

Wholesale Customer Case Study, Part 1

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DESCRIBE Your Classification

- Dealer does okay with Collision Centers and Independent shops but H&T Ford is the biggest account.
- Not enough staffing in the Parts Department with one counter and two drivers.
- Do we have enough wholesale accounts? Independents, Collision Centers? Network strategy?
- Established Part markup or matrix being adhered to?
- Why are we not performing at 20-25% like our peers in 20 Group and at 16%?

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Top Three Performers

- **VanaMax**-is our largest wholesale account in dollars the last two years in gross and makes up about 25% of annual gross the profit % and 10% part return
- **M&B Collision**-number two account due to 2nd largest in sales the last two years near \$200,000.00 sales each year and makes up 18.6% of annual gross profit with 9.8% part return.
- **H&T Ford**-3rd best account due to \$188,929 in sales and 9.1 return%

Bottom Three Customers

- **JD Auto Leader**-Lowest in sales and return of 1% but was only one order all year. Looks like a new account and it is already delinquent. (Overdue)
- **Accidents Happen**-3rd because sales dropped significantly from \$51,225.00 down to \$7,755.00 and have 11.8% parts return.
- **AAA Auto Collisions**-due to low sales for the last two years and matches the 10% parts return of the bigger accounts

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Wholesale Customer Case Studies Opportunity, Part 2

- Dealer needs to hire a 2nd Wholesale Parts Counter person. What happens when the one is out? Is he too overwhelmed to sell or follow-up?
- We must track lost sales when the part is not in stock. FTFR(First Time or Same Day) or SDFR.
- Look at our parts margins, are we competitive? Are we discounting too much.
- Do we have an exception report? Why are we deviating from price?
- Are we actively seeking new accounts? Visiting local collision or independents?

- Why are we down \$130,335.00 in sales year over year last year? Follow up underperforming accounts.
- Must bring our overdue accounts current. Make phone call or send delinquent letters.

Incentives-

- A set % bonus for each employee that meets certain sales dollar amount and/or creates new accounts sold during an objective period.
- Day off or early dismissal upon hitting objective -Time off is also an employee's currency along with paying out cash incentives.