N335 #3 Week 4 (Pre-owned)

Retail 200 units per Month

Action Item	Action Plan	Measurement of Success	Target Date	Review Period
Increase Turn Rate to 15 times per Year	(A) Acquire High Demand vehicles for our market at under $17,000 acquisition cost. (B) Reduce average transaction amount to $25,000 from $29,500 (C) Check classifieds, rental car companies, and auctions. (D) Participate in pre auction activities by assisting Brian Monaco make smart wholesale purchases. (E) Market and price vehicles on day one.	(A) Keeping lower priced trades with cosmetic issues that we would normally wholesaled should increase our inventory levels. (B) By acquiring more lower priced trades and setting a cap on wholesale purchases to $20,000 by our buyers. Any purchase over $20,000 has to be approved by Steve Smiley or Greg Zeigler. This action should bring additional buyers into the store, resulting in more sales; (C) Expanding our purchasing reach to Rental companies, Classified ad's, and attending more auctions will help us attain vehicles we wouldn't always trade for such as high demand vehicles (D) Re-evaluate buyers, and wholesalers payplans to align with new strategy. (E) Switching syndication from VIn-Solutions to V-Auto will allow the pictures that our buyers take at appraisal time to be used and uploaded to our website the date the vehicle is traded for.	9/1/2018-2/1/2019	Daily
Reduce Time to Front Line to 5 Days	(A) Process Mapping the time to front line with Brian Ligienza to save the time it takes from trade in to front line. Collaberating with Fixed ops to find improvements in process	(A) When our goal of 5 days from Trade in to Front line is achieved.	11/1/2018	Bi-Monthly
Reduce Average Recon Amount to $1700 per car	(A) Reducing the Recon on each category of pre-owned vehicles whiles staying within our JM Guidelines Currently at $2,227 per car. Only focusing on safety and minor cosmetic issues on Value Price and JMC cars. Continue to meet with the Senior Leadership team to refine the process. Working together with Angelo Grosso to define specific criteria of each category. Goal $1,700	(A) Reducing the average recon on trades should increase both "Look to Book" and average front end profit. An additional result of this would be a decrease in the amount of aged vehicles due to being able to price more aggressively on day one.	11/1/2018	Daily
Structured Pricing Strategy	on all vehicles over 50 Days in Stock. 1. 0-20 Price Bucket to average 98% Price to Market 2. 21-30 95% 96% through September 3. 31-40 93% 95% Through September 4. 41-50 92% 94% Through September 5. 51-60 90% 6. 60+ Hard Turn. Market no more than $1000 over wholesale/Consider Sending to wholesale	(A) Increased Turn Rate to 15 times per year with an increase to our Front End Profit. Eliminating aged inventory over 60 Days in Stock.	9/1/2018-10/1/2018	Daily
Stock Value Price Cars	(A) Utilizing 20 spaces on the East side of the Front lot for Value Price Cars. Each car will have a unique descriptive label that assists the Sales Managers to descrive the condition and safety. (B) Establishing reconditioning standards that focus less on cosmetic and focus strictly on safety related items.	(A) Bringing in a new buyer who can become loyal to JM Lexus for life by experiencing the same experience our new and certified customers experience. Bringing awareness to the market that we sell all different priced vehicles to accomidate a range of buyers. (B) Having a lower average reconidtioning amount will allow us to have more inexpensive vehicles that we can turn quickly and earn finance income.	9/1/2018-10/1/2018	Daily