

Management Action Plan – VO1

Student Name: Nick Karamat

Dealership: Fritts Ford

Class & Student Number: N340 #19

Current situation or challenge you want to address (narrow your focus): Currently my used car per copy average is \$1737 for cars and trucks, excluding F&I. My challenge will be trying to turn my used car inventory faster (improve my turn rate from 7.64 to 8.50), bringing recon cost down in face of raising my internal rate from \$100 to \$130.

Average Gross Per Used Vehicle							
Per Used Car Retail	\$940	\$1,092	(\$152) ▼	\$1,031	\$1,028	\$3 ▲	(\$91) ▲
Per Used Truck Retail	\$1,679	\$1,484	\$195 ▲	\$1,236	\$1,500	(\$264) ▼	\$443 ▼
Per Remarketed Car Retail	\$0	\$0	\$0 -	(\$266)	(\$375)	\$109 ▲	\$266 ▼
Per Remarketed Truck Retail	\$0	\$0	\$0 -	\$337	\$65	\$272 ▲	(\$337) ▼
Per CPO Car	\$933	\$1,301	(\$368) ▼	\$1,043	\$893	\$150 ▲	(\$110) ▼
Per CPO Truck	\$1,817	\$1,813	\$4 ▲	\$1,182	\$1,113	\$70 ▲	\$635 ▲
Per Med/Hvy Truck Retail	\$0	\$0	\$0 -	\$0	\$0	\$0 -	\$0 ▲
Total Retail	\$1,737	\$1,802	(\$65) ▼	\$1,118	\$1,217	(\$99) ▼	\$619 ▲
Per Used Wholesale	\$305	\$204	\$101 ▲	(\$218)	(\$107)	(\$111) ▼	\$522 ▼
Total Gross PUVS	\$1,230	\$1,196	\$34 ▲	\$592	\$743	(\$152) ▼	\$638 ▲
Memo: F&I Income PUVR	\$1,504	\$1,587	(\$83) ▼	\$1,096	\$1,110	(\$14) ▼	\$409 ▲

Overall objective (goal) and specific desired results: My goal is to increase my per copy to \$2,000 excluding F&I.

Describe your action plan in detail (including before and after measurements):

-Bring recon cost from \$1308 average to \$1100 by doing the following:

- Monitor which cars need to be CPO

- Get the vehicle in and out of recon quicker, by providing the tech with a helper, my goal is to get the vehicle front line ready in 3-5 days.

- Do everything in house

- Buy cars that are front line ready from vendors like Hertz and Enterprise

-Turn inventory quicker:

- Hard turn

- Offer spiffs

- Drop prices

-Training:

- Train sales people on the features and benefits of used cars in order to Hold gross

- Building value

-Utilize Digital Vendors:

- Display inventory with different vendors and platform displays

Timeline: What is your implementation date? Describe specific short-term and long-term checkpoints to monitor progress.

I have already implemented the plan as of March 1st. I will re-evaluate it around May 31st and again in August.

Meeting with Stakeholders (dealership personnel):

Describe what behavior change is needed to support desired goal. Address required coaching, training and/or consequences, including timelines / accountability / process monitoring activity.

1. Who: Chris
2. What: Used car recon
3. By When: Immediately
4. How: Keeping a close eye on CPO and Non CPO

Dealer agreement:

If you need your sponsors support or approval to implement your plan, have it signed off before you start. If you can proceed on your own, present this action plan to your sponsor before next class. Describe the meeting: Very healthy meeting and full support by the sponsor.
