



ATD Fixed Operations 2

Empire Truck Sales, LLC

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Empire Truck Sales, LLC.

ADVERTISING & MARKETING



- **Google Analytics** – We utilize this tool to track and report website traffic and measure ROI of advertising.
- **Open Houses** - Annual events at each of our locations to show our customers appreciation and showcase our products and facilities.
- **Community Events** – We participate in “Touch a Truck” events introducing our industry to the next generation. We also participate in numerous trade shows and career fair events to promote our business and attract new talent. Along with involvement in local high schools and community colleges.
- **Bi-Annual Sales Blitz** – Cooperative effort between Parts, Sales, and Service to “blitz” our various AORs and touch as many customers as possible.
- **Target Specific Customers** - On-site visits for national fleet accounts and a focused effort to attract local customers for maintenance work to fill the weekends and nights.

FACILITY

FACILITY POTENTIAL		
Number of Bays		238
	x	
Number of Days		28
	x	
Number of Hours		11
	x	
Effective Labor Rate		140
FACILITY POTENTIAL	\$	10,262,560
FACILITY UTILIZATION		
Total Labor Sales	\$	2,015,302
	÷	
Facility Potential	\$	10,262,560
		equals
FACILITY UTILIZATION		19.64%



Increase Utilization

- Move back counter parts salesman (Fetch) to center of shop for increased efficiency.
- Improve technician head count
- Focus on production with supervisors and efficiency with individual technicians
- Expand hours of operation in 3 of our locations & possibly start a night shift at our Mobile, AL location

Productivity

NADA ACTUAL SERVICE ANALYSIS						
Performance	Labor Sales / Month	÷	Hourly Labor Rate	=	Hours Billed	
Customer Truck*		÷		=	0.00	
Customer Truck*	\$ 1,314,826	÷	140.00	=	9391.6	
Customer Other*		÷		=	0.00	
Warranty	\$ 491,786	÷	140.00	=	3512.8	
Internal	\$ 162,062	÷	140.00	=	1157.6	
New Vehicle Prep		÷		=	0.00	
Total	\$ 1,968,674				14062.0	
POTENTIAL						
	\$ 1,968,674	÷	14061.96	=	140.00	\$
	Total labor sales for month		Total hours billed		Effective Labor Rate	
	125.00	x	10	x	15	= 18,750.0
	# Service mechanical technicians		# Hours/Day		Working Days/Month	Clock Hour Aval
	18,750.0	x	\$ 140.00	=	\$ 2,625,000	
	Clock Hours Available		Effective Labor Rate		Labor sales potential	
How proficient are your technicians ?						
	14,062.0	÷	18,750.00	=	75.00%	
	Hours Billed		Hours Available		Tech Proficiency	
Customer labor divide by the Customer Effective Labor rate from the R. O. Analysis						

Productivity



- Utilize menu pricing for our less experienced technicians
- Assign work by skill set
- Go after the work mix that our entry level techs can accomplish
- Targeted training to equip our technicians for the most common failures that we are seeing

Production Method

- Focus on increasing the average billed hours per repair order
- Pull sales history to build job packages and bill more consistently
- Provide customers with more repair options and advise on OEM recommended maintenance items

Cost of Labor

Category	Sales	Gross	Gross as % of Sales	%Sales Contribution
Customer Truck	\$ 1,314,826	965,834	73.46%	66.78%
Customer Truck			0%	0.00%
Customer Other			0%	0.00%
Warranty	\$ 491,786	\$ 367,681	74.76%	24.98%
Warranty Other			0%	0.00%
Internal	\$ 162,062	\$ 106,813	65.91%	08.24%
NVI / Road Ready			0%	0.00%
Adj. Cost Of Labor		\$ (38,554)	0%	0.00%
Total	\$ 1,968,674	\$ 1,401,774	71.20%	100.00%

- We pay our technicians both flat and hourly depending on experience
- We have a mentor bonus for our experienced techs working with entry level technicians
- We monitor and measure our ‘unapplied time’ in order to hold within guidelines

Expense Structure

Expense Structure			
Expense Category	Expense Category	Expense Category	Expense Category
Department Gross	\$ 1,411,749	% of Gross	Profile
Variable Expense	\$ 169,462	12.00%	
Selling Expense		0.00%	
Personnel Expense		0.00%	
Semi-Fixed Expense	\$ 356,842	25.27%	
Fixed Expense	\$ 530,949	37.60%	
Unallocated Expense		0.00%	
Dealer's Salary		0.00%	
Total Expenses	\$ 530,949	37.28%	
Net Profit	\$ 354,496	25.11%	

- Increase billed hours per repair order through menu pricing and suggestive selling
- Focus on daily controls over variable expenses
- Stay within company guidelines regarding compensation %'s

Pay Plans



- **Selling incentives for front line advisors/writers**
- **Focus on coaching our advisors to offer additional repair options to our customers**
- **Explore changing our mentoring incentives from a percent of gross, to hours produced**

Performance Programs



Quarterly branch operations review meetings

- We review our branch objectives collectively and by department with the branch managers
- We report on customers that we have been tracking
- We assign action items to be addressed before the next quarterly meeting
- Measure service director performance in 4 key areas

Training and Tool Organization



- We utilize a full time training department in order to maintain OEM training standards
- Cooperative effort with Hinds Diesel Academy for on-site technician training program
- Each branch has a designated and secure area for specialized tools
- We also employ three full time trainers that keep all of our techs in compliance with OEM guidelines

Swot Analysis

