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 goal is to increase pre-owned retail vehicles sales by 5 units on average per month by 1 January 2025 when compared to the 1st & 2nd quarters combined average of 2024.

BOTTOM LINE: Benefits of Achieving Your Goal

- increase gross retail sales dollars
- increase of additional profit to the pre-owned vehicle department
- opportunity to gain new customers
- reduce frozen pre-owned inventory
- reduce pre-owned vehicle days supply
- increase pre-owned calendar-year inventory turns

Consequences of Not Achieving Your Goal

- lost opportunity to grow business as a whole
- continuing the mindset of "it is what it is"
- current "over-age" vehicles will continue to grow older and pre-owned vehicle inventory will remain larger than desired

When will you start? 1 July 2024

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

Progress will be measured by comparing the monthly pre-owned vehicle units sold average of the 1st & 2nd quarters combined of 2024 (average 16.5 units) to the monthly average of the next 6 months. Progress will be measured on a monthly basis at the close of each business calender month.

NADA ACADEMY

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

The general manager, pre-owned vehicle manager, and myself (executive director) will meet to discuss the below information to achieve the above goal.

- Previously, our vehicle sales department had 6 salesman. Today, we only have 5 salesman. A long time salesman at our location for over 20 years retired leaving us a vacant position. We will hire & train an additional salesman to fill the vacant position. The job posting will be posted on our store entrances & online hiring platforms (i.e. indeed). The additional salesman will provide opportunity for additional sales through their personal contacts and by assisting online & in person customers purchase a new & pre-owned vehicles.
- Create a monthly monetary incentive for any salesmen that sells 6 or more pre-owned vehicles in the current sales month.
- Currently we have 80 pre-owned vehicles in our inventory. Our goal is to only inventory 50 pre-owned vehicles. Pre-owned vehicle retail sales price will be set on day 1, reviewed at day 31, & reduced on a weekly basis beginning day 61. When a vehicle has reached 61 days in inventory, the vehicle will also be placed on online auction to be sold. The vehicle will be sold via retail or wholesale, whichever comes first. Doing this will keep the inventory "fresh".
- We will wholesale pre-owned frozen inventory at a loss & wholesale pre-owned non-frozen inventory at a profit to achieve a net-zero loss between them. This method will be used to remove the frozen pre-owned inventory and will continue to be utilized after a pre-owned vehicle has been in inventory for over 90 days. This will free up frozen capital to allow for purchase of "fresh" pre-owned vehicles.
- The general manager, pre-owned vehicle manager, and executive director will meet the 1st and 16th day of each month to review our current status.

Potential Challenges?	Potential Solutions?
1) Finding a salesman 2) Owner's approval 3) Market Fluctuations	1) Networking, interviewing, and providing a monthly salesman minimum earnings guarantee will help encourage future employees to switch careers/employers to us. 2) Explain the above goal, action plan, and expectations of the plan and only then will the owner approve. 3) Pre-owned market may change so keeping vehicles no longer than 90 days should help protect the store from market fluctuations and money loss