

Inventory action plan

Inventory

- Control inventory
- Manage months supply
- Focus on true turns
- Improve FTFR

Statistics

- Not paid customer SOPs too high
- Lower current stocking parts to manageable levels
- Reduce emergency and special orders
- Clean up 12 months or older parts

Put to action

- Get with service and BDC to get SOP orders under 25 days old
- Adjust ARO stock orders to lower levels
- Reduce seasonal stocking parts
- Get with service and dispatch to lower S/H orders
- Run obsolescence and guarantee returns to lower aged inventory

Outcome

By focusing on all of these items reducing obsolete and aged inventory and by focusing on seasonal stock orders will free up dealership funds. Cleaning up the 25+ day SOP orders and reducing S/H orders will improve the first time fill rate and lower the parts department months supply