

Rank	Customer Name	MTD Sales	MTD GP%	MTD Return %	YTD Sales	YTD GP%	YTD Return %
1	Vanamax	\$ 22,847	24.0%	13.0%	\$ 255,103	25.0%	10.0%
2	Import Specialists	\$ 8,441	20.0%	3.3%	\$ 22,147	20.3%	5.0%
3	BP Customs	\$ 6,716	14.0%	4.7%	\$ 82,625	18.3%	5.9%
4	M&B Collision	\$ 19,283	19.0%	12.0%	\$ 192,762	18.6%	9.8%
5	MFD Car Doctor	\$ 8,003	20.2%	11.7%	\$ 87,321	19.5%	14.0%
6	AAAAAuto Collision	\$ 2,215	16.2%	10.0%	\$ 13,447	17.1%	10.0%
7	B&L All Makes Repair	\$ 6,680	12.0%	5.0%	\$ 108,734	12.7%	10.6%
8	Accidents Happen	\$ 3,355	11.0%	5.6%	\$ 7,755	11.8%	8.2%
9	H&T Ford	\$ 14,548	10.7%	5.6%	\$ 188,829	11.4%	9.1%
10	M&M Auto Sales	\$ 7,166	7.8%	6.9%	\$ 105,208	7.0%	8.80%
11	JD Auto Leader	\$ 1,155	20.0%	1.0%	\$ 1,155	20.0%	1.0%
12	M&D Used Cars	\$ 4,968	5.8%	3.6%	\$ 94,439	7.6%	7.4%

15.8%

Scored by highest to lowest Real YTD GP% Adjusted for returns. From there I manually adjusted 4 and 5 due to YTD sales and a larger disparity between return %'s and a small disparity between YTD GP%  
- Purchase volume doesnt always necessitate a high score if profitability is low, this is compounded when discount or price level is low and returns are high.

Prior Year Sales	Prior Year GP%	Prior Year Return %	Credit Terms	Acct Status
\$ 294,222	24.8%	8.6%	COD	Current
\$ 18,772	18.00%	4.7%	Net 30	Current
\$ 90,641	18.9%	6.4%	COD	Current
\$ 200,480	17.90%	11.0%	COD	Current
\$ 118,972	19.90%	8.2%	Net 30	Current
\$ 22,800	16.80%	13.0%	Net 30	Current
\$ 120,174	10.50%	16.0%	COD	Current
\$ 51,225	10.90%	6.0%	Net 30	Current
\$ 130,820	11.90%	8.5%	Net 30	Current
\$ 129,715	13.6%	8.6%	COD	Current
\$ 36,380	21.21%	2.8%	Net 15	Overdue
\$ 75,785	11.30%	8.9%	Net30	Overdue

Real YTD GP% Adjusted for returns =22%	15.0%
Real YTD GP% Adjusted for returns = 19.3%	15.3%
Real YTD GP% Adjusted for returns =17.28%	12.4%
Real YTD GP% Adjusted for returns =16.9%	8.8%
Real YTD GP% Adjusted for returns = 17.1%	5.5%
Real YTD GP% Adjusted for returns = 15.5%	7.1%
Real YTD GP% Adjusted for returns =11.48%	2.1%
Real YTD GP% Adjusted for returns = 10.9%	3.6%
Real YTD GP% Adjusted for returns = 10.4%	2.3%
Real YTD GP% Adjusted for returns =6.4%	-1.8%
Real YTD GP% Adjusted for returns = 19.8%	19.0%
Real YTD GP% Adjusted for returns = 7%	0.2%

Variance between GP%  
and Return % YTD



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### Top Three Customers

- 1) Vanamax ; This company does a high volume of sales with a very strong gross profit percentage of 25% \ This company pays for their orders on collection ensuring fast conversion to cash.
- 2) M&B Collision ; This company does a high volume of sales with a strong YTD gross profit %.  
This company pays for their orders on collection ensuring fast conversion to cash.
- 3) BP Customs ; This company does a high volume of sales with a strong YTD gross profit %  
This company pays for their orders on collection ensuring fast conversion to cash.

### Bottom Three Customers

- 1) JD Auto Leader ; This company does low sales volume and their account is delinquent.
  - 2) M&M Auto Sales ; This companies price level is quite low and returns are high versus the profitability le' relationship.
  - 3) M&D Used Cars ; This company again has a low price level with a high return rate versus profitability. Th delinquent
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YTD.

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eir account is also

**1) Identify some opportunities for improvement and describe how you can take advantage of them.**

Our group has decided that key focus points should be as follows for this case study.

- Review collections policy for accounts with extended credit. Courtesy email 5 days before Net 30's come due. Live call day of payment due. 2 day follow up cadence for accounts past due.
- Implementation of an incentive program for key accounts to mitigate return percentages. See question #2.
- Gross profit remains strong as an average. Offer discounted price levels based on sales volume to encourage lower level shops to purchase more.

**2) Consider incentive programs, like those employed by airlines, hotels, department stores, grocery stores, etc.**

To help improve profitability our group has decided that we would introduce a rebate program to wholesale accounts which will be setup as follows.

*Parts purchases greater than \$5,000/MTD but less than \$10,000, with a return rate of > 5% will receive a 1.5% rebate on all purchases.*

*Parts purchases greater than \$10,000/MTD but less than \$15,000, with a return rate of > 5% will receive a 2.25% rebate on all purchases.*

*Parts purchases Greater than \$15,000, with a return rate of > 5% will receive a 2.75% rebate on all purchases.*

