

1. What formal parts management training does your parts manager have?
  - a. Neither of my parts managers have any other training other than Ford. Have gone to seminars over the years but nothing formal
2. Does your dealership/parts department have a Vision state that all departmental employees know and understand? What is it?
  - a. Yes. Do what is right for each customer. Every customer has a different need but ultimately providing the correct part the first time every time is what my parts department is going for.
3. Have you ever tracked your first time fill rate?
  - a. No, not without DMS numbers and its at 90%
4. What percentage of your business comes from inside vs outside?
  - a. 55%/45%
5. What policies, controls, and security are in place on your DMS to prevent counter people from changing the pricing structure during daily transactions.
  - a. I could not believe the answer I was given on this question. NONE!!!!!! When I asked why they actually looked at me funny. This ended up being a very long conversation and ultimately they agreed that safeguards needed to be put in place. Regardless of how much we trust our staff having no control could lead to things spiraling out of control. Not to mention when I showed them the % of gross profit from their/our parts counter compared to guide, even further reinforced why we need to be in control.
6. Who can change/override parts pricing?
  - a. Once again I could not believe that we allow our counter sales people to change and override parts pricing.
7. Are you at retail pricing for internal? Who established your internal parts pricing policies? Are they current?
  - a. No, sales manager, Yes
8. IF you are in a retail reimbursement for warranty state, are you at retail for warranty? If not, when was the last time you petitioned the OE for retail reimbursement?
  - a. I am currently checking on this but my parts managers said we are not but when we started the class I thought we actually were. We are currently at cost plus 40%.
9. DO the parts, service and body shop managers work with the office manager monthly to follow up on all work in progress documents? Do they verify that all parts invoices and repair orders are closed out in a timely manner? What does this look like?
  - a. Yes but not frequently enough. It looks like it needs to be worked more often.
10. Is the financial statement for the parts department given directly to the manager and discussed on a weekly/monthly basis? If not, is a daily operating report of sales, gross profit. Ect., provided to the parts manager for review?
  - a. Yes the DOC is emailed daily
11. What is your retail pricing strategy for your Parts department? How often do you check to see whether your pricing goals are being achieved?
  - a. They use Ford MSRP unless customer is eligible for discount. I circled back to question 6 when they gave me this answer. How can they be sure this is what is happening if the counter parts representatives have the ability to override and dictate pricing? I

compared it to me giving my sales people the ability to sell cars for whatever price they wanted.

12. How often do you Audit your dealership's Part web page? How often are coupons, hours of business, etc., reviewed and updated?
  - a. Never. Whenever sales and service change hours we follow.
13. Do you have a parts online estore? How do you ensure that parts order forms/queries are responded to in a timely manner? Who gets the email leads/questions?
  - a. Online presence through Ford E commerce Sites for retail customers and through OEC for wholesale installers and collision customers.
14. What sales training is available to parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed?
  - a. STARS (Ford's web based training). Yes, the training is mandatory and the skills are assessed every three months.
15. Do you have a process to offer accessories to 100% of your New and Used customers? If so, what does it look like? If not, Why not?
  - a. My parts department does not handle accessory sales to new and used customers, this is handled by my sales department. No we do not have a process in place to ensure that every customer is offered the opportunity to purchase accessories. Only thing in place is offering 50% of the accessory gross in return for selling accessories.
16. What would help you sell more accessories?
  - a. The opportunity to sell accessories would help
17. Do you review your wholesale customers to see if their sales, gross and returns justify the expense of conducting business with them? How often are they reviewed?
  - a. Wholesale customers are reviewed constantly. However according to my wholesale department they will not turn down business even if it seems to be costly. This question caused a very heated discussion. I pointed out to them that it is not their money that they are doing business with it is the dealerships. If they are continuing to do business with individuals or shops that are costing us money those partnerships need to be reviewed.
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven?
  - a. No
19. What procedures are in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office?
  - a. We spot check everyday. Bin audit periodically especially when re-vamping bins.
20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition?
  - a. The answer that was given was YES we are tracking lost sales. When I asked them to show me, they could not. Both my wholesale manager and parts manager said there was a good deal of grey area when it came to tracking lost sales. I reminded them that the "grey area" is not an excuse for not doing it. I then returned the lost sales questionnaire to them and instructed them to use as a guide. Also, told both of them that they would be receiving additional training to help.
21. What is the biggest obstacle to getting your special order parts off the SOP shelves and installed/picked up?

- a. Shop scheduling. Shop contacting the customer and getting a timely appointment.
22. In your store, what do you feel is the biggest cause of frozen capital and/or obso? What current dollar value of your obso?
- a. Parts ordered after diagnosis but not getting customer back in shop. Neither one of my managers wanted to talk about OBSO. Both had copies of the DMS summary in front of them but they said it was not accurate because of clerical errors made by office that have yet to be corrected. When I asked what they thought the dollar amount of our OBSO was both thought it to be under \$80,000.
23. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines?
- a. 3 sales in 6 month for phase in and 0 demand in 6 months for phase out.
24. On a scale of 1-10 what is your level of understanding of the information that is on your DMS
- a. Parts Manager 7
  - b. Wholesale manager 9
25. What is the one thing that your organization can do or provide to help the parts manager do their job more effectively?
- a. Training. Otherwise everything else is already provided