

Departmental Action Plan

Dealership Ross Chrysler Jeep Dodge Ram

Student Name Steve Silver

Academy Week Fixed Ops 1 - Parts Week

Class & Student Number N348-29

Current Situation

We are not currently tracking lost sales. We are also not selling parts online and the \$299 we are sending Mopar every month is literally being wasted. We also do not have good communication between the advisors and the parts staff when it comes to contacting the customers with special order parts. We have over \$55,000 right now in Obsolescence inventory that needs to be reduced. Our current year average for the departments maintained gross is less than 31% Not enough current Parts coupons online. Need to get to guide of GP 38%

Overall Objective:

Establish way(s) to take payment for our online Mopar e-Store. Establish process for Special Order Process items. Utilize the excel Spreadsheet to be used by all parts people to ensure contact is made between departments. Reduce Obsolescence percent from its current 17% value down to guide (5%) Bring department gross up by building value and stop giving immediate discounts. Have a better phone process for questions about Retail and Wholesale counter sales, create log with customers pertinent info.

Proposed Timeline

Correct not having a payment option on the website within 10 days. Post obsolescence parts online within 60 days. (Amazon / eBay) Look into CDK Cash Delivery or other source within 30 days. Donate up to a \$1,000 at different commercial events monthly. Get parts average gross department up to 38% by 120 days - Have PHONE Log created by May 1st. Have more coupons online printable and or ability to save to mobile wallet by May 1st.

Action Plan

Link PayPal express to our Mopar e-Store - Email Amazon to setup FCA Ross Account - if this does not work successfully contact them by phone. Setup credit card system/payment method for our new Amazon Mopar store. Maximize our listings on Bay to sell all OBSO - make sure ALL these items are listed for sale. If they are not sold or getting relevant hits,etc. Lower the price the following week. Use the SOP Excel Spread Sheet once a week and turn into GM to review. Start donating parts for this Aprils Event on the 23rd of April. to reduce total OBSO. Instant change of no longer discounting internal parts. All should be billed out at retail.

Requirements

1. Manager Meeting once per week on Mondays

Action Proposed: Fix/Create SOP process / Check lost sales on the 17th of every month to ensure new process is getting done. Get parts personell on board.

Meeting with parts personnel

2. Assign each person a responsibility to complete.
Parts Director - Establish Amazon account with AM - Parts Manager - reduce core inventory both clean and dirty - PM - also provide list of OBSO parts and post them on eBay to ensure they are for sale. AM - Link PavPal to the dealerships online

3. Accountability: Monitoring progress:
Who: Steve Silver - GM Hold All Parts Personnel Accountable
What: Tracking Lost Sales / Utilizing the SOP Spread Sheets / Seeing that Amazon has been setup / Ensuring use of our Mopar E-store is fully functional.
By: Dates given above.
How: By working together as a team and earning more income by improving our current situation.

4. Describe checkpoints that have been established to measure progress:

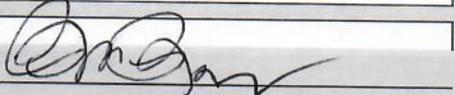
Daily / Weekly / Bi-weekly / Monthly /

Date(s) for review: Weekly review of all outstanding SOPs still on shelves

Projected Date of Completion:

90 days

Sponsor Signature:



Evaluation of Results: Include measured results. (± Metrics)

Impact Areas:

Sales / Gross / Expenses / Net Profit / CSI / - Sales Volume will go up / Gross should maintain steady if not go up by implementing everything at internal rate at retail. Expenses will rise a small amount due to the amazon store, shipping more items but we will be moving volume. Net Profit should be relatively similar except when moving the OBSO parts as this will free up Cash but selling slow moving items for less markup.