

REYNOLDS 2213		Inventory	% of Inventory	Guide	
Stocking Status	INVESTMENT	Value			
Normal or Active Stock	\$80,657	46.81%	over 70%	GOOD	
Automatic Phase Out	\$45,221	26.25%	Less than 30%	WARNING	
Dealer Phase Out	\$0	0%	Less than 1%	DANGER	
Manual Order	\$0	0%	Less than 3%	Seldom used	
Non Stock Part #'s*	\$43,723	28%	Less than 5%	OK... BUT..	
Non Stock Part #'s*	0			OUCH!!!!!!	
Core Clean	\$470			YIKES	
Core Dirty	\$2,225				
Replace by hold					
MEMO					
Greater than 70% of PIVs					
Part #					
# PIECES					
Part #					
# PIECES					
Part #					
# PIECES					
NA					
NA					
Total Inventory	\$172,296	100%			

Activity	Value	% of Invent	NADA Guide	Notes	
Current	\$70,433	41.41%	75%	this is your current and active healthy parts inventory	
1-3 Months	\$40,876	24.03%	Included		
4-6 Months	\$13,341	7.84%	23%		
7-9 Months	\$15,087	8.87%	2%	85% Will likely become obso	
10-12 Months	\$9,873	5.69%	Included	85% Will likely become obso	
13-24 Months	\$19,915	11.71%	0%	Technically Obsolete	
25+ months	\$749	0.44%	0%		
TOTAL	\$170,074	100.00%			

OBSO POSITION MATH DONE BELOW
.85 TIMES THE 7-9 MONTH VALUE \$9,807
.85 TIMES THE 10-12 MONTH VALUE \$8,222
PLUS THE 13-24 MONTH VALUE \$19,915
PLUS THE 25+ VALUE \$749
OBSO AS A % OF TOTAL \$ 38,692.60 22.75%

Departmental Action Plan

Dealership **QUALITY SUBARU**

Student Name **PETER ZAGORSKI**

Academy Week **PARTS WEEK2**

Class & Student Number **328-40**

Current Situation

Upon examining the monthly analysis report I have found that our normal stock parts % is currently at 47.5% and should be at 70%. Also our non stock parts % is at 25.7 should be at 5%

Overall Objective:

Overall objective is to correct the situation by checking the non stock parts first. Are we putting parts in there that are anything other than parts purchased for immediate sale, purchased on current demand, parts ordered by people, parts that don't meet stock status ordering criteria, min phase not achieved. If we discover that we are incorrectly sourcing these parts move them up to stock parts and then see where our % of normal stock parts goes to. if it is not a 70% identify parts that need to be stocked in order to be at 70%

Proposed Timeline

This will start immediately and want to be at 70% and 5% by end of year report

Action Plan

need to check Reynolds sourcing. If wrong, correct. Once we have true % if low work with parts manager on stocking 70% ~~not~~ STOCK ITEMS. ~~THE~~ 1ST TIME FILL RATE REPORT WILL HELP DETERMINE SOME OF THE PARTS WE ARE NOT STOCKING. WORK WITH SERVICE MANAGER TO MAKE SURE PARTS AND SERVICE ARE ON THE SAME PAGE. MAKE SURE PARTS MANAGER IS USING SUBARU A.I.M CORRECTLY

Requirements

1. Meeting with Dealer:
Joe Blichfeldt
Action Proposed: Correct inventory

2. meeting with Joe Blichfeldt the owner and Casey the parts manager and myself. All are in agreement that we need to fix this issue

3. Accountability: Monitoring progress:
Who: Peter Zagorski, Casey
What: Fix inventory issues
By When: E.O Y.
How: SEE above

4. Describe checkpoints that have been established to measure progress:
Daily / Weekly / Bi-weekly / Monthly /
First correct sourcing. Next start ordering more normal stock parts
Date(s) for review: monthly

5. Estimated cost for implementation: no cost
(POSSIBLY WILL BE SENDING CASEY TO NADA FOR A PARTS CERTIFICATE. COST WOULD BE ~~1200~~ \$ 3000 APROX

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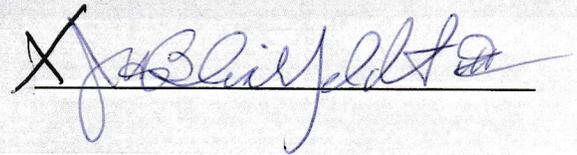
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5. Estimated cost for implementation: no cost

Projected Date of Completion:

12/31/2017

Sponsor Signature:



Evaluation of Results: Include measured results.

(± Metrics)

Impact Areas:

Sales / Gross / Expenses / Net Profit / CSI /

Verification Form.Regarding the Departmental Action Plan

Fixed Operations 1 Week Post- Class Homework Assignment

Dear Academy sponsor,

One of the post-class homework assignments given to your manager at the conclusion of week two at the Academy is the Departmental Action Plan form. The student's assignment is to show you the format of the assignment, explaining to you the purpose of crafting a departmental action plan after week 2 of the Academy. This assignment will be completed four separate times, (classes 2-5) after the student has attended the fixed operations 1 parts week, the fixed operations 2 service week, the variable operations 1 class week and the variable operations 2 class week. The progress of the student's departmental action plans will be assessed by each of the Academy instructors in weeks 2 through 5 of the Academy. Please sign this form below which indicates that the student has reviewed the departmental action with you, and have your student bring the form with them, when they return for their fixed operations 2 parts class. We will collect these forms at that time from the students. The student will receive a pass/fail grade, based upon whether they submit this form signed by you. This is being done in order to verify that each student has shared the Departmental Action Plan with their sponsor.

Thank you for your cooperation.

Sponsor's Printed Name Joseph Blichfeldt

Sponsor's Signature [Signature]

Date 6 Oct 2017

Very truly yours,