

ACTION PLAN 1

S Specific
M Measurable
A Achievable
R Relevant
T Time bound

What is your goal? What do you want to achieve? From what metric? To what metric? By what date?

Increase my pre-owned vehicle turns.

After removing all lease buyouts from the pre-owned turn equation we are currently at a 9.1 turn which is below the guide of 12.

I would like to get to the 12 turn vs our current 9.1 by January 31, 2023.

BOTTOM LINE: Benefits of Achieving Your Goal

By increasing our pre-owned turns, we will be generating more fixed, F&I and below the line income which will produce an extra \$3,142,910 in added gross.

We will be generating more sales which will in effect have more busy salespeople. At the same time it will help with boosting employee morale as they will see more sales.

Will have more work for our technicians and overall fixed ops.

Consequences of Not Achieving Your Goal

Lost opportunity in added gross.

Less work in our service dept translating to not enough internal work for our techs.

Sales will be selling less units contributing to more down time.

July 1, 2022

When will you start?

How will you gauge your progress? When? Using which metrics?

I will calculate my turns on a monthly basis expecting to see an average 0.5 turn increase.

What specific actions will you take to achieve your goal? Who can help you?

Shift strategies from pricing vehicles 100% to market to pricing vehicles at a percentage of cost. For example cost of unit \$25k, i will price it at 12.5% markup = \$3,125k gross.

I will get together with our pre-owned manager and communicate my action plan to make sure we are on the same page to the new pricing strategy.

Implement a "no wholesale" policy immediately for any vehicles under 30 days in stock.

Be more aggressive on trade in the dollar range guide of what the majority of sales has been and has quickest turn.

Potential Challenges?

Lower gross per deal = lower commission

Performing recon work on a vehicle and being under water in 30 days.

Potential Solutions?

Implement a volume bonus geared to helping us increase the sales volume.

Actively look at market vs our cost on the vehicle to see any downward trend in auction prices.