

## DARCARS Lexus of Silver Spring Action Plan Analysis for Additional Lifts at Briggs Chaney

### Executive Summary:

Lexus of Silver Spring continues to grow. The service hours of operation have been increased to accommodate the growth and to provide our guests with a more convenient service experience. Service and Parts Operations must expand to respond to future growth expectations. Based on a conservative projection we would cover the initial investment in 8 months or less.

<b>Current Performance</b>	<b>Service</b>	<b>Parts</b>	<b>Combined</b>
Monthly Gross Profit Per Bay	\$17,676	\$9,233	\$26,909
<b>Projected Performance</b>	<b>Service</b>	<b>Parts</b>	<b>Combined</b>
Monthly Gross Profit Per Bay	\$8,000	\$4,500	\$12,500
<b>Projected Investments</b>			
<b>Lifts</b>	<b>Per Lift</b>	<b>3 Lifts</b>	<b>6 Lifts</b>
Lift Installation	\$6,000	\$18,000	\$36,000
Electrical Hook Up - Per Lift	\$500	\$1,500	\$4,500
Electrical Hook Up - Equipment	\$1,000	\$1,000	\$1,000
Electrical Light Upgrade	\$700	\$2,100	\$4,200
Misc Supplies (reels/drop lights)	\$500	\$1,500	\$4,500
	<b>\$8,700</b>	<b>\$24,100</b>	<b>\$50,200</b>
<b>Equipment and Licenses</b>	<b>Per Lift</b>	<b>3 Lifts</b>	<b>6 Lifts</b>
Tire Mounting Machine	\$12,000	\$12,000	\$12,000
Tire Balancing Machine	\$8,000	\$8,000	\$8,000
Brake Lathe	\$4,500	\$4,500	\$4,500
Exhaust System	\$4,000	\$4,000	\$4,000
Used Oil Tank	\$4,000	\$4,000	\$4,000
Used Antifreeze Containment Tank	\$200	\$200	\$200
Scan Tool	\$7,500	\$7,500	\$7,500
Computers (1 per 2 lifts)	\$1,100	\$1,100	\$2,200
Printer	\$200	\$200	\$200
Inspection Station License	\$500	\$500	\$500
Inspection Station Tools	\$1,000	\$1,000	\$1,000
	<b>\$43,000</b>	<b>\$43,000</b>	<b>\$44,100</b>
<b>Projected Start-Up Investment</b>	<b>\$51,700</b>	<b>\$67,100</b>	<b>\$94,300</b>
<b>Future Expense Exposure</b>	<b>Per Lift</b>	<b>3 Lifts</b>	<b>6 Lifts</b>
Compressor and Drier (very old)	\$7,200	\$7,200	\$7,200
Heater (only 1 works now)	\$5,000	\$5,000	\$5,000