Advertising

1. We use Autoloop for all advertising
2. E-mail blast campaign
    a. Emailed 40,000 customers in 20 miles.
3. Traditional mailers
    a. 80% service
    b. 20% parts
4. Triggers Service reminders
    a. 6 mo. 8 mo. 12mo and 14 months with out service in our shop.
5. Decline lines
    a. Follow up with a Robocall with a discount.

Marketing

COMPETITOR NAME	LUBE, OIL & FILTER	ROTATE TIRES	BALANCE TIRES	ALIGN TIRES	SERVICE A/C	REPLACE FRONT DISC PADS
CHRISTIAN BROTHERS	$ 60.00	$ 19.95	$ 25.00	4 TIRES $79.95	RE-VAC $154.00	$390.00-$ 420.00
FIRESTONE AUTO CARE	$ 58.00	$ 20.00	$ 27.98	$90.00 $200 FOR LIFETIME	$ 115.00	$ 189.00
NORM THE TIRE MAN	$ 51.31	$9.00 a wheel	$ 35.00	$ 100.00	$ 120.00	$ 179.00
LEWIS FORD	$ 39.95	$ 19.95	$ 29.95	$ 79.99	$ 179.00	$225.00 Not W/ Pads
FRANK FLETCHER	$ 32.00	$ 19.95	$ 30.00	$ 89.95	$ 190.00	$ 189.00
TIM'S AUTO	$ 56.00	$ 30.00	$ 35.00	DON'T DO, SEND TO NORM'S	$ 126.00	$ 177.00
Competitor Averages	**49.5**	**24.3**	**30.48**	**89.95**	**147.33**	**229.83**
My Dealership	**42.95**	**21.95**	**44.95**	**83.95**	**149.95**	**219.**

Facility

FACILITY POTENTIAL	
Number of Bays	30
	x
Number of Days	24
	x
Number of Hours	7200
	x
Effective Labor Rate	94
	equals
FACILITY POTENTIAL	$ 487,296,000

FACILITY UTILIZATION	
Total Labor Sales	$ 262,222
	÷
Facility Potential	$ 487,296,000
	equals
FACILITY UTILIZATION	0.05%

1. We are only at 50% of our total utilization on our facility.
2. We need to improve on our potential
    a. Less one-line Ros
    b. More Techs
    c. Better Advertising
    d. Better training will improve speed
    e. A Parts runner to take parts to the techs
    f. Keep techs off of the Parts desk.

Productivity of Techs

NADA ACTUAL SERVICE ANALYSIS

Performance

	Labor Sales / Month		Hourly Labor Rate		Hours Billed
Customer Car*		÷		=	0.00
Customer Truck*	$ 129,993	÷	89.49	=	1452.6
Customer Other*		÷		=	0.00
Warranty	$ 40,101	÷	93.37	=	429.5
Internal	$ 80,719	÷	103.13	=	782.7
New Vehicle Prep	$ 11,409	÷	94.60	=	120.6
Total	$ 262,222				2785.4

POTENTIAL

$ 262,222	÷	2785.38	=	$ 94.14			
Total labor sales for month		Total hours billed		Effective Labor Rate			
21.00	x	11	x	24	=	5,544.0	
# Service mechanical technicians		# Hours/Day		Working Days/Month		Clock Hour Aval	
5,544.0	x	$ 94.14	=	$ 521,925			
Clock Hours Available		Effective Labor Rate		Labor sales potential			

How proficient are your technicians?

2,786.0	÷	3,728.00	=	74.73%
Hours Produced		Hours Available		Tech Proficiency

Customer labor divide by the Customer Effective Labor rate from

the R. O. Analysis

1. NADA guide is 125% Tech but is 75% per stall
2. I can improve the bottom line by training the Techs to have a faster inspection
3. The tech needs to offer the Service Advisor a very detailed list of needed repairs or maintenances needed for the upsell.
4. The Service Advisor needs to get the approval faster.
5. The Parts department needs to have the proper parts availability.
6. Techs need to be on the job and not standing at Parts desk.

Production Method

1. Mclarty Daniel Ford is a Conventional Production Shop
    a. Service Advisor is the first point of contact
    b. Work is given to the Dispatcher/ Lane Manager
    c. Work is dispatched to next available Tech based on Skill.
    d. Any upsell is put into ASR PRO and sent back to the Advisor.
    e. Service Advisor sells any additional work at this point.

Cost of Labor

Service Department Sales And Gross (Labor Only)

Category	Sales	Gross	Gross as % of Sales	%Sales Contribution
Customer Car			0%	0%
Customer Truck	$ 129,993	$ 93,286	71.76 %	49.57%
Customer Other			0%	0%
Warranty	$ 40,101	$ 28,739	71.67 %	15.29%
Warranty Other			0%	0.00%
Internal	$ 80,719	$ 64,115	79.43 %	30.78%
NVI / Road Ready	$ 11,409	$ 9,152	80.22 %	4.35%
Adj. Cost of Labor	$ -		0%	0.00%
Total	$ 262,222	$ 195,292	74.48 %	100.00 %

1. Mclarty Daniel Ford is above NADA guide of 73% MD = 74.48%
2. Issues under in both Customer pay and Warranty pay
    a. Discounting behavior needs to be addressed
    b. Warranty is an issue with Tech rate based on skill.
    c. We account for Extended Warranty in the Customer Pay line. Our Extended Warranty pays us less than our Door rate.

Expense Structure

Service Department Profit Centering

Expense Category	Dollar Amount	% of Gross	Profile
Department Gross	$ 202,966		
Variable Expense	$ 12,466	6.14%	
Selling Expense	$ 22,839	11.25%	
Personnel Expense	$ 25,391	12.51%	
Semi-Fixed Expense		0.00%	
Fixed Expense		0.00%	
Unallocated Expense		0.00%	
Dealer's Salary		0.00%	
Total Expenses	$ 60,696	29.90%	
Net Profit	$ 142,270	70.10%	

Pay Plans

1. Line Tech
    a. Flat Rate based off of skill and training.
2. Quick Lane
    a. Flat Rate $15
3. Apprentice
    a. $12.5 clock Hour
4. Service Advisor
    a. Pays on all hours sold. CP, W, I

Performance Programs

1. We set a Yearly Budget for every department.
    a. Customer Pay
    b. Warranty
    c. Internal
2. We have monthly/ Weekly meetings to track Budget comparisons.
    a. Service Manager and GM
    b. Service Manager and Advisors

Level of current Training

1. Manufacture
    a. STARS requirements
    b. ERS training
    c. Phone Training for Service Advisors / BDC
2. All Employees are required to have training complete
3. WE pay for all training and encourage hitting higher levels of training.

Special Tools

1. This is an area we are Failing
    a. With current building the Special tools room is a bit of a mess.
    b. With the New building due this fall we will have an all-new process.
        i. Special Tools will be stored in the parts department and billed out on the ticket.
        ii. The new building is being built with an area in parts to hold all Special Tools.

Repair Order Analysis Summary Report

	Sales in Dollars		FRH's on RO's		Averages	Analysis
Competitive	$ 770	÷	8.80	=	87.49	FRH Average
Maintenance	$ 2,762	÷	47.70	=	57.91	FRH Average
Repair	$ 20,017	÷	196.60	=	101.82	FRH Average
Totals	$ 23,549	÷	253.10	=	93.04	Customer ELR
				Target Labor Rate	96.60	Per FRH
Total Ro's in Sample	50			Difference	-3.56	Per FRH
Cost of Labor						
Total Cost of Labor	6562.65	÷	Total Sales	=	27.87%	Percent Cost of Sales
Total Cost of Labor	6562.65	÷	Total FRH's	=	25.93	Cost per FRH
Repair Order Measurements						
Total Labor Sales	23,549.35	÷	Total RO's	=	470.99	Avg Labor per RO
Total FRH's	253.10	÷	Total RO's	=	5.06	Avg FRH's per RO
Menu Sales		÷	Total RO's	=		Percent Menu Sales
Competitive FRH's	8.80	÷	Total FRH's	=	3.48%	Percent Competitive
Maintenance FRH's	47.70	÷	Total	=	18.85%	Percent Maintenance

			FRH's				
Repair FRH'	196.60	÷	Total FRH's	=	77.68%	Percent Repair	
One item RO's	38	÷	Total RO's	=	76.00%	Percent One Item RO	

Model Year Analysis

2019	2018	2017	2016	2015	2014	Older	Total
0	0	5	12	6	9	68	100
0.00%	0.00%	5.00%	12.00%	6.00%	9.00%	68.00%	

SWOT

Strengths

*Term of employees

*Competency of Techs

*Quality of people

Weaknesses

*Old Building

*#of 1-line ROs

*Tracking of lost Sales

*Tracking Decline lines

Opportunities

*100% decline opportunity's coded on Ros

*¼ hours in the MPI results

Threats

*Local Competition

*Availability of Techs

*lack of shop efficiency