

# First Time Fill Rate

DEALERSHIP NAME	NADA Motors	rst time fill rate		
DATE	RO'S	1st Time	Same Day	Day
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

0



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

**REYNOLDS**

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

OBSO POSITION MATH DONE BELOW	
.65 TIMES THE 7-9 MONTH VALUE	\$0
.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	
Repace 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 c
New parts no sales			#DIV/0!	Minimal Amount
Total Inventory		\$0	#DIV/0!	

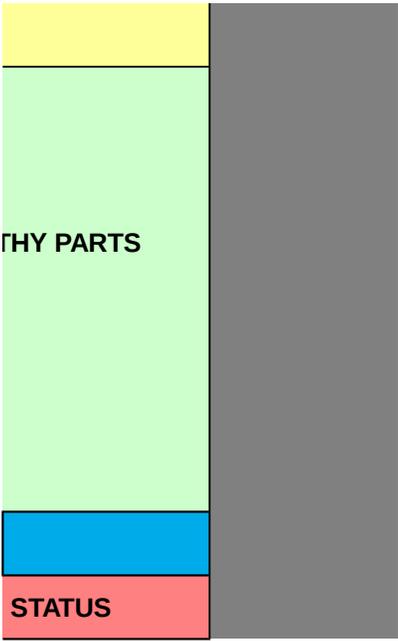
COLOR SCORING				
GOOD				
WARNING				
DANGER				
GREAT				
Seldom used				
OK....BUT..				
OUCH !!!				
OUCH !!!!!				
ouch!!!				
OBSO POSITION				
% is guide	.75 TIMES \$			0
guide	PLUS			0
	PLUS			0
	EQUALS		#DIV/0!	0

DEALER TRACK STATUS			MONTH OF:			PROFILES BEST OF CLASS	
			%	0	PIECES	VALUE	
ACTIVE PARTS: STOCKED			#DIV/0!				70%
ACTIVE PARTS: EXCESS STOCK			#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
<b>INVENTORY AGING BY LAST SOLD</b>							

			VALUE	%	ACUM %	INSTRUCTORS NOTE
NEVER SOLD				#DIV/0!	#DIV/0!	THIS IS TECHNICAL O
ONE YEAR AGO PLUS				#DIV/0!	#DIV/0!	
ELEVEN MONTHS AGO				#DIV/0!	#DIV/0!	THIS IS POTENTIAL O
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 HEALTH 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	



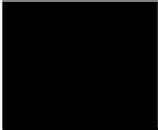


UCS SCORECARD				
Stocking Status Observations	Inventory Value		% of Inventory	Guide
Active Stock (0-6 month activity)				over 70%
Zero Guide (Auto Phase out)				Less than 35%
No bin Location Parts				Less than 1%
Manual Order Review				Less than 3%
No Match (Non Stock Part \$'s)				Less than 5%
Total 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 inver	Guide	Notes
Current TO 3 Months		#DIV/0!	75%	this is your current
3 to 6 Months		#DIV/0!	included	healthy parts invent
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 !!!!!!!!!!



and active  
tory

ne obso	\$0.00
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e obso	\$0.00
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OBSO	\$0
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	\$0.00	#DIV/0!
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## Departmental Action Plan

Dealership **INFINITI of Lexington**

Student Name **Leonard Spencer**

Academy Week **Week 2 - Fixed Operation - Parts**

Class & Student Number **330**

### Current Situation

**OBSOLESCENCE** Our parts department's aged inventory is outside of the guidelines. There are many factors that have created the problem, from parts not being picked up by customers, body shop returns, the INFINITI ASR and improper use of the INFINITI return policies. While this is not a complete list concerns it does highlight the importance of managing the inventory and its age, in turn freeing up capital to stock a correct blend of parts.

### Overall Objective:

Reduce obsolescence to 5% or less of our parts inventory by better inventory management. Put processes in place that will ensure the parts department team is focused on stocking the correct parts and has a full understanding of the impact of old parts on the department.

### Proposed Timeline

This will be a goal for 2018 as we begin the new year. The first step will be the physical inventory and will take place the second half of January 2018. The second is the daily bin counts, we will begin daily review of this in February 1st 2018. Creating a 'J' bin for aged inventory will be in place by March 1st 2018. Managing and correctly marking lost began December 1st 2017

### Action Plan

There are four areas that we plan to focus on in 2018. The first is to do a physical of the parts inventory and reconcile it with the DMS. The second area is the proper bin placement of parts. We have implemented a perpetual bin count

process, 2 bins per day every day to insure that all parts are properly accounted for and match the DMS. Correctly marking lost sales, effectively 'watching more and owning less' will create a proper phase in and phase out of parts. Finally creating a J bin for parts greater than 12 months, then looking at creative ways to make J bin inventory go away, Ebay, garage sale and various online webpages available for listing.

## Requirements

### Meeting with Dealer:

1. **Action Proposed:** Review the Action plan with the dealer principal.

### Meeting with the involved personel.

2. Jeremy and I have met about the importance of reducing the department obsolescence and the opportunities to reduce it significantly. We have agreed that daily and weekly meeting will take place to achieve the goals we have in the action plan above

### Accountability: Monitoring progress:

3. **Who:** The parts manager and counterpersons.  
**What:** The parts manager will be responsible for the daily bin counting, managing the lost sales recorded and emptying the J bin.  
**By When:** The first step of the goal is the physical inventory in January 2018  
**How:** Correctly marking lost sales and counting the bins daily with morning meetings for accountability.

### Describe checkpoints that have been established to measure progress:

4. Daily meetings take place now with the parts manager with ongoing review of lost sales. Daily meetings will also be an opportunity to review the previous days bin count. We will review our obsolescence and reduction of aged inventory the first day of each month.

5. **Estimated cost for implementation:** The only expense for this will be additional man power for the physical inventory and should not exceed 1000.00.

**Projected Date of Completion:**

December 2018

**Sponsor Signature:** \_\_\_\_\_

**Evaluation of Results: Include measured results.**

**(± Metrics)**

**Impact Areas:**

Much of the parts department will be impacted by the implemented changes. Sales will improve as we reduce obsolescence as we will have a better blend of parts this in turn will increase our gross. Expenses will be reduced as we remove old inventory from the department and ultimately will improve the departments net profit. The impact on the dealership ICSI will be improved by having the right inventory and reducing need to keep a customer vehicle overnight for a parts delivery.

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

