

First Time Fill Rate

| DEALERSHIP NAME | NADA Motors | rst time fill rate | | |
|-----------------|-------------|--------------------|----------|----------|
| DATE | RO'S | 1st Time | Same Day | Day |
| ### | 6 | 4 | | 2 |
| ### | 8 | 6 | 1 | 2 |
| ### | 6 | 5 | 1 | |
| ### | 4 | 2 | 1 | 1 |
| ### | 7 | 5 | 2 | |
| ### | 6 | 3 | 1 | 2 |
| ### | 5 | 3 | 2 | |
| 11/1/2017 | 6 | 4 | 1 | 1 |
| 11/2/2017 | 2 | 2 | | |
| 11/3/2017 | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Totals | 50 | 34 | 9 | 8 |



| Rate % |
|----------------|
| 66.67% |
| 75.00% |
| 83.33% |
| 50.00% |
| 71.43% |
| 50.00% |
| 60.00% |
| 66.67% |
| 100.00% |
| #DIV/0! |
| 68.00% |



| REYNOLDS 2213 | | | | |
|------------------------|-----------|--|----------------|--------------------------|
| Stocking Status | Inventory | | % of Inventory | Guide |
| INVESTMENT | Value | | | |
| Normal or Active Stock | | | #DIV/0! | over 70% |
| Automatic Phase Out | | | #DIV/0! | Less than 30% |
| Dealer Phase Out | | | #DIV/0! | Less than 1% |
| Manual Order | | | #DIV/0! | Less than 3% |
| Non Stock Part \$'s | | | #DIV/0! | Less than 5% |
| Non Stock Part #'s* | | | MEMO | Greater than 70% of PN's |
| Core Clean | | | #DIV/0! | PART # |
| Core Dirty | | | #DIV/0! | PART # |
| Replace by hold RBH | | | #DIV/0! | PART # NA # PIECES |
| | | | | NA |
| Total Inventory | \$0 | | #DIV/0! | |
| | | | | |
| | | | | |

REYNOLDS

| Activity | Value | % of inven | NADA Guide | Notes |
|--------------|-------|------------|------------|------------------------|
| Current | | #DIV/0! | 75% | this is your current a |
| 1-3 Months | | #DIV/0! | included | healthy parts invento |
| 4-6 Months | | #DIV/0! | 23% | |
| 7-9 Months | | #DIV/0! | 2% | 65% Will likely become |
| 10-12 Months | | #DIV/0! | included | 85% Will likely become |
| 13-24 Months | | #DIV/0! | 0% | Technically Obsolete |
| 25+ months | | #DIV/0! | 0% | |
| TOTAL | \$0 | #DIV/0! | | |

| |
|------------------|
| GOOD |
| WARNING |
| DANGER |
| GREAT |
| Seldom used |
| OK....BUT.. |
| OUCH !!!!!!!!!!! |
| YIKES |

| | | | |
|-----------|--------------------------------------|------|---------|
| | | | |
| nd active | | | |
| ory | | | |
| | OBSO POSITION MATH DONE BELOW | | |
| obso | .65 TIMES THE 7-9 MONTH VALUE | \$0 | |
| obso | .85 TIMES THE 10-12 MONTH VALUE | \$0 | |
| | PLUS THE 13-24 MONTH VALUE | \$0 | |
| | PLUS THE 25+ VALUE EQUALS | \$0 | |
| | OBSO AS A % OF TOTAL | \$ - | #DIV/0! |

| CDK Stocking Status | | Inventory | % of Inventory | Guide |
|---------------------------|--|-----------|----------------|--------------------------|
| INVESTMENT | | Value | | |
| Normal or Active Stock | | | #DIV/0! | over 70% |
| Automatic Phase Out | | | #DIV/0! | Less than 35% |
| Dealer Phase Out | | | #DIV/0! | Less than 1% |
| Manual Order | | | #DIV/0! | Less than 3% |
| Non Stock Part \$'s | | | #DIV/0! | Less than 5% |
| Non Stock Part #'s* | | | MEMO | Greater than 70% of PN's |
| No Phase Out Not on ADP | | | | NA |
| Repape by Hold Not on ADP | | | | NA |
| Clean Core | | | #DIV/0! | p/n pieces |
| Dirty Core | | | #DIV/0! | |
| Total Inventory | | \$0 | #DIV/0! | |

| ADP | | | | |
|--------------------|----------|-------------|---------|--------------------------------|
| Activity | Value \$ | % of Invent | % | Notes & Guides |
| 0-3 Months | | | #DIV/0! | ACTIVE INVENTORY at 75% |
| 4-6 Months | | | #DIV/0! | ACTIVE INVENTORY at 23% |
| 7-12 Months | | | #DIV/0! | 75% will likely become Obso 2% |
| Over 12 Months | | | #DIV/0! | Technical Obsolescence 2% is g |
| New parts no sales | | | #DIV/0! | Minimal Amount |
| Total Inventory | | \$0 | #DIV/0! | |

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|---------------|-----------|----|---------|---|
| COLOR SCORING | | | | |
| GOOD | | | | |
| WARNING | | | | |
| DANGER | | | | |
| GREAT | | | | |
| Seldom used | | | | |
| OK...BUT.. | | | | |
| OUCH !!! | | | | |
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| OUCH !!!!! | | | | |
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| ouch!!! | | | | |
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| OBSO POSITION | | | | |
| is guide | .75 TIMES | \$ | | 0 |
| uide | PLUS | | | 0 |
| | PLUS | | | 0 |
| | EQUALS | | #DIV/0! | 0 |

| DEALER TRACK STATUS | | | MONTH OF: | | | PROFILES BEST OF CLASS |
|-------------------------------------|--|--|-----------|---------|---------|---|
| | | | % | 0 | PIECES | VALUE |
| ACTIVE PARTS: STOCKED | | | #DIV/0! | | | 70% |
| ACTIVE PARTS: EXCESS STOC | | | #DIV/0! | | | LESS THAN 1 % |
| ACTIVE PARTS: UNDERSTOCK | | | #DIV/0! | | | LESS THAN 1 % |
| ACTIVE PARTS: TO PHASE OUT | | | #DIV/0! | | | LESS THAN 30% |
| TOTAL ACTIVE PARTS | | | #DIV/0! | | | |
| SUPERCEDED W/ON HAND | | | #DIV/0! | | | LOW DBL NUMBERS |
| INACTIVE W/ON HAND | | | #DIV/0! | | | LESS THAN 30-35% |
| TOTAL INV. TO SELL | | | #DIV/0! | | | |
| CORES ON HAND | | | | | | LOW PIECE COUNTS |
| NEG-ON-HAND | | | | | | LOW DBL NUMBERS |
| TOTAL OF INVENTORY | | | | | | |
| PARTS ON OPEN R. O.'S | | | | | | ONE DAYS AVG SALES |
| VALUE OF TOTAL INVENTORY | | | | | | |
| NOT ON FACTORY MASTER | | | | | | MINIMAL |
| PARTS WITH OUT COST | | | | | | MINIMAL |
| INVENTORY AGING BY LAST SOLD | | | | | | |
| | | | | | | |
| | | | VALUE | % | ACUM % | INSTRUCTORS NOTE |
| NEVER SOLD | | | | #DIV/0! | #DIV/0! | THIS IS TECHNICAL OI |
| ONE YEAR AGO PLUS | | | | #DIV/0! | #DIV/0! | |
| ELEVEN MONTHS AGO | | | | #DIV/0! | #DIV/0! | THIS IS POTENTIAL OI |
| TEN MONTHS AGO | | | | #DIV/0! | #DIV/0! | |
| NINE MONTHS AGO | | | | #DIV/0! | #DIV/0! | THESE PARTS WILL BE IN A "AP" STATUS! OUT IS SET AT 0 IN 6 |
| EIGHT MONTHS AGO | | | | #DIV/0! | #DIV/0! | |

| | | | | | |
|--------------------|--|--|---------|---------|-------------------------------------|
| SEVEN MONTHS AGO | | | #DIV/0! | #DIV/0! | |
| SIX MONTHS AGO | | | #DIV/0! | #DIV/0! | THIS IS YOUR ACTIVE HEALT INVENTORY |
| FIVE MONTHS AGO | | | #DIV/0! | #DIV/0! | |
| FOUR MONTHS AGO | | | #DIV/0! | #DIV/0! | |
| THREE MONTHS AGO | | | #DIV/0! | #DIV/0! | |
| TWO MONTHS AGO | | | #DIV/0! | #DIV/0! | |
| ONE MONTH AGO | | | #DIV/0! | #DIV/0! | |
| CURRENT MONTH | | | #DIV/0! | #DIV/0! | |
| TOTAL INVENTORY | | | #DIV/0! | | |
| CORES WITH ON HAND | | | | | CONFIRM DIRTY & CLEAN |

| CLASS | COLOR |
|-----------------|-------------|
| | SCORING |
| | GOOD |
| | WARNING |
| | DANGER |
| | GREAT |
| | Seldom used |
| | OK....BUT.. |
| | OUCH !!! |
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| S IF YOUR PHASE | |



| UCS SCORECARD | | | | |
|-------------------------------------|-----------------|--|----------------|--------------------------|
| Stocking Status Observations | Inventory Value | | % of Inventory | Guide |
| Active Stock (0-6 month activity) | | | | over 70% |
| Zero Guide (Auto Phase out) | | | | Less than 35% |
| No bin Location Parts | | | | Less than 1% |
| Manual Order Review | | | | Less than 3% |
| No Match (Non Stock Part \$'s) | | | | Less than 5% |
| Total Watch #'s (N/ Stock Part #'s) | | | | Greater than 70% of PN's |
| Clean Core | | | | |
| Dirty Core | | | | Are controls in place? |
| Extra Lines | | | | NA |
| Extra Lines | | | | NA |
| Total Inventory | \$0 | | | |

UCS

| Investment | NADA | | | |
|---------------------|-------|------------|----------|------------------------|
| Activity | Value | % of inven | Guide | Notes |
| Current TO 3 Months | | #DIV/0! | 75% | this is your current a |
| 3 to 6 Months | | #DIV/0! | included | healthy parts invento |
| 6-9 Months | | #DIV/0! | 23% | 65% Will likely becom |
| 9-12 Months | | #DIV/0! | 2% | 85% Will likely becom |
| 12 Months + Over | | #DIV/0! | included | This is your Technical |
| | | #DIV/0! | | |
| | | #DIV/0! | | |
| TOTAL | \$0 | #DIV/0! | | |

- GOOD
- WARNING
- DANGER
- GREAT
- Seldom used
- OK...BUT..
- OUCH !!!!!!!!!!



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|--|--------|---------|
| | \$0.00 | #DIV/0! |
|--|--------|---------|

Departmental Action Plan

Dealership **Dorsch Ford Lincoln Kia**

Student Name **Alex Dorsch**

Academy Week **Week 2 Fixed Operations - Parts**

Class & Student Number **329-14**

Current Situation

Obsolescence/Lost Sales Tracking : Our parts department is having an obsolescence/ lost sales tracking issue. As of right now, 17.5% of items are obsolete, while 17.5% are sitting in potential obsolescence. There are several key issues that have led to this, including SOP's from customers who do not show up to fix their part, returning/selling old parts inventory, and most importantly tracking SOP's that are not used within a month, but often times they sit for several months. We generally can and give the other parts to charity, but there is a lack of urgency when it comes to getting rid of these parts. Last, we do well. This is hindering us from keeping up with trends and providing the right parts to stock.

Overall Objective:

Objective 1: Advise parts manager to train counter people to track lost sales. A key component to the training is demonstrating how sales creates a better depth and breadth of parts, which will make supplying parts easier
Put in place an SOP process where the customer print, circles, and signs to create accountability of the parts that have been returned to them
Objective 3:
Objective
remaining SOP's that have been taking up bin space over the last several months
obsolescence down to less than 5%

Proposed Timeline

Step 1: Educate and introduce new incentivized plan to track lost sales. Create a sense of awareness, urgency, and provide training on how tracking lost sales is beneficial to the parts department
Due Date: Nov. 27, 2017
Step 2: Educate service advisors about the print, circle, and sign plan to receive payments up front on SOP's
Date: Nov. 27, 2017

Begin to purge all SOP's that have been in the SOP bin for longer than a month or do have an appointment set up Dec. 4, 2017 tracking results Due Date: Ongoing

Action Plan

Describe necessary actions to reach desired result:

Requirements

Meeting with Dealer:

1. **Action Proposed:** Proposed plan to owners and GM for approval

Meeting with stakeholder(s) (dealership personnel):

Describe what is in place to support desired goal:

Training / Coaching / ±Consequences related to results / Pain & Gain

2. **/ Training:** Training of the proposed action will be given to the parts and service manager to provide coaching to the counter people. The coaching will remain constant until the process of tracking lost sales is second nature. The positive consequence will be the eventual effect that this will make the counter people's jobs easier. The tracking of lost sales will be better depth and breadth of parts, which will keep a better variety of parts in stock. Counter people will hopefully avoid more competitors every week to the GM during the weekly meetings to ensure lost sales are being tracked. **+C** **Accountability:** An u

Accountability: Monitoring progress:

Who: Counter people, Service advisors, Parts Manager, Service Manager, GM

What: Counter people will be accountable for tracking every lost sale in the DMS. The parts manager will be held accountable for tracking lost sales, identifying what items should be stocked/phased out based off the information received, and providing this information to order the parts. The service advisors will be held accountable for trying to get a customer to prepay for any repair order and who have missed/need to set up an appointment. It will be the service manager's job to keep the advisors motivated. The GM will be held accountable for providing any necessary coaching/training and keeping the managers accountable for their departments.

By When: The action plan is under review and could be ready to go by the end of November.

3. **How:** There will be a bin available to place any lost sale. Any SOP that takes longer than a day, or any order that was provided to the dealership will be placed in this bin at the time of invoicing. During the counter people's down time, they will be asked to post the DMS and give the invoices to the manager. The manager will review the information in the bin compared to what was posted. The manager will look for accuracies. Based off the information found, the manager will review how many lost sales we have, the dollar amount, and there are repeating parts that we should begin to stock. Each week, the manager will go over his findings during the weekly meeting. The service advisors will begin the prepaid process where customers pay for their SOP upfront to create an incentive for the customer to prepay. The manager must follow up with the advisors on a regular basis to ensure this is being done. Any part that has been sitting for long will be disposed of either through returns, online sales, or charitable donations. Any part that is nearing obsolescence will be placed in a bin. The part can be sold online at a discounted price. If those parts do not sell and become obsolete, the same obsolete process will be followed.

Describe checkpoints that have been established to measure progress:

Daily / Weekly / Bi-weekly / Monthly /

Date(s) for review:

people will put all paper lost sales in the bin and electronically post those to the DMS
 manager will review these findings everyday and begin to strategically purchase the necessary parts
 manager will look at all repair orders to ensure parts were paid in full by the customer
 inventory stock of the SOP's will be taken weekly. This will be done to ensure all SOP's are getting fixed before the one mon
 A weekly r
 with the managers and GM to discuss any findings or recommendations regarding the process The parts ma
 his counter people weekly to see if they are noticing any trends to keep an eye on **Monthly:** The parts
 obsolescence every month. Obsolete parts will be dealt with, and a plan to provide the the products needed will be set into p

4.

5.

Estimated cost for implementation: There should be very little cost that goes into this. We may lose the potential custom

Projected Date of Completion:

11/30/18

Sponsor Signature:

Jason Lemerond

Evaluation of Results: Include measured results.

(± Metrics)

Impact Areas:

Sales / Gross / Expenses / Net Profit / CSI /

certainly be evaluated. To measure results, the best place to look would be the FS parts template. From there we can measure sales and level of
 lost sales, we should see a realistic level of service. With that knowledge, we should be able to better understand what to order, therefore creating
Gross: We will begin
 every part we currently purchase from a competitor instead of readily stocking the item, we lose potential gross. We should begin to see a steady i
 track lost sales. Again, the FS parts template should be a strong indicator of our improved gross. **Expense:** The only expense would be t
 people per lost sale post. This expense should cost very little in comparison to what we would lose from stocking obsolete parts and not providing
 could look at the obsolescence position from the DMS report and review it compared to the month(s) before. Depending on four hundred dollars or

could look at the obsolescence position from the DMS report and review it compared to the month(s) before. By spending a few hundred dollars or saving the dealership thousands in out of date inventory. **Net Profit:** Net profit for the increase. By tracking lost sales we should have a better understanding of what to stock. Stocking these items will save the technicians time in wait dealership \$3.33 every minute the tech waits for a part). The techs will be able to move through vehicles faster, which will increase the service department see an increase in net profit if we can avoid purchasing parts from competitors. **CSI:** Just like net profit, the tracking lost sales, we will get rid of obsolete parts that take up space for newer and necessary stocking parts. Stocking these parts will allow the technician customer's wait time at the dealership. With the service advisors job of print, circle, and sign, they will give clarity to the customer by explaining the understanding from the customer will hopefully lead to them prepaying for their part, giving them a reason to come back and get their vehicle fixed. parts will give the customer confidence that we're proficient in both parts and service. The explanation of the SOP process will also give the customer a less confusing process.

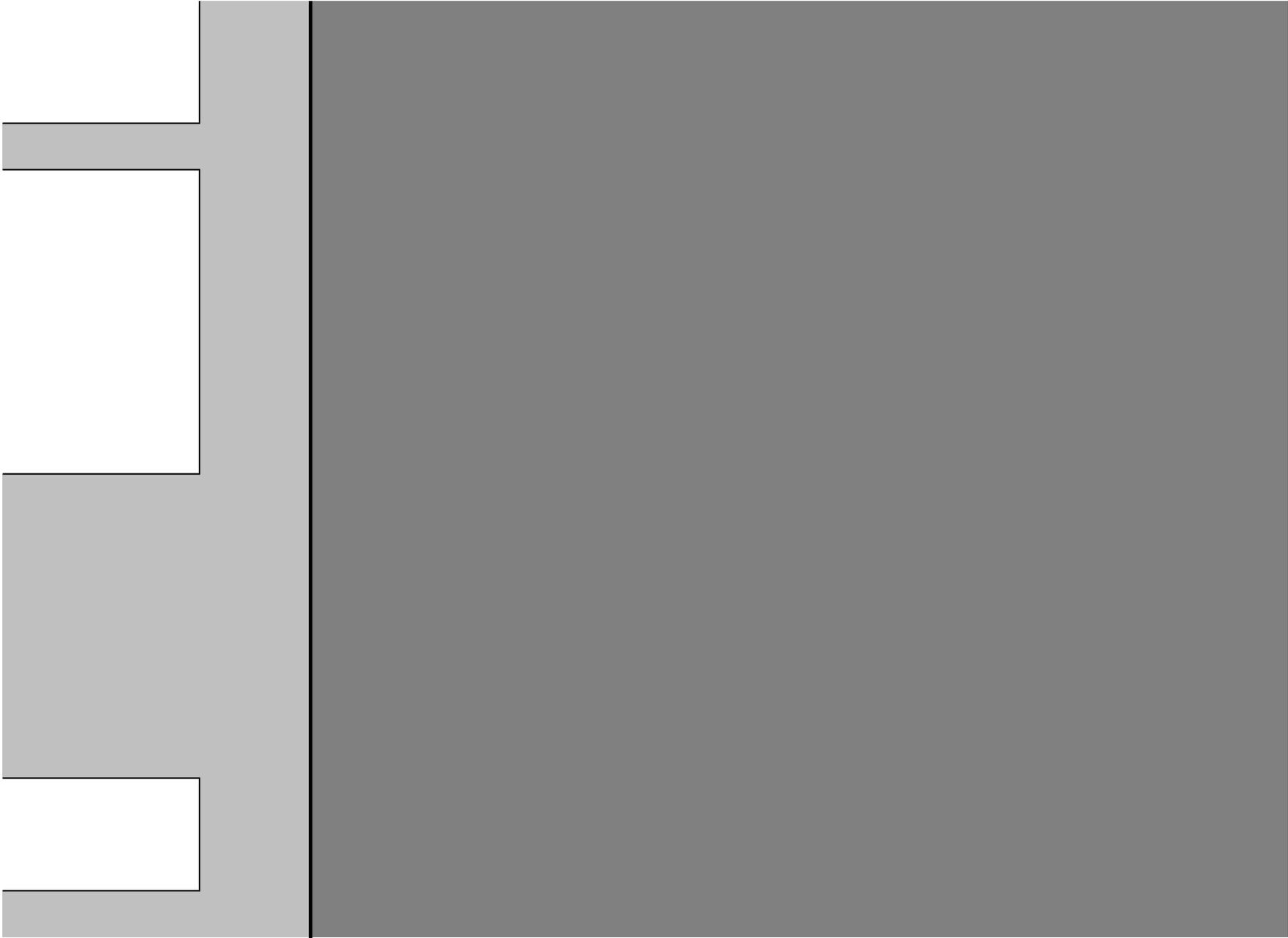
now, 6.5% of our
uding closing out
ig lost sales. We are
ally return what we
not track lost sales

ing how tracking lost
Objective 2:
n special ordered for
: Clean up the
4: Bring our

information on why

Due
Step 3:

**PLEASE BE ADVISED
THIS ASSIGNMENT BY
IT'S SELF IS WORTH
100 POINTS.TAKE
YOUR TIME AND GET
IT CORRECT**



Coaching

r people and advisors.

Consequence: A

s will will create a
special orders from
o date will be given

ole for reviewing the
ation to those that
calling customers
M will be accountable

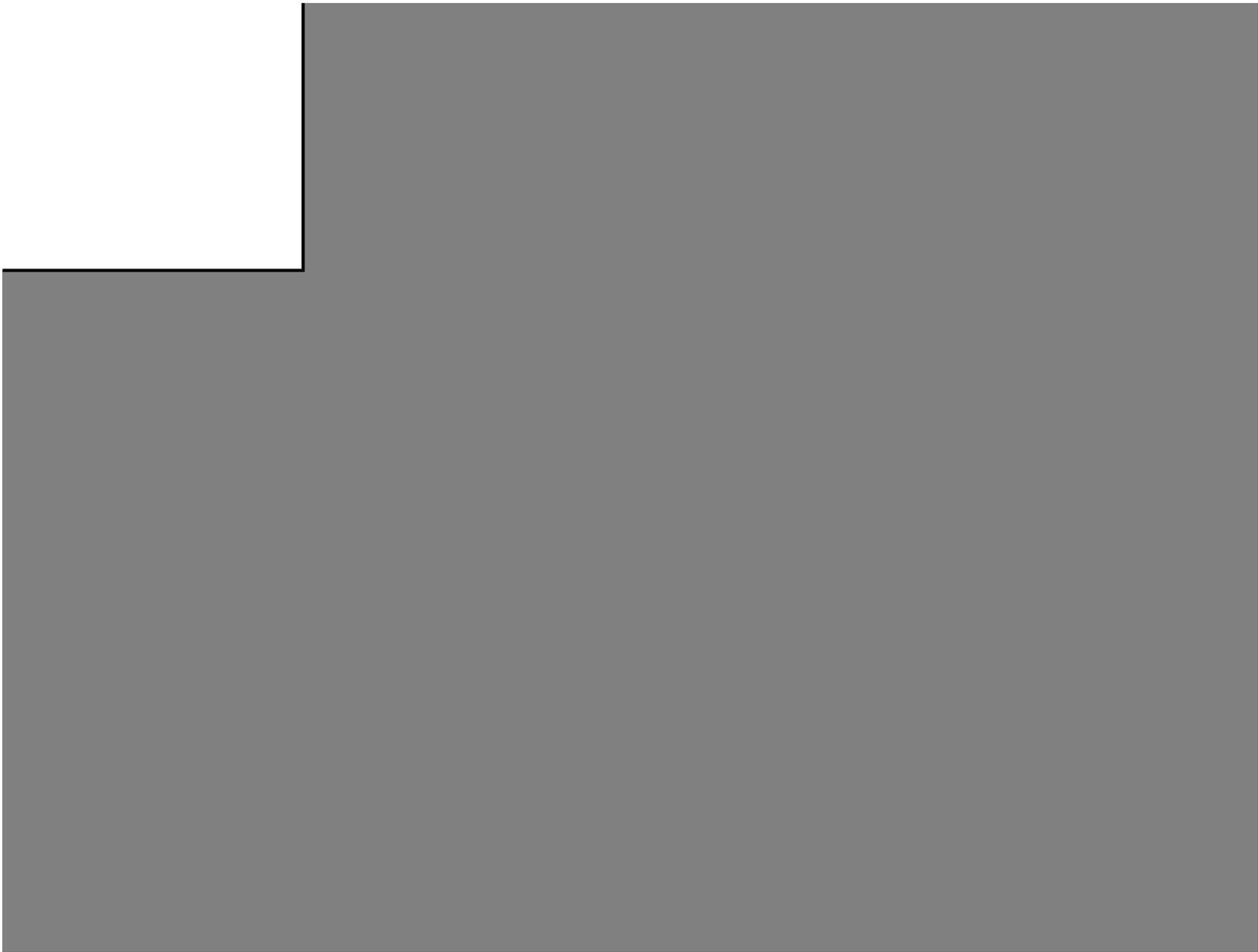
led by a competing
t these lost sales in
sted in the DMS to
nt of lost sales, and if
meeting. Service
) return. The service
ger than a year will be
d on "notice" where
s will be set into place.

Daily: Counter
The parts
The service

Weekly: An
th cut off
meeting will be held
nager will check with
s manager will review
place.

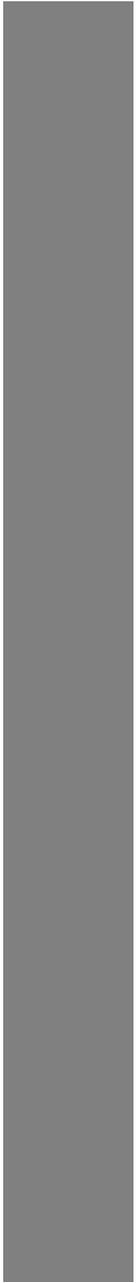
er who will not prepay t

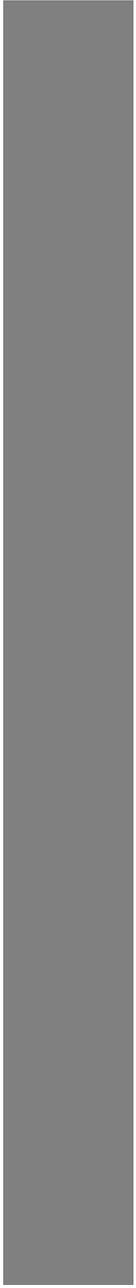
Sales: Sales can
service. With a better tracking of
more sales.
1 to see an increase in gross. For
ncrease in gross as we continue to
he cost of paying the counter
the right parts. To measure this, we













12740