



Fixed Operations 2 Service Homework

Evaluation of Service Department

DW Toyota of Las Vegas

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N353-21

September 2019 Financial Statement was used as a reference point in this evaluation

This is the oldest Toyota point in Las Vegas. Dealership is located in the heart of the city and could be reached from any part of town within 20-25 min. This definitely need to be focal point of our advertising campaign along with our strengths, things that separate us from other non-factory service departments. Those strengths are our Toyota Certified technicians along with latest technology equipment that is needed to work efficiently on late model vehicles. Having highest level techs and equipment is something that make us stand above competitors. They can't offer that. That should reassure customers that we will do the job right the very first time. And time is money.

Based on 50 Available Bays, 23 days, 11 hours per day available and ELR our Facility Potential for month of September was \$1,588,714 and we utilized only 30.92% of that.

Great News is that we will have no facility issues as we grow in the future.

Our Tech Proficiency Based on hours billed and hours available was at 82.40%. NADA guide is 120%

This is our biggest area of opportunity to grow. Implementing additional training for advisors will lower amount of one liner RO'S and help Techs utilizing time more effectively. That will result in higher department profit.

We need to continue with our message One Team One Dream building the team spirit to make sure that all Techs understand that they are part of one team, DW Toyota of Las Vegas even do they get jobs thru Electronic dispatch as an individuals.



Labor gross percent of total service labor sales is at 81.88% which is above NADA guideline of 68%.

Total service expense for the 09/ 19 was 75.05 % of Gross which is bellow NADA guide of 80 %.

Total sales: \$582,938

Total Gross Profit: \$430,629

Total expenses: \$323,186

Operating profit: \$107443

Expense and profit are within the NADA guidelines. There is a huge opportunity to grow. As mentioned before facility have over \$1.5 million potential. There is 50 service bays. This is one of the four Toyota dealerships in 2.5 million people metropolitan area and it is very easy to accesses from any part of town. Growing people that are already part of our culture, understanding our processes and know what dealership stands for and selectively hiring new ones will allow department to grow and use the building to full potential.

Goal is a \$1.5 million dollar department!

As of right now department have:

8 Toyota Master Technicians,

6 Expert level,

2 Certified and

6 certified maintenance with

2 maintenance apprentices.

As of right now all level of current training are completed by all employees required to do so.

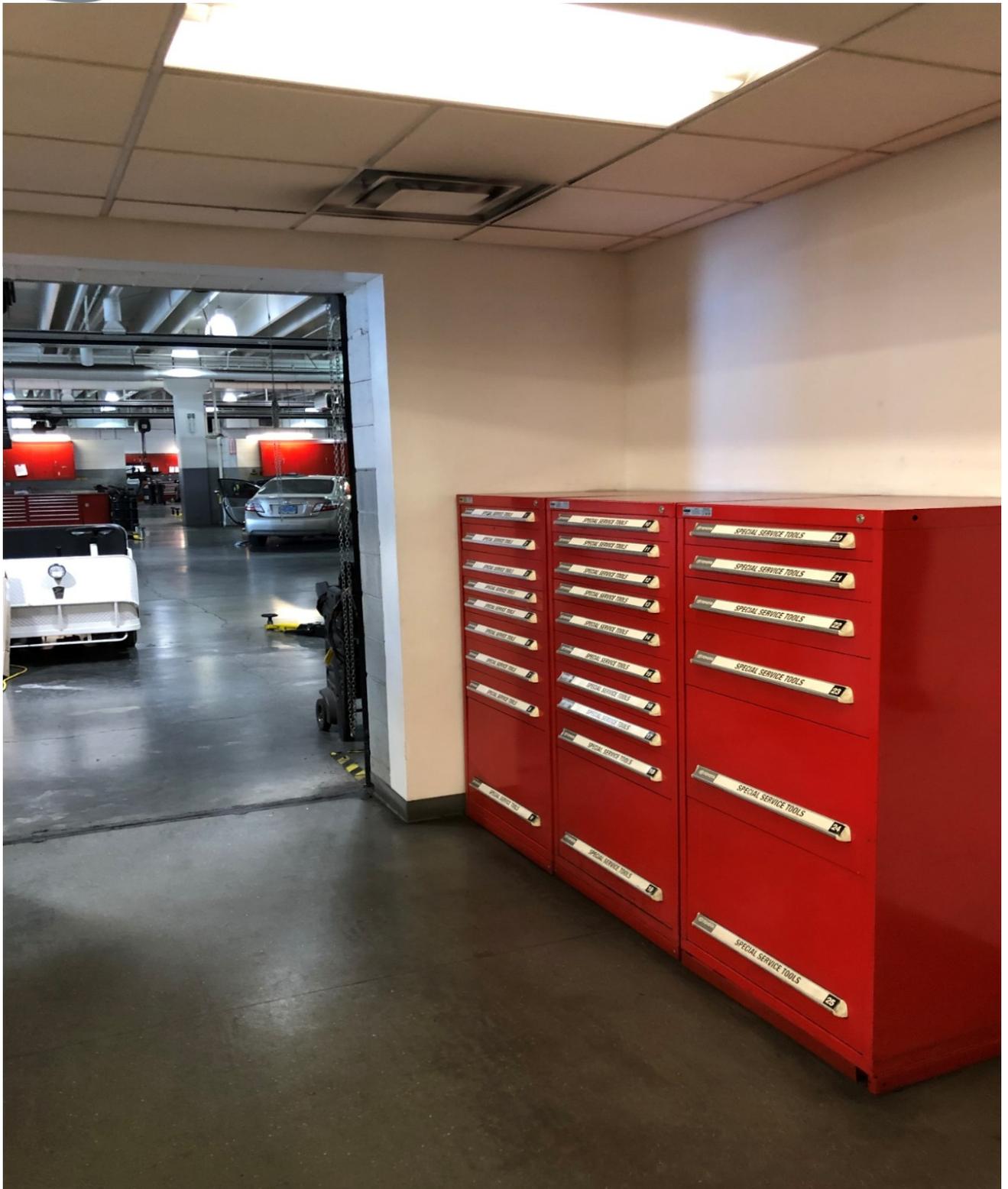
Department must continue to use every available opportunity from Toyota to improve the knowledge of our Tech thru Training.



Special tools are located across the Back Parts Counter and kept clean as shown in two pictures bellow.



ACADEMY





Repair Order Analysis Summary Report

	Sales in Dollars	FRH's on RO's	Averages	Analysis
Competitive	\$ 4,642 ÷	41.30 =	112.38	FRH Average
Maintenance	\$ 1,410 ÷	12.70 =	111.04	FRH Average
Repair	\$ 9,359 ÷	81.50 =	114.83	FRH Average
Totals	\$ 15,411 ÷	135.50 =	113.73	Customer ELR
		Target Labor Rate	117.79	Per FRH
Total Ro's in Sample	100	Difference	-4.06	Per FRH

Cost of Labor

Total Cost of Labor	2789.33 ÷	Total Sales	=	18.10%	Percent Cost of Sales
Total Cost of Labor	2789.33 ÷	Total FRHs	=	20.58	Cost per FRH

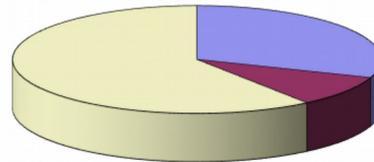
Repair Order Measurements

Total Labor Sales	15,410.85 ÷	Total ROs	=	154.11	Avg Labor per RO
Total FRHs	135.50 ÷	Total ROs	=	1.36	Avg FRH's per RO
Menu Sales		Total ROs	=		Percent Menu Sales
Competitive FRHs	41.30 ÷	Total FRHs	=	30.48%	Percent Competitive
Maintenance FRHs	12.70 ÷	Total FRHs	=	9.37%	Percent Maintenance
Repair FRH	81.50 ÷	Total FRHs	=	60.15%	Percent Repair
One item ROs	0 ÷	Total ROs	=	0.00%	Percent One Item RO

Model Year Analysis

2020	2019	2018	2017	2016	2015	Older	Total
0	7	9	13	9	7	55	100
0.00%	7.00%	9.00%	13.00%	9.00%	7.00%	55.00%	

Labor Mix



■ Percent Competitive ■ Percent Maintenance ■ Percent Repair