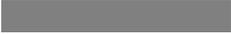


## First Time Fill Rate

DEALERSHIP NAME	NADA Motors	rst time fill rate		
DATE	RO'S	1st Time	Same Day	Day
###	1	1		
12/1/2017	3	3		
12/5/2017	4	3		1
12/6/2017	1	1		
12/8/2017	2	1		1
12/9/2017	1	1		1
###	2	1		1
###	1	1		
###	3	3		
###	3	3		
###	2	1		
12/4/2017	1	1		
###	3	3		
###	2	2		
###	2	2		
###	3	2		
###	6	6		
###	4	4		
###	1	1		
###	4	3		
###	1	1		
<b>Totals</b>	<b>50</b>	<b>44</b>	<b>0</b>	<b>4</b>



<b>Rate %</b>
<b>100.00%</b>
<b>100.00%</b>
<b>75.00%</b>
<b>100.00%</b>
<b>50.00%</b>
<b>100.00%</b>
<b>50.00%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>50.00%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>66.67%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>100.00%</b>
<b>75.00%</b>
<b>100.00%</b>
<b>88.00%</b>



CDK							
Stocking Status		Inventory		% of Inventory		Guide	
INVESTMENT		Value					
Normal or Active Stock		\$188,816		13.62%	over 70%		
Automatic Phase Out		\$823,154		59.36%	Less than 35%		
Dealer Phase Out		\$15,678		1.13%	Less than 1%		
Manual Order		\$33,603		2.42%	Less than 3%		
Non Stock Part \$'s		\$97,160		7.01%	Less than 5%		
Non Stock Part #'s*		2,558			Greater than 70% of PN's		
No Phase Out		Not on ADP			NA		
Repape by Hold		Not on ADP			NA		
Clean Core		\$506		0.04%	p/n	pieces	
Dirty Core				0.00%			
Total Inventory		\$1,386,696		83.57%			

#### ADP

Activity	Value \$	% of Invent	%	Notes & Guides
0-3 Months	186,931		16%	ACTIVE INVENTORY at 75%
4-6 Months	33,880		3%	ACTIVE INVENTORY at 23%
7-12 Months	59,871		5%	75% will likely become Obso 2%
Over 12 Months	799,633		69%	Technical Obsolescence 2% is g
New parts no sales	78,095		7%	Minimal Amount
Total Inventory	\$1,158,410		100%	

<b>COLOR SCORING</b>				
GOOD				
WARNING				
DANGER				
GREAT				
Seldom used				
OK....BUT..				
OUCH !!!				
OUCH !!!!!				
ouch!!!				
<b>OBSO POSITION</b>				
is guide	.75 TIMES	\$		44903.25
uide	PLUS			799,633
	PLUS			78,095
	EQUALS		80%	922631.3

Departmental Action Plan

Dealership

Student Name

Academy Week

Class & Student Number

Current Situation

**High Obsolescence**  
Our parts department has a problem with obsolescence over 12 months old. Our 12 months plus obsolescence is currently at \$974,511 and is 70% of our inventory. This is due to prior parts manager not understanding inventory management, this includes DMS set-ups, not keeping track of special order parts, inventory reconciliations, stocking parts in (receiving) not updating mfg. price tapes.

Overall Objective:

**Objective 1: Physical inventory (Blind count) 2 people verify all variants**  
**Objective 2:**

Proposed Timeline

**Timeline:**  
count accurately **Due: December 1, 2017** **Step 1: Physical inventory**

Action Plan

**Describe necessary actions to reach desired result:**  
**Inventory count.** **Step 1: Complete**  
**Step 2: Compare inventory count to DMS count.**  
**Step 3: Make note of any missing/ stolen inventory.**  
**Step 4: Research and ensure pricing is comparable to market.**  
**Step 5: Photograph and**  
**post inventory online.**  
**Step 6: Monthly perpetual inventory (bin check) and reconciliation.**

Requirements

**Meeting with Dealer:**  
1. **Proposed action plan to parts manager.**

**Meeting with stakeholder(s) (dealership personnel):**  
**Describe what is in place to support desired goal:**  
**Training / Coaching / ±Consequences related to results / Pain & Gain**  
2. **Parts personnel trained on proper parts inventory procedures (ordering, receiving, selling)**  
**important of accurate inventory** **Coaching parts on the**  
**from DMS inventory aging No Sale report, adjustments to inventory (plus or minus) report** **Accountability**

Accountability: Monitoring progress:  
Who:  
Parts manager and parts counter.  
What:  
Parts are photographed, online and inventory is correct. Set appointments for customers that have SOP in.  
By When:  
We plan to reduce our obsolescence by June 6, 2018. We are expecting to reduce the inventory by \$200,000  
How:  
3. We plan to have all our inventory on eBay and reach out to independent shops. We will also communicate with large distributors to see if they are interested in a bulk purchase.

Describe checkpoints that have been established to measure progress:  
Daily / Weekly / Bi-weekly / Monthly /  
Daily – Parts manager responsible for inventory accuracy (any and all adjustment made by PM)  
Daily - Emergency  
purchases review and authorized by PM  
Daily - Purchases reviewed coded and signed by PM  
Weekly: Stock Order reviewed and adjusted by PM  
Weekly: Perpetual inventory bin worksheets assigned to counter personnel  
4. Weekly: Review and track eBay sales, we will also determine if we need to allocate funds to promote traffic to our eBay site.  
Monthly: Meeting with parts manager, and general manager to ensure all inventory is online. Go over inventory that is not generating sales, and examine if we are not priced according to market.

5. Estimated cost for implementation: eBay selling fees which will change depending on the amount of sales during that month.

Projected Date of Completion: June 6th

Sponsor Signature: Onofrio Triarsi

Evaluation of Results: Include measured results. (± Metrics)

**Impact Areas:**

Sales / Gross / Expenses / Net Profit / CSI / Sales will be impacted because we are pushing to move aged inventory at a very aggressive price point. Our total sales will increase but this may impact our gross profit. We expect to see lower gross profit trying to compete with online retailers and other dealers that may have obtained their parts at a cheaper cost. We are anticipating a minimal expense increase from eBay fees. We expect to see an increase in net profit in a few months due to the new parts manager understanding how to manage inventory, correct stock orders, and utilize the DMS to ensure proper phase in and phase out. This will increase our CSI score due to have the proper parts mix, and minimizing vehicle down time for the customer.