

Richard Daniels  
N361 / Variable Ops 2

**OBJECTIVE:** Increase PNVR F&I income to \$1200 per new unit and increase ratio of product to reserve in F&I.

- Currently, PNVR F&I income is \$823 per new unit.
- Current ratio of product to reserve in F&I is 73% reserve to 27% product.

**GOAL:** \$1200 per new vehicle F&I gross and 55% reserve to 45% product ratio by the end of the 2<sup>nd</sup> quarter of 2021.

-Beginning 12/01/2020, F&I training will be conducted, and SOP will be installed by the end of December 2020, with approval of Dealer.

- Hang tags and point of sale materials will be utilized throughout the dealership.
- OEM promotional materials will be placed in the service drive, reception area and lounge area.
- F&I managers will be trained and expected to use CRM.
- Sales and service personnel will be engaged and incentivized to sell service contracts.
- Menu presentation expected to be 100% per each F&I manager.
- Each F&I manager will have CSI scorecard maintained.

**\*Baseline measurements will be current PNVR of \$823 per new unit and reserve to product ratio of 73% to 27% product.**

**INTERIM PERFORMANCE GOALS AS FOLLOWS:**

Date:	Jan. 2021	Feb. 2021	Mar. 2021
PNVR F&I:	\$886	\$949	\$1012
Product Penetration:	30%	33%	36%
	Apr. 2021	May 2021	June 2021
	\$1095	\$1138	\$1200
	39%	42%	45%

-Goals will be tracked weekly during Friday manager meetings.

**EXPECTED RESULTS:** With extraordinarily little overhead costs associated with F&I department and quick processes installed, sales/profits should increase immediately. Therefore, constant and steady progression is expected, and the interim performance goals should be on the low level of expectations.

-Dealership averages 43 new units financed per month. After hitting performance goals stated above, F&I would average \$377 more per new unit and an additional \$16,211 per month. The additional gross annually would average out to \$194,532.

\*Incentives will be offered to F&I managers for checkpoints reached and performance goals maintained.