propose changing our target gross profit percentages based on total sales in the current YTD. For customers below \$75,000.00 we propose a 30% gross profit target or a 42.86% markup from cost. For customers purchasing between \$75,000.00 and \$150,000.00 we propose 22% gross profit target, and for our best customers over \$150,000 we propose a 18% gross profit target.

Account	YTD Gross Ater Returns	New GP% Target	New Markup	New YTD Gross After Returns
VanaMax	\$57,398.18	18.00%	21.95%	\$37,798.80
M&B Collision	\$32,340.07	18.00%	21.95%	\$31,067.84
H&T Ford	\$19,567.59	18.00%	21.95%	\$33,382.97
MFD Car Doctor	\$14,643.73	22.00%	28.21%	\$17,050.66
BP Customs	\$14,228.27	22.00%	28.21%	\$17,916.42
B&L All Makes Repair	\$12,345.44	22.00%	28.21%	\$23,935.65
M&M Auto Sales	\$6,716.48	22.00%	28.21%	\$25,168.34
M&D Used Cars	\$6,646.24	22.00%	28.21%	\$22,790.95

Import Specialists	\$4,271.05	30.00%	42.86%	\$7,186.54
AAAAAuto Collison	\$2,069.49	30.00%	42.86%	\$4,299.77
Accidents Happen	\$840.05	30.00%	42.86%	\$2,691.02
JD Auto Leader	\$228.69	30.00%	42.86%	\$392.04
Total	\$171,295.28	.		\$223,681.00

Putting GP% and markup based off purchases would result in an increase of \$52,385.72. This also results in the dealership GP% to be closer to that of the owners 20 group average, and also in NADA guide (20-25%)

Old YTD GP% of Sales After Returns	16.30%
New YTD GP% of Sales After Returns	20.20%