

A photograph of two men, Trevor and Chuck Gile, standing in a car dealership service area. Trevor, on the left, is wearing a blue blazer over a white shirt. Chuck, on the right, is wearing a grey suit jacket over a blue and white checkered shirt and a blue tie. They are both smiling. The background shows a brick wall, a computer monitor, and a keyboard on a desk.

Trevor, left, and Chuck Gile, who run Motorcars Honda, say the express service assembly line system they developed beats competitors with a combination of “speed, transparency and price.”

PHOTOS BY JMS IMAGERY

SPECIAL REPORT

THINK FAST

This report examines quick service at new-vehicle dealerships – its profitability, perils and promise. Two dealers create what they call the express lane of the future.

Other dealers and automakers discuss the best ways to market fast service, the obstacles that can wreck it and what comes next.

INSIDE: Marketing quick service effectively **PAGE 22** | How to overcome fast-lane slowdowns **PAGE 26**

VIDEO: Watch Motorcars express lane video at autonews.com/motorcars



A high-tech parts locker next to the express lane (below) saves repeated trips to the parts desk. Above right: Color-coded service tickets assign teams of express techs to work on vehicles.



FUTURE EXPRESS

Dealership's quick service assembly line is potent weapon against aftermarket

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CLEVELAND HEIGHTS, Ohio — A snowy midweek, Midwest morning in January isn't a popular time to buy a car or truck. The solitude in Motorcars Honda's showroom this day underscores the reality.

But the dealership's service drive is bustling. A two-and-a-half-minute oil service is the key ingredient in the dealership's program for ultrafast service — a recipe the store's owners are preparing to sell to other dealers nationwide.

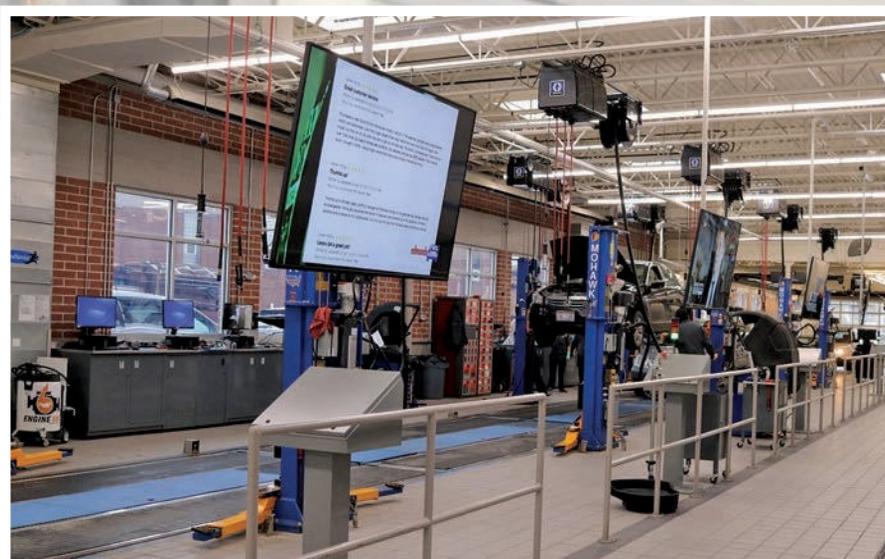
In just over two hours, 71 vehicles roll down the drive. The dealership's plan is to provide express service to 30,000 cars and trucks a year, and it is developing the capacity to handle 60,000 vehicles.

Motorcars Honda is building on an idea pioneered more than a decade ago: a moving assembly line for quick service. (See story, Page 20.)

It is adding several innovations of its own that:

- Reduce customer wait times to under 30 minutes for an oil change, tire rotation, 20-point inspection and related services for a base price of \$49.99.
- Streamline repair orders so that customers can pay more quickly.

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■ Precisely track the dealership's inventory of filters, wiper blades, lights and other regular wear items.

■ Funnel a steady stream of vehicles into service bays for work that might otherwise have gone to aftermarket shops.

Turning point

Chuck Gile, Motorcars Honda's dealer principal, describes customers buying cars and trucks from his store but then drifting away to independent shops for oil changes, tire purchases and other routine maintenance. He discovered that his competitors were offering things that he — and most other dealers — weren't.

"It came down to speed, transparency and price," says Trevor Gile, Motorcars Honda's general manager and Chuck Gile's son.

The Gile family concluded their dealership wouldn't survive without a high-volume, high-profit service department that ran fast and lean, generating revenue when car and truck sales were slow.

Most of all, they decided, that meant providing fast service better than anyone else. "We have to get that work back into the dealership," Chuck Gile told *Fixed Ops Journal*.

Memorable visit

A dozen years ago, the Gile family and their management team visited Bobby Rahal Honda in Mechanicsburg, Pa. The dealership had just installed a pair of conveyor belts that moved service vehicles to a series of stations where techs performed specific tasks.

Intrigued by Rahal's assembly line for quick service, the Gile family began drawing up plans for a similar operation in their other dealership, a Toyota store across the street from Motorcars Honda. But that dealership lacked the space for a moving assembly line.

Motorcars Honda, which occupies Cleveland Heights' old city hall, was similarly landlocked. Six years passed before the dealership bought a small, adjacent parcel of land from the city, enabling it to expand its service department and plan for the assembly line.

A dispute with an architect that landed in court caused further delays. But the Gile family never lost sight of their vision for express service and its key elements: speed, transparency and price.

Buying and installing the equipment that would deliver those attributes proved to be relatively easy. But perfecting the step-by-step process that allows the assembly line to func-

Yours for \$700,000

Motorcars Honda aims to sell its quick-service assembly line system to other dealerships. The package includes

- 6 Mohawk lifts
- 2 engine oil suction machines
- An express parts locker
- The assembly line floor system, with safety sensors
- Detailed instructions on staffing and operations
- On-site help to launch the system

Source: Motorcars Honda

tion seamlessly has been an expensive, time-consuming challenge and remains a work in progress.

"I'd be lying if I said there weren't tough days," Trevor Gile says. "We drew chalk on the ground and used Matchbox cars to figure out what each workstation would be."

Last September, Motorcars Honda did a soft launch of its reinvented service department. There's been no advertising of the new fast-service line, just word-of-mouth. Yet the number of oil changes has nearly doubled since September, Gile says.

Station to station

Quick-service customers at Motorcars Honda don't need appointments and don't have to be Honda owners. They pull up to a large automatic garage door that leads to a 100-foot service drive with six stations (photo story, Page 18).

A valet carrying a tablet greets customers. The vehicle identification number discloses the maintenance and recall history of each car or truck, along with other information.

From padded seats behind a guardrail, customers can watch their vehicle being serviced on big TV monitors. The valet or a service adviser drives the vehicle over a Hunter Quick Tread machine to inspect the tires.

A few feet farther along, at a Hunter Hawk-eye machine, two techs attach wheel sensors that check alignment specs.

The work the techs carry out at each stop on the moving assembly line is flexible, depending on traffic in the lane. At the first stop, a Mohawk lift elevates the vehicle. A technician checks the suspension and brakes, looks for leaks, rust and road damage and inspects common wear items.

The tech performs these checks with a cam-

era at the end of a wand that projects the inspection onto the monitor for the customer to watch.

At the next station, the old engine oil is removed. A tech inserts a straw through the dipstick tube that goes to the bottom of the oil pan. In about two and a half minutes, without ever touching — and potentially stripping — the drain plug, the used oil is sucked out the top of the engine.

At station three, the car again is elevated, this time for a tire rotation and — if needed — balancing. Two techs working side by side can rotate all four tires in about three minutes.

Another tech changes the oil filter at the same time. Then the vehicle is lowered back onto the moving assembly line.

Fresh oil is pumped into the engine from an overhead hose at station four. Techs vacuum the interior and check and top off fluids.

At station five, techs wipe down the interior and ensure that the oil maintenance light is reset and that there are no warning lights or trouble codes.

Most vehicles don't stop at station six, which is used for inspections in case there's an issue with a car or truck on the line. At the end, customers receive a coupon for a car wash.

The goal is to get each vehicle through the assembly line in 25 minutes or less — a benchmark the dealership had no problem meeting during a visit by *Fixed Ops Journal*. The dealership ultimately aims to cut that time to 18 to 22 minutes, Trevor Gile says.

Express parts locker

The express line eliminates the time-consuming walks that lube techs often must make to the parts department. Halfway down the line, a parts cabinet contains the maintenance items that techs need to handle most jobs.

A tech enters information from the repair order into a computer in front of the cabinet. That process unlocks doors to compartments with oil filters, air filters, wiper blades and other common parts. Once they are removed, those items are subtracted from the dealership inventory.

Entry-level techs do oil changes and routine maintenance work on the assembly line, enabling senior technicians to concentrate on high-value repair jobs. Trevor Gile compares the division of labor to a hospital's.

"We want to have the junior technicians be the nurses and check the vital signs and the senior technicians be the doctors," he says. "It changes the whole way service is done."

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Motorcars Honda had to address space limitations at its site to build the express lane, at right, in its service garage.

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Motorcars Honda continues to refine the line. The objective, Trevor Gile says, is to cash out each customer at the exact moment the vehicle reaches the end of the express line. A card reader on a tablet collects payment. Gile says he expects that piece to be in place this month.

'Slick' operation

Don Andrews, a district parts and service manager for American Honda Motor Co., has been a frequent visitor to Motorcars Honda since it opened its remodeled service department.

He says he is impressed with the express service system, calling the parts locker "slick."

"I think what they've done is commendable, and we are taking a close look at it," he says of the Giles. "We are waiting for their green light to do a full assessment on what they are doing. Let's see how effective they are when they are fully operational."

Andrews calls express service a "very high priority" for Honda. Consumers "want an oil change in 30 minutes or less," he says. The automaker is thinking of adopting some of the Giles' innovations at other Honda dealerships, he adds.

The Giles have established a business, Next Gen Express, that aims to sell turnkey express lanes based on the Motorcars operation to other dealerships. The package will include all the equipment on the Motorcars express lane

"The typical dealership service department is kind of like 'The Wizard of Oz' — the man behind the curtain. We feel sometimes the best option is to let [customers] know their car doesn't need a repair right away."

TREVOR GILE

as well as instruction on staffing and running the lane.

The price, Trevor Gile says, is expected to be just under \$700,000.

On the line

This busy morning, inspections identify a number of problems with quick-service customers' vehicles. On an elderly CR-V, a technician spots two corroded bolts connecting the catalytic converter to the exhaust system; they are close to breaking.

A Ridgeline has a nail in a tire. An Accord's front brake caliper has a seized piston.

Senior techs point out these issues to owners but don't push repair work aggressively. They assign the problems labels such as "caution" or "attention now."

Still, Trevor Gile estimates that 70 percent of

the repair orders in Motorcars Honda's service department comes from the express line. He says the transparency with which the dealership operates the line builds trust and future business.

"The typical dealership service department is kind of like *The Wizard of Oz* — the man behind the curtain," he says. "We feel sometimes the best option is to let [customers] know their car doesn't need a repair right away."

"If we sold them something every single time, they wouldn't want to come back," Gile says. "We have to be able to show them when we feel it needs a repair."

Glenn Hartman, who has been a Motorcars customer for 15 years, brought his 2002 Accord to the dealership for an oil change, his first exposure to the express service.

"I like this setup," he says. "If there's something wrong, they'll catch it. It's very efficient, and I like to see them working on my car."

"When I first started coming here, an oil change and full inspection took at least an hour," Hartman adds. "Nobody likes to sit and wait."

Lisa Dobbs is vice president of product management at CDK Global, an information technology provider for automotive retailers. She says the Giles' approach "makes all the sense in the world."

"The fact that we have these tools in our pockets and can do these things — why wouldn't you?" Dobbs says. "The dealerships that embrace this kind of transparency will be the ones that get business back from the independents." ■

walk the line

Like an auto assembly line, the fast lane at Motorcars Honda divides express service into discrete tasks. Here's the sequence, step by step.



As a vehicle enters Motorcars Honda's express service lane, a Hunter Quick Tread machine measures tire depth. The customer gets a color printout with the results.



Two service technicians attach Hunter Hawkeye laser machines and check alignment on all four wheels.



A Mohawk lift raises the vehicle, and a tech inspects the brakes, suspension, exhaust system and undercarriage for worn parts and damage. Above, a handheld camera shows the customer the condition of the vehicle's underside on a TV monitor.

The oil filter is changed at this station or the next one, depending on the progress of the vehicle ahead.



A tech inserts an Engine Vac machine straw through the vehicle's dipstick tube and removes the old oil in about 2½ minutes.



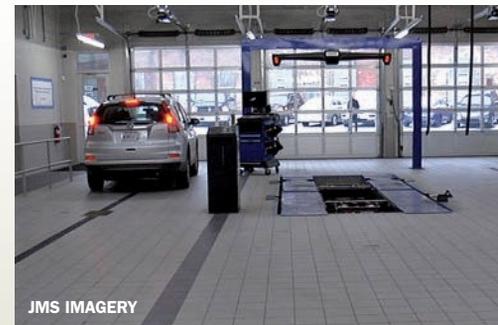
An express parts locker beside the express lane contains oil filters, air and cabin filters, windshield wiper blades and other small parts. When a tech removes an item, it is automatically subtracted from the dealership's parts inventory and added to the customer's repair ticket.



An overhead hose injects fresh oil into the engine. A tech starts the vehicle and checks the oil level.



The vehicle gets an interior cleaning, and a tech checks for warning lights and trouble codes before returning it to the customer.



The customer can pay at the end of the line with a credit or debit card. Each customer gets a coupon for a free car wash worth \$10 with each express service visit.

PHOTOS BY TOM WOROBEC

Draining oil quickly is key part of ultraexpress service sequence

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The key to express service at Motorcars Honda is the Engine Vac, a machine that removes motor oil from a hot engine in just over two minutes.

It usually takes at least five minutes to drain oil in the traditional way: removing the plug from the oil pan on the bottom of the engine and letting the oil flow into a receptacle.

Motorcars Honda has a distribution deal with Samson Corp., a Swannanoa, N.C., manufacturer that makes the device. Motorcars sells the Engine Vac — rebranded from its original name, the EvacMaster — to other dealerships for about \$2,000 to \$3,000, depending on the model and features.

Tom Cates, a Samson product manager, says removing oil from the top of the engine began in the auto industry about a decade ago, in European Mercedes-Benz dealerships. Other brands, such as Peugeot and Volkswagen Group makes, adopted the practice.

On many European engines, the oil filter is on the side of the engine block and is accessible from above, so a vehicle doesn't need to be placed on a lift or driven over a pit for an oil change.

Cates says the EvacMaster has been avail-



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able in the United States for 15 years. Several thousand of the devices are in operation, he adds, but mostly not in the service departments of new-vehicle dealerships.

EvacMaster works well with Honda engines, Cates says, but may not draw out oil as quickly in other brands of cars.

"Because you can use the shortest, fattest straw on a Honda inline-four, you can evacuate the engine in a minute or a minute and a half," Cates told *Fixed Ops Journal*. "When you take the drain plug out, there won't be a drop of oil."

On Motorcars Honda's quick service assembly line, when the dipstick is removed, a reinforced straw is inserted down to the bottom of the oil pan, and the old oil is vacuumed out.

General Motors has a few engines that would

seem suited to the EvacMaster because their filters are mounted beside the engine. But the automaker says it has not seriously considered recommending the machine to its dealers.

"We really don't see a customer benefit in oil evacuation, as it takes extra equipment to perform the oil change," GM spokesman Tom Read says.

Toyota has not looked at removing oil with a suction device, says Mike Jarboe, senior manager of service support operations for Toyota Motor North America. Jarboe adds he does not know of any Toyota dealerships using such a machine.

Speedy oil changes are not the only benefit of removing oil through the dipstick tube. Service managers need not worry about inexperienced lube techs stripping oil drain plug threads. Fixing that error is often an engine-out job that can cost \$2,000 or more if the engine loses oil and seizes.

The two Engine Vac machines at Motorcars Honda have proved their worth, says Trevor Gile, the dealership's general manager.

"We had a guest complain that we stripped his drain plug," Gile says. "But we showed him how we changed oil. 'Typically, we would have had to replace that engine. But we were able to demonstrate we didn't cause the problem.'" ■

Fast service pioneer says price of Motorcars system is too high

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Chuck and Trevor Gile of Motorcars Honda are marketing their ultrafast express service system to other new-vehicle dealers. Based on his experience, John Rickards foresees a tough challenge for them.

Rickards is president of Bobby Rahal Automotive Group, which operates 12 dealerships in Pennsylvania. In 2005, Bobby Rahal Honda, in Mechanicsburg, Pa., became what is believed to be the first new-vehicle dealership to install a moving assembly line in its service department — an innovation the Giles adapted for their system.

The idea came to Rickards during his visit to an auto factory. Once Bobby Rahal Honda's assembly line system was up and running, the time service technicians spent on oil changes dropped from about an hour to 30 minutes.

Rahal's express service system worked so well, Rickards says, he was convinced he could sell the setup to other dealers.

He figured they wouldn't balk at the

\$300,000 price tag for the moving assembly line and detailed plans on how to run it.

But it didn't sell. A Lexus dealership in California committed to buying the system, Rickards says, but abandoned the project when the Great Recession hit. Bobby Rahal Honda closed its assembly line express lane last year to make space for a used-vehicle reconditioning center and body shop.

Rickards says he's impressed with how the Giles have applied his idea and added innovative equipment, such as an oil evacuation machine and express parts locker. But he adds that he thinks Motorcars Honda's \$700,000 price tag for its express lane system is too steep.

"I don't think they are going to have too many players at that kind of number," Rickards told *Fixed Ops Journal*. "The capital expenditure — how many lifts can you buy and install in a traditional building?"

"Dealers are pretty savvy people," he says. "Because it is all equipment costs, it's cash, and it is hard to get a loan on that."

Trevor Gile, Motorcars Honda's general manager, rejects the suggestion that his quick

service package is too expensive.

"When dealers are looking for ways to retain their customers and expand their service departments, like anything else, you're paying to do that. Rahal's system didn't include most of the additional features we've installed.

"A lot of the costs in the \$700,000, you'd be spending anyway," he adds. "We are giving a dealer the opportunity to pull express [service] out of the main shop and make the main shop more efficient."

At the new Bobby Rahal Honda used-vehicle reconditioning center and body shop, fast rotary lifts replaced the moving assembly line. But Rahal's techs still do 30-minute oil changes.

"We put speed lifts in," Rickards says. They raise the car in half the time. So we still employ the same quick service team."

Yet if Rahal were to build a new dealership focused on high-volume service, it would have a moving assembly line, Rickards adds.

"The customer today is demanding a faster turnaround time," he says. "The old days of having them sit around or drop their car off for the day doesn't work anymore." ■