ACTION PLAN 1

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

Increase used car sales/inventory. Pre-Covid we would sell 35-45 used a month with 100-115 used vehicles in inventory. Since mid 2020 we have not sold more than 25 used cars a month and with at most 70 used cars in inventory. We have been cautious waiting for the bubble to burst, but I feel as we still have lost oppurtunity.

BOTTOM LINE: Benefits of Achieving Your Goal

Turning more used units resulting in more gross and more oppurtunity for all departments.

Consequences of Not Achieving Your Goal

Shop RO count down due to less used vehicle inspections, overall used vehicle gross down, and less turns through the F&I office.

When will you start? September 1

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

On a daily basis track how many used vehicles that are currently on the lot ready for sale. Have some cheaper options that could bring in a different market. If we can get back to 80 used vehicles available for Q4 I think our bottom line would benefit greatly.

NADA ACADEMY

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

Continue to buy vehicles off the street from customers. We have made yard signs which have resulted in 2-3 purchases a week. Not many result in retail sales, but has greatly enhanced the wholesale end. If we can turn that 2-3 a week into 5-8 we could see some immediate benefits overall. I just ordered more signs last week that we will spread out around surrounding towns. Currently we only have them set up on our properties surrounding the dealership.

Work potential trade ins more. If they have retail potential we should stretch on them to make a deal. We are pretty wholesale minded so we do not go the extra step to take good trades that are retail work. I think we need some more risk on deals to create more oppurtunity.

Limit our auciton purchases. We have been losing on a few auction purchases as of late due to market changes in our region. If we can buy them correct it has been great, but as we all know things can get emotional when bidding against competitors. If we can limit our over bidding that can help our bottom end.

I have to implement a few different jobs to new employees to help purchase more vehicles off the street. It is hard to do it all myself. I have a great sales person that we are grooming to become a manager. Just need to teach him the ways of buying cars. Which should not be that difficult.

Potential Challenges?

Market shifts could result in loser vehicles if we stock too many and they do not turn quick enough. This has been our biggest fear and why we are only stocking half of what we previously did. Just need to sack up and buy some vehicles.

Potential Solutions?

Turn the used cars faster. We only turn our inventory 3 times per year. If we can get that up to 6 times per year in 2023 I think that would be incredible. We are a historically grossing store vs turn. But I think we can find a better happy medium.