

Parts Manager Questions:

1. Source pricing not controlled by Asbury is reviewed in totality annually. Fast moving, high demand, and maintenance items are reviewed monthly with regard to local competition both OE and aftermarket. Industry standard is always taken into consideration.
2. Maintenance and accessory items are always sold at manufacturer suggested retail to maintain the integrity set by internet transparency. Key items of OE quality with aftermarket comparable components have a 10-20% difference in either direction. Exceptions: Radiator, Condenser, Non-Remanufactured Electrical Items, and CV Axles. These are not OE competitive due to manufacturer cost prohibitive.
3. We periodically cold call and utilize our online vendor ordering systems to check pricing on key items. It is how we update the price comparison board on the service drive.
4. Yes, our DMS allows for discount structures to be put in place. We recognize several pricing structures. We have standardized pricing for Employee internal set by corporate policy. Warranty is set by manufacturer. Retail and wholesale are controlled by account settings. Wholesale account discounts are set by purchase volume tiers.
5. Our DMS pricing controls are locked down. Some can only be changed at the corporate level. Employees have some flexibility to alter pricing with coupons and discounts, but no employee has direct access to make a permanent structural change.
6. Asbury policy has all parts costing at the OE established pricing. Accounting and market controllers have reports can be ran and are periodically to monitor any +/- adjustments.
7. All inventory is always costed at the factory or vendor established price for accuracy.
8. Any adjustments for discount or promo is tracked in a separate account under a tracked journal entry.
9. Nalley Hyundai is currently the only Nalley store selling online through Amazon.
10. Hyundai has limited merchandise with low gross margins. We have chosen several other items branded for Nalley Hyundai that carry larger gross margins. The additional merchandise accounts for less than 30% of the retail counter sales, but carries nearly 50% of the total gross value.
11. Nalley group has two outside sales representatives. They are split amongst the 20 Nalley stores. This is a National Director decision and individual store performance has no bearing. The outside reps push for all Nalley locations.
12. Hyundai does not offer merchandising funds. The closest action by Hyundai to a merchandising program would be the use of co-op money that can be allocated to store branded items.
13. Asbury as a whole is developing a mobile platform. Primarily for sales, with plans to move into more fixed operation related items later.
14. Online coupons are reviewed each month and most holidays with the Asbury marketing team. Items are updated regularly with shifting seasons and sales.
15. Pay plan expenses are reviewed each month. Items that are out of guidelines are investigated and determination to make changes are made.
16. Nalley Hyundai parts strives to seek all revenue. It does not "live off" any other department.
17. A program implementation to sell additional accessories both through the sales and parts floor is worth consideration. The parts boutique has minimal space and Hyundai overall has little accessories, but there is nothing substantial in place and warrant further investigation.
18. Wholesale is reviewed constantly. The National and local wholesale director coordinate regularly with the outside sales reps and a weekly phone meeting is held every Tuesday to go over accounts. Expense and logistics is tracked and scrutinized.
19. Our market of opportunity is consistently on our mind. Through the wholesale reps and multiple reporting features within both CDK and Qlik Sense we are able to make decisions

with regards to service in both current and new areas. The major players for our brand are known and tracked. Our reps often visit their customers to always keep the Nalley name and services provided forefront. We are always growing our market share. We deliver local routes 2+ times a day, primary routes twice a day, and long hauls once. Our trucks cover a 200+ mile radius with the relay system in place.

20. Wholesale applications are reviewed by parts managers, outside sales reps, and parts directors. Tax-ID certificates are collected and being collected regularly. Currently being moved to a central share drive for all Nalley stores to access without having to keep copies at every location.
21. We discuss expenses at weekly asset meetings and month end review.
22. Accounts requesting certain discounts and charge status are sent over to the corporate accounts credit department for an application process. Multiple references are checked along with a financial review. Credit receivables are tracked by the credit department. Credit limits are set by credit department. COD receivables are accounted for by the parts manager and office manager.
23. Financial statements are available at all times in nearly real time. We do a monthly review.
24. Special order parts policies are listed first in the employee handbook. Additional information and guidelines have been sent out by the National Parts Director. Store level management has some alterations to the process when needed. The process is printed and taped to a highly visible spot in parts.
25. Counter retail sop's are prepaid. Known wholesale accounts are not. Service RO requires appointment set for install, prepayment, or deductible to be held.
26. Sop's are reviewed each Monday. Items over 30 are given a final warning for install. Items over 35 days are sent back on 45 day Hyundai return program. Some items not on program can go back with a restock charge or be held until a later date the manufacturer approves for return with no charge.
27. Sops are initiated by the customer (retail, technician, advisor, etc) implemented and processed by parts personnel.
28. All special orders are done electronically through the DMS. Notes are typed and always legible.
29. Sop's for service are on designated labeled bins in parts near the back counter. Customer notification goes out by email and/or phone call from parts and service liaison. Follow up by parts and/or service personnel.
30. Sop's are separate from all regular inventory.
31. PO's are monitored and controlled by the corporate accounting office. Anyone can issue a PO, but any item over \$500 submitted goes through a multi-person approval process.
32. Per the parts manager all parts personnel can make purchases from approved vendors. All purchasing is overseen by store and corporate accounting teams.
33. Internal pricing set by Asbury policy. All parts are ran through parts.
34. Hyundai monthly reconciliation consistently runs over 1-2% if total asset value.
35. n/a
36. Overages within guideline are acceptable and annual inventory trues up.
37. n/a
38. All parts employees are cross trained to handle most day to day functions. Excepting the drivers. The assistant manager, manager, and warehouse manager typically handle the majority of functions and have primary responsibilities. However everyone is taught multiple areas and know how to operate those functions as a secondary responsibility.
39. All parts training is initially implemented by the manager. Cross training occurs from employee to employee depending on area of expertise.
40. Training certificates are printed/recorded. Manufacturer and some other online courses are periodic throughout the year.
41. No formal Finance Management class within the industry. Clint attends at least one formal Hyundai training per year.

42. System hardware is adequate for current volume and personnel needs.
43. Stock adjustments are made by warehouse manager and parts manager. The Hyundai RIM program sets most criteria with a less than 2% deviation. Number one reason for alteration to RIM order is size of item.
44. Positive. We are steadily growing and finding ways to do it.
45. 90%+
46. Parts manager generates, logs, emails copies, and saves to share drive every month for parts reconciliation.
47. DMS summary is used on occasion at month end. DMS scorecard information to be shared with our IT and operations team.
48. Cycle counts are done regularly and monthly reconciliation is reviewed. Annual inventory makes any final adjustments.
49. Cycle counts for the entire department regularly equals all inventory counted 2-3 times per year between inventories.
50. All adjustments are reviewed either in real time or at end of cycle count report.
51. See Lost Sale Quiz data
52. All parts personnel can track lost sales.
53. Lost sales reviewed by parts manager monthly.
54. Hyundai RIM program
55. Hyundai RIM program guidelines
56. 98%
57. All parts in inventory are stocked. Items not in inventory (ie, shop supply) are stored in shop or under lock on shop supply shelf in parts.
58. The share drive hold several "how to" documents for parts procedures. Dry erase board in department holds many of the parts truths for all to see and follow.
59. Claims filed by warehouse or parts manager.
60. Orders received primarily by warehouse manager, then parts manager, then countermen. Digital packing slips are used against scan receipting to true up. Discrepancies filed to against vendor. Product shadow receipted and put on claims schedule.
61. Cycle counts are done regularly and monthly reconciliation is reviewed. Annual inventory makes any final adjustments.
62. Price updates are pushed down by corporate.
63. Cycle counts are done regularly and monthly reconciliation is reviewed. Annual inventory makes any final adjustments.
64. Current tracking an approximate \$10,000 overage.
65. Obsolete parts are written off after 12 months and disposed of.
66. Disposed
67. Parts manager, monthly reconciliation
68. Month end processes. Coordinating managers and schedules to process everything possible.
69. Daily DOC in detail sent every morning.
70. Nalley Hyundai 23 day supply. We run lean.
71. 11.8 True Turn. Collision sales and low day supply make for high true turns.
72. Inventory area for wholesale needs to grow.
73. HR and GM through electronic communication and evaluation in software My Drivers Seat. Verified by HR/Corporate.
74. Parts is locked and separately zoned for alarm. Parts personnel have keys to parts.
75. Cash drawer maintained by parts and service liaison.
76. Cash drawer has daily balancing with strict protocols. Turned into office manager/accounting.
77. All Nalley locations have security cameras. Management has access to viewing.
78. ROI -Listen, Understand, Trust, and Support management growth ideals

