

Verification Form Regarding the Departmental Action Plan

Fixed Operations 1 Week Post- Class Homework Assignment

Dear Academy sponsor,

One of the post-class homework assignments given to your manager at the conclusion of week two at the Academy is the Departmental Action Plan form. The student's assignment is to show you the format of the assignment, explaining to you the purpose of crafting a departmental action plan after week 2 of the Academy. This assignment will be completed four separate times, (classes 2-5) after the student has attended the fixed operations 1 parts week, the fixed operations 2 service week, the variable operations 1 class week and the variable operations 2 class week. The progress of the student's departmental action plans will be assessed by each of the Academy instructors in weeks 2 through 5 of the Academy. Please sign this form below which indicates that the student has reviewed the departmental action with you, and have your student bring the form with them, when they return for their fixed operations 2 parts class. We will collect these forms at that time from the students. The student will receive a pass/fail grade, based upon whether they submit this form signed by you. This is being done in order to verify that each student has shared the Departmental Action Plan with their sponsor.

Thank you for your cooperation.

Sponsor's Printed Name Doyle Bruno Sponsor's Signature

Date 03/07/19



Very truly yours,

First Time Fill Rate

BRAVO CDJR	# OF RO'S	NADA Motors RO's Filled 1st	First time fill rate RO's Filled Same	RO's Not Filled	Actual 1st Time
2/5/2019	3	3			100.00%
	2	1	1		50.00%
	1	1			100.00%
	1	1			100.00%
2/7/2019	2	2			100.00%
	3	3			100.00%
	1	1			100.00%
2/11/2019	5	4	1		80.00%
	1	1			100.00%
	2	2			100.00%
	3	2	1		66.67%
	2	1	1		50.00%
2/12/2019	3	1	2		33.33%
	2	2			100.00%
	2	2			100.00%
	1	0	1		0.00%
	1	1			100.00%
2/18/2019	1	1			100.00%
	1	1			100.00%
	1	1			100.00%
	1	1			100.00%
2/20/2019	5	5			100.00%
	3	3			100.00%
	1	1			100.00%
	1	1			100.00%
	1	1			100.00%
Totals	50	43	7	0	86.00%

1. Last competitive analysis done in November of 2018
2. Prices compared and our dealer is in the top 20% of prices.
3. Compared pricing on competitive items. Dealer is within 2% of the competition.
4. CDK allows for multiple pricing levels to accommodate the various dealership customers. We found several areas of improvement. Wholesale pricing was increased for customers with a purchase volume less than \$2000 a month. Prices for customer pay RO sales were increased using a matrix. This allowed for larger increases in the high volume "under \$10" category. These changes yielded an immediate 3% gross increase.
5. The exception report is monitored periodically to ensure the pricing policies are maintained. Service Advisors are unable to change parts prices
6. Parts cost is set by the "parts master" supplied by the manufacture. Any changes in cost are corrected by the parts master.
7. All parts factory parts are recited at the factory cost. All aftermarket parts are recited in using the cost from that parts invoice.
8. Purchase discounts from local suppliers are added to the gross profit. Any purchase discounts from the factory are added to the "purchase discounts" line on the financial statement, page 5 Line 34
9. The parts department sells parts through an online store, Ebay, and Amazon.
10. None at this time
11. We currently use an outside sales representative to keep Bravo CDJR top of mind for wholesale customers. At a cost of \$500 per month we have seen a \$4,000 a month increase in wholesale gross profit.
12. None at this time
13. Website is responsive and accommodates all screen sizes
14. Parts coupons are used sparingly and only stay up for a predetermined amount of time.
15. Payplans are reviewed monthly and currently inline with the gross profit generated.
16. The parts department has several revenue streams including, online, wholesale, retail and accessories.
17. Accessories are being sold on each used car and displays are present in sales and service. At \$248 PNUR there is room to grow here.
18. Wholesale customers are regularly reviewed
19. Yes, Glendale is the current major player. Difficult to unseat by increasing delivery because of their proximity to the central freeway.
20. Wholesale applications are reviewed by the controller. State Tax ID and resale licenses need to be updated
21. Expenses were discussed and all areas are in line
22. Credit approval is determined by the controller. Receivables are followed up on by the sales person. Account limits are monitored by the sales person
23. Yes and daily
24. The special order parts process needs to be reviewed and documented
25. Yes we do require 100% pre-payment on all special order parts.
26. There is no time limit set on special order parts. We do not allow returns on special order parts.
27. Counterperson

28. Yes
29. Special order shelf, organized alphabetically. The counterperson notifies customer, both internal and external. Service and Parts Director determines when a special order part should be returned. No one is specifically assigned to follow up on SOP's that remain on the shelf.
30. They are in a separate section
31. PO's are unmonitored and currently have no controls
32. Purchases for parts are made by the parts staff and overseen by the Service and Parts Director
33. All internal parts prices have been set by the owner Douglas Bravo
34. The parts inventory exceeds the GL balance
35. N/A
36. Currently investigating the gap between the GL and the parts inventory
37. N/A
38. No
39. There is no formal training program in place currently
40. No
41. Yes. November of 2018
42. Current equipment exceeds demand and positioned well for growth.
43. Daily order adjustments are made to large parts (engines), body panels, and parts that are vin specific. Process was changed in November of 2018 as no daily order was being conducted. Current program is to phase in all parts except those that meet the criteria above.
- 44.
45. 84%
46. Managements reports are stored in the DSDA document archive system. Reports are used daily to improve inventory performance.
47. Yes
48. Inventory adjustments are rarely made.
49. Yes. Count is accurate
50. No
51. No
52. Yes and all counter people can make a lost sale.
53. Lost sales are reviewed by the Service and Parts Director monthly
54. Yes and yes
55. The phase-in is currently set at 3 in 9 and managed by CDK
56. 80%
57. Bulk oil is the only part located outside the parts department.
58. Currently all verbal. Service and Parts Director
59. The lead counterperson is specifically assigned to file damages and shortages received from the factory.
60. Opening counterperson checks in the daily order. The order is received by checking the physical parts against the manifest. Then the completed manifest is used to receipt parts into the CDK inventory. Discrepancies are identified and handled by the lead counterperson
61. No
62. Prices are automatically updated by Chrysler
63. Yes, Parts and Service Director.

- 64. GL was increased by \$50,000
- 65. Yes
- 66. OBSO parts are not physically in the same location. They are kept in a single source. No special bin designation
- 67. Controller
- 68. Yes
- 69. Yes
- 70. 2 months supply.
- 71. 2.18 turns.
- 72.
- 73. Policies and procedures are currently being created.
- 74. Yes. Parts counter people and management
- 75. Yes. Retail counterperson balances nightly
- 76. No
- 77. No
- 78.