First Time Fill Rate

DEALERSHIP NAME		NADA Motors	rst time fill rate	
DATE	RO'S	1st Time	Same Day	Day
3/23/2018	10	8	2	0
3/26/2018	10	7	2	1
3/27/2018	10	9	1	0
3/28/2018	10	10	0	0
3/29/2018	10	6	1	3
Totals	50	40	6	4

Rate %
80.00%
70.00%
90.00%
100.00%
60.00%
#DIV/0!
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80.00%

CDK Stocking Status	Inventory		% of Inventory	Guide
INVESTMENT	Value			
Normal or Active Stock	$130,972		53.39%	over 70%
Automatic Phase Out	$43,044		17.55%	Less than 35%
Dealer Phase Out	$3,197		1.30%	Less than 1%
Manual Order	$0		0.00%	Less than 3%
Non Stock Part $'s	$67,072		27.34%	Less than 5%
Non Stock Part #'s*	2,548		65.00%	Greater than 70% of PN's
No Phase Out Not on ADP				NA
Repace by Hold Not on ADP				NA
Clean Core	$1,025		0.42%	p/n pieces
Dirty Core	$0		0.00%	
Total Inventory	$245,310		100.00%	

ADP

Activity	Value $	% of Invent	%	Notes & Guides
0-3 Months	101,341		42%	ACTIVE INVENTORY at 75%
4-6 Months	32,624		14%	ACTIVE INVENTORY at 23%
7-12 Months	40,513		17%	75% will likely become Obso 2%
Over 12 Months	21,332		9%	Technical Obsolescence 2% is gu
New parts no sales	43,474		18%	Minimal Amount
Total Inventory	$239,284		100%	

COLOR SCORING
GOOD
WARNING
DANGER
GREAT
Seldom used
OK….BUT..
OUCH !!!
OUCH !!!!!!
ouch!!!

	OBSO POSITION			
is guide	.75 TIMES	$		30384.75
uide	PLUS			21,332
	PLUS			43,474
	EQUALS		40%	95190.75

Departmental Action Plan

Dealership	**Bruce Hyundai**	**Student Name**	**Brittany Deveau**
Academy Week	**April 9-13, 2018**	**Class & Student Number**	**N333-42**

Current Situation	**Parts are being charged out at 40% above cost. We are missing the opportunity to maximize on gross on our smaller parts (anything less than $20) and are risking losing parts to sales on our larger priced items; or having our parts counter people discount larger priced items in order to save the sale.**
Overall Objective:	**Institue a parts price escalator. The smaller the cost the higher percentage of markup (based on the example from our workbook). Our overall goal is to increase gross profit and mark up factor seems like the quickest and most effective way to get there.**
Proposed Timeline	**Within the first month of using the escalator we should see an increase in gross profit. Within 3 months our goal is to see an overall increase of 5%, which at our current pace would be $4500 in the first 3 months. This should resolve part of our issue of discounting and missed opportunities.**
Action Plan	**Contact CDK and have them update our system to automatically use the correct mark up factor when quoting/charging out parts. Disable the discounting feature unless authorized by our Parts Manager or General Manager. Run deviation reports**

at end of month to ensure no one is over-riding theh process.

Requirements

1. **Meeting with Dealer:**

   Action Proposed: Effective immediately (March 1st) start using the Parts Escalator - run a trial for 30 days. Compare gross increase against lost sales to make sure we're still competitive.

2. **Meeting with stakeholder(s) (dealership personnel):**

   Describe what is in place to support desired goal: Meet with the Parts Manager to make sure he is on board - again, proprose a 30 day trial to compare our increase in profits against lost sales. CDK's program automatically sets the mark up factor so no training will be required on using the escalator. We will explain the process to parts counter people & the benefits of using the escalator.

3. **Accountability: Monitoring progress:**
   Who: Parts Manager / General Manager
   What: Parts Manager to monitor counter people and overall sales/profits; GM to monitor Parts Manager to ensure process is being followed.
   By When: Process will be reviewed monthly. We will be able to measure a solid growth by June 1st, 2018 (3 months)
   How: By sticking to the process, monitoring daily, reviewing results monthly and making sure everyone has an understanding of the potential gross profit $ being left on the table by not using the proper mark up factor.

4. **Describe checkpoints that have been established to measure progress:**
Daily / Weekly / Bi-weekly / Monthly /

Date(s) for review: Daily monitoring with parts team for the first 30 days to ensure a smooth transition, weekly deviation reprots to ensure no discounting, monthly overall gross increase/lost sales report.

5. **Estimated cost for implementation: $0. No cost to implement change in CDK, no cost to expenses or staffing.**

Projected Date of Completion: **June 1, 2018**

Sponsor Signature: _____

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

Impact Areas:
Sales / Gross / Expenses / Net Profit / CSI /

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