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 unthaw 50% our pre-owned inventory frozen capital by April 1, 2025.

Mostly our problem is in the pre-owned sleeper tractors we have for sale. The market is very slow right now and prices are depressed. They just aren't what the customers in our AOR are looking for.

BOTTOM LINE: Benefits of Achieving Your Goal

Saving an increasing amount of money per month in floorplan interest expense.

Achieving the correct mix of pre-owned inventory.

Saving time starting (or jumping) the inventory, cleaning it and moving it around, plus typical maintenance expenses of fuel, batteries, failing sensors, etc.

Less used inventory sitting around to attract potential thieves.

Consequences of Not Achieving Your Goal

Continuing to pay floor plan expenses monthly.

Cost of our competition putting their trucks in our AOR as well as lost parts and service sales.

Time wasted starting the inventoy as well as continued maintenance expanese.

More used inventory to attract potential thieves.

When will you start? I will begin November 1, 2024

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

I will record my pre-owned inventory on Novemeber 1, 2024, and track it monthly - both number of units as well as dollars of pre-owned inventory.

I will calculate my Pre-owned Truck Inventory Frozen Capital and track it monthly.

I will calculate my Pre-owned Truck Inventory Days' Supply & Turns and track it monthly.

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

I will research wholesale and auction solutions.

I will make sure my website is accurate and up to date with current market pricing.

I will add an additional 20% Commission spiff to the sale of used inventory.

I will reconnect with past buyers of similar inventory and determine if they would be willing to buy anything at a greatly reduced price. We may be able to get a price that is a little better than wholesale, but still far under the retail price they are used to paying.

I will restrict trades on sleeper tractors, or ensure the trades can be passed through to auction immediately, or pre-sold to a wholesaler.

I will set up an appointment with Chad Beacham of Tampa Truck Center as they are selling over 3X the class average.

Potential Challenges?

The inability to sell as many units as quickly as I would like because we are updside down in several units and need to free up the additional funds to cover the amount owed to the bank.

Buy-in from ownership.

Potential Solutions?

Because our Total Absorption is so good maybe we can strategize to take more GP from our new truck sales to help move out this pre-owned inventory.

Display the true cost savings and overall financial benefit to the dealership.