

1. Source pricing is reviewed monthly to assure proper G.P. margins are met.
2. "Competitive shops" to surrounding dealers and IRFs are performed quarterly. Our most common comparison is for Wholesale pricing and tire pricing. With tire pricing we offer a price match to any brick and mortar facility. As of now we are priced equal and some cases better than surrounding tire competitors. We offer a slightly heavier discount than the competing dealers in wholesale.
3. (See #2)
4. We have a pricing strategy and/or matrix in place for Wholesale, Retail, and Customer Pay RO's.
5. Limited access is allowed to Service and Parts Advisors for discounting. In Parts we have a Gross Profit Protection that flags sales under 15% GP. All price overrides are recorded in the DMS. Service Advisors require approval for discounting.
6. If a part is purchased at a cost greater than OE cost, the adjustment is made at the time of sale. The part will be sold at the inflated cost and received into inventory at the same cost. If any inventory value adjustments need to be made it is reported to central accounting.
7. All parts sold out of the inventory are maintaining factory cost and updated monthly.
8. BMW rarely offers discounted parts. In the event we purchase a discounted part, this would be reflected in the parts cost in our inventory. This way our general ledger and inventory would match. This may vary depending on how the manufacturer invoices our dealer.
9. Yes
10. As a dealer group we merchandise/advertise with posters, notepads, pens, and line cards etc. The relative cost vs. sales is as a group keeping the cost low for each dealer. At our dealer we advertise with mailers and emails. Parts and Service collaborate to create each piece sent out.
11. We have a Wholesale Sales rep for the dealer group. All the reporting is done through PSX and reviewed monthly by each brand. The sales generated cover the cost of the position.
12. Co-Op is offered through BMW and is used in full every period. Increased funds are obtained through utilizing the funds. The more we use, the more we earn the following year.
13. Yes
14. Parts coupons are checked quarterly and tend to follow the seasons.
15. Sales, Gross, and Net profits are reviewed monthly. All departmental expenses are reviewed including salaries. We are providing sufficient profit for the pay levels established.
16. Service is our number one customer, but we focus on Wholesale and Retail sales too.
17. We currently offer a discount in parts for customers buying a vehicle. This is an area with potential and we look to create more opportunities for part sales.
18. Wholesale customers are tracked and reviewed monthly. Our campus wholesale operation has multiple brands and keeps delivery costs low. All driver routes are also tracked and reviewed.

19. We have a strong wholesale presence in our region. We keep a close eye on our competitors and seek areas for improvement. In our local surrounding area, we will deliver 2-3+ times a day and further distances we travel 2 times a day.
20. Credit applications for charge customers are forwarded to central accounting for approval. All customers are required to fill out and sign an ST-4 form.
21. All expenses are monitored and reviewed monthly. If anything appears out of line adjustments are made accordingly. (IE: Excessive Freight Charges - We would review stocking levels of expedited parts and make sure we recapture the fees at the point of sale.)
22. All charge customers must fill out a line of credit application which is forwarded to central accounting. Statements are sent out monthly and aging accounts are reported to management of the respective departments.
23. Yes, Monthly.
24. The Parts Manager generates the SOR policy. Service SOR's must have an appointment or pre-pay for the part. Retail SOR's are pre-paid.
25. In addition to the above #24, wholesale is not required to pre-pay for parts. Re-stocking charges are implemented on any special ordered part returned.
26. In the event the customer can't be contacted within 30 days of receipt, the part is returned. Depending on sales levels it may be put into stock. A re-stock fee is applied to all SOR's returned.
27. Parts Advisor and Service Advisor (If a service customer).
28. Yes, all SOR forms are generated in the DMS.
29. SOR's are stored on a designated shelf alphabetically. A report is run by the Parts Manager in the DMS at the close of each month to review aged SOR's. Each customer is contacted at the part's time of arrival by the parts advisor or service advisor.
30. SOR's have their own designated shelving.
31. All PO's are closed and approved by the manager and sent to the corporate office for payment.
32. Parts Advisors have access to generate a PO, but are monitored by the Parts Manager. All PO's are finalized and sent to corporate for review and payment.
33. Internal parts pricing is set on a corporate level.
34. -
35. -
36. Depending on the variance this could be abnormal. Having a large swing in either direction could be the cause of many factors. Mis-posted invoices or improper inventory levels are the most common. Daily bin counts and a proper shipping and receiving process is a must.
37. -
38. Yes
39. Parts training is performed by the Manager. Training is also required by the manufacturer and must be completed quarterly.
40. Records are stored electronically for the DMS and Manufacturer training.
41. Parts Trainings and meetings are held annually by the manufacturer.

42. Each Parts Advisor has their own computer terminal with working counter space. The shipper/receiver has adequate space and computer terminal to complete their tasks.
43. Stock orders are processed through the DMS and BMW's auto-replenish system. Stock order criteria will be adjusted depending on the trends throughout the year. Fill rate is monitored to assure our inventory levels are proper. This is monitored and controlled by the Parts Manager and overseen by the Fixed ops Director and GM.
- 44.-
- 45.-
46. DOC's and Expense reports are sent out daily to the managers. MGR reports are reviewed daily/monthly. Each manager is required to submit monthly checklists based on these reports.
47. Reports found in the DMS are used to complete monthly checklists. The checklist helps discover trends that need to be addressed.
48. A monthly price tape is run. Daily bin counts are performed.
49. Yes, fast movers are counted monthly.
50. Yes
51. Yes
52. Yes, Parts Advisors
53. The Parts Manager reviews lost sales. This is tracked and reported through a monthly management check list.
54. Yes, non-stock source is continually monitored for phase-in parts.
55. 3 hits in 9 months.
- 56.-
57. Yes. Some shop supplies are stored in parts, but for loss prevention purposes. These have been billed to the appropriate accounts and not parts inventory.
58. Written and Verbal - We have a designated shipper/receiver overseen by the Parts Manager.
59. Damage is reported to the Parts Manager and a claim is filed with the Manufacturer.
60. Shipper/Receiver scans in the order. Upon completion a discrepancy report is run and reviewed against the factory shipment content list/invoices.
61. Yes, daily bin counts are performed and an annual physical inventory is performed.
62. Parts Manager/DMS
63. All appreciations and depreciations are reported to central accounting for adjustments.
64. Physical inventory showed an increase of ~3% to the parts inventory.
65. Yes
66. Obsolete parts are separated by source.
- 67.-
68. All WIP is monitored Daily/Monthly for completion. Aged tickets are reported to the respective management teams.
69. Yes
70. 57.25 (Bonus buy-up)
- 71.-
72. Yes
- 73.-

74. Yes, Manager and Parts Advisors

75. No

76. -

77. Yes - Management

78. -