

Lexus Downtown parts department

whole sale action plan:

We are doing very well in whole sale at Lexus downtown. Our goal is to improve our whole sale to the next level. We want to implement a few policies to improve our gross profit by 50%. Our time line is six months.

We would like to up our market factor by a maximum of 3.5 depending on the price of the part. It varies depending on the price of the part, for example; we will up the parts from \$0.01-4.00 up by 3.5 and parts from \$225.01-\$250 by 1.75. \$225 parts if we mark it up by 1.75 markup factor, we will get around 42% improvement in gross profit.

We will make sure that we are not shocking the market and our business partners so we decided to do it step-by-step within the duration of six months and monitor our performance on a monthly basis.

Specific: The goal is to increase gross profit.

Measurable: The department can go through the numbers based on the financial statement on a monthly basis.

Achievable: The department has specific strategies to achieve the gross profit increase and has a specific timeline for doing so.

Relevant: Overall objective is to increase wholesale profitability.

Time-bound: Has specific timelines for each level of parts cost \$ to up the markup within 6-months.

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