

# **3 • 2 • 1 Automotive Consultants**

**“Making You Profit”**

Clayton Perry, Sr.

[www.321consultants.com](http://www.321consultants.com)

## Qualification Summary

Automotive management and sales Consultant experienced in the development of automotive sales and leasing programs designed to increase staff productivity while achieving sales and profit targets identified by owners automobile dealerships nationwide.

## Background Summary

- Used Car Management
- New Car Management
- Finance and Insurance Management
- Retail Lease Management
- General Sales Management

## Professional Experience

**Automotive Management / Sale Development Consultant** 1997 – 2000

*321 Automotive Consultants, Charlotte, North Carolina*

**Sales Manager / 321 Automotive Consultant** 1999 – Present

*Sam Johnson Lincoln Mercury, Charlotte, North Carolina*

- Developed on-lot billboard ad to increase sales by buyers who purchase cars through the internet
- Received Lincoln Mercury Award for best sales volume increase in Zone-C 1999
- Received Lincoln Mercury Award for best improvement in the North and South Carolina region 1999

**General Sales Manager** 1997 – 1998

*Queen City Lincoln Mercury, Charlotte, North Carolina*

**General Sales Manager / Automotive Consultant** 1997

*Conyers Riverside Ford, Detroit Michigan*

# Résumé

## **Used Car Manager**

**1995 – 1997**

*Sam Johnson Lincoln Mercury, Charlotte, North Carolina*

## **General Sales Manager**

**1988 – 1995**

*Leader Lincoln Mercury, St. Louis, Missouri*

- Ranked Number-1 in retail sales three consecutive years in the Great Lakes Region ('93, '94, '95)
- Ranked Number-1 in the United States in the 36 month Red Carpet Lease 1992

## **General Sales Manager**

**1984 – 1988**

*South Boulevard Chrysler Plymouth, Charlotte, North Carolina*

- Ranked Number-1 in retail sales three consecutive years in the Atlanta Region ('85, '86, '87)

## **Sales / Finance Manager**

**1981 – 1984**

*LaPointe Chevrolet, Charlotte, North Carolina*

- Chevrolet's Legion of Leaders award recipient for three consecutive years ('81, '82, '83)

## Salesperson

1979 – 1981

*Town 'N Country Ford, Charlotte, North Carolina*

- Ranked in the top five salesmen out of 50 salespeople
- Salesman of the month on numerous occasions

# What We Do

I want to take the opportunity to introduce you to ***3-2-1 Automotive Consultants***, a newly formed private enterprise designed to provide top quality automotive management consulting and training for new car dealers.

After 24 years of retail sales experience in the automotive industry, the formation of 3-2-1 was a natural transition for me, and a logical business decision. It allows me the opportunity to utilize years of experience to help strategically reposition new car dealers, and provide new car sales staff with management tools necessary to exceed sales expectations in the new millennium.

Our primary function is to train sales personnel on how to conduct business for the new millennium. A few of the training techniques that we teach are:

- Telephone skills training
- Internet skills training
- Prospecting
- How to handle the telephone shopper
- Presenting and demonstrating the new automobile

# What We Do

Our secondary function is “market analysis” where **3-2-1 Automotive Consultants** provide in depth market analysis for your service department. We evaluate your service sales and “clean-up” your dealerships’ customer service records so that you can better identify your current market potential. This helps us to better identify and recommend specific marketing opportunities for your dealerships’ customer retention and profitability.

This market evaluation of your service sales helps us to achieve the following objectives for you:

- **Identify the current market area** of your dealership as determined by your dealership’s customer base. This evaluation uses both sales and service customers to delineate the market area.
- **Identify the potential market area** of vehicle owners for the make of vehicle sold by your dealership. Potential rate is the number of your dealerships’ sales and service customers that are among potential owners for the designated market area.
- **Recommend specific marketing opportunities** available for your dealership to improve customer retention and profitability.

# What We Do

**What's the catch? There is no catch.**

We all agree that customer satisfaction before and after sale is the single most important ingredient to our continued profitability in the new car market place. At 3-2-1, our goal is simple –

*"To provide new car dealers with a strategic management / training approach designed to assure continued success and profitability for the new millennium."*

I will follow up with you by phone to discuss how **3-2-1 Automotive Consultants** can help you realize increased profitability for the new millennium.

Sincerely,  
Clayton R. Perry, Sr.  
CEO



# What We Do

## Mike Pruitt Ford

<b>Dealership's Customer Records</b>	<b>10,381</b>	<b>100.0%</b>
<b>Less Fallout</b>		
Dates Beyond 36 Months	23	0.2%
Wholesale / Businesses	577	5.6%
Models Older Than 1988	79	0.8%
Blank Vehicle Information	360	3.5%
Not Dealer's Make	838	8.1%
Unrealistic Drive Time	269	2.6%
Address Error	1,497	14.4%
Name Error	64	0.6%
Duplicate	1,396	13.4%
<b>Total Fallout</b>	<b>5,103</b>	<b>49.2%</b>
<b>"Existing" Customers</b>	<b>5,278</b>	<b>50.8%</b>

## Data Cleaning / Results

<b>Existing Customers</b>	<b>5,278</b>	<b>100.0%</b>
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<b>These Customers Fall Into Three Categories</b>		
<b>Recent Customers:</b> Have purchased a car or had service within the last six months of the download date.	3,497	67%
<b>Inactive Customers:</b> Have had no sales or service activity in the dealership within the last 6 to 18 months.	1,647	32%
<b>Lost Customers:</b> Have no sales or service activity in the dealership within the last 18 months.	134	.03%

## Existing Customers/Zip Code

Location					For Individual Zip Code Boundary						Cumulative Thru Zip Code											
Ref	Miles	Dir	Zip	St	City	Dealer's Customers					Registered		Dealer's Customers				Registered		Registered			
						Exist	Recent	Inactive	Lost	Owner	Matched	Potent	Exist	Recent	Inactive	Lost	Owner	Potent	Exist	Owner	Potent	
<b>Market Area Total →</b>						<b>5,278</b>	<b>3,497</b>	<b>1,647</b>	<b>134</b>	<b>22,244</b>	<b>2,181</b>	<b>20,063</b>										
1	2.5	N	45801	OH	LIMA	986	642	320	24	1,598	441	1,157	986	642	320	24	441	1,157	19%	20%	6%	
2	3.3	W	45805	OH	LIMA	824	544	262	18	1,439	374	1,065	1,810	1,186	582	42	815	2,222	34%	37%	11%	
3		N	45804	OH	LIMA	781	533	230	18	1,064	352	712	2,591	1,719	812	60	1,167	2,934	49%	54%	15%	
4	3.8	SW	45806	OH	LIMA	520	345	161	14	931	231	700	3,111	2,064	973	74	1,398	3,634	59%	64%	18%	
5	6.6	NW	45807	OH	LIMA	362	246	106	10	909	60	849	3,473	2,310	1,079	84	1,458	4,483	66%	67%	22%	
6	11.6	S	45895	OH	WAPAKONETA	274	188	82	4	1,360	142	1,218	3,747	2,498	1,161	88	1,600	5,701	71%	73%	28%	
7	8	E	45850	OH	HARROD	133	83	45	5	338	54	284	3,880	2,581	1,206	93	1,654	5,985	74%	76%	30%	
8	20.7	N	45875	OH	OTTAWA	123	75	45	3	703	54	649	4,003	2,656	1,251	96	1,708	6,634	76%	78%	33%	
9	12.9	N	45830	OH	COLUMBUS GROVE	120	76	39	5	532	-	532	4,123	2,732	1,290	101	1,708	7,166	78%	78%	36%	
10	14.5	NE	45817	OH	BLUFFTON	107	69	30	8	467	44	423	4,230	2,901	1,320	109	1,752	7,589	80%	80%	38%	
11	14.3	NW	45833	OH	DELPHOS	94	58	30	6	804	47	757	4,324	2,859	1,350	115	1,799	8,346	82%	82%	42%	
12	14.7	E	45810	OH	ADA	91	69	20	2	603	35	568	4,415	2,928	1,370	117	1,834	8,914	84%	84%	44%	
13	13.4	W	45887	OH	SPENCERVILLE	85	62	21	2	352	40	312	4,500	2,990	1,391	119	1,874	9,226	85%	86%	46%	
14	10.5	SE	45896	OH	WAYNESFIELD	65	47	17	1	178	35	143	4,565	3,037	1,408	120	1,909	9,369	86%	88%	47%	
15	25.9	E	43326	OH	KENTON	62	47	15	-	1,070	27	1,043	4,627	3,084	1,423	120	1,936	10,412	88%	89%	52%	
16	19.9	SW	45885	OH	SAINT MARYS	50	33	17	-	847	24	823	4,677	3,117	1,440	120	1,960	11,235	89%	90%	56%	
17	18.1	SE	43331	OH	LAKEVIEW	45	24	19	2	434	25	409	4,722	3,141	1,459	122	1,985	11,644	89%	91%	58%	
18	31.9	NE	45840	OH	FINDLAY	44	23	21	-	-	-	-	4,766	3,164	1,480	122	1,985	11,644	90%	91%	58%	
19	28.5	SW	45822	OH	CELINA	34	24	8	2	1,344	20	1,324	4,800	3,188	1,488	124	2,005	12,968	91%	92%	65%	
20	17.3	N	45877	OH	PANDORA	33	19	13	1	147	17	130	4,833	3,207	1,501	125	2,022	13,098	92%	93%	65%	
21	27.6	NW	45891	OH	VAN WERT	29	21	6	2	979	9	970	4,862	3,228	1,507	127	2,031	14,068	92%	93%	70%	
22	14.1	E	45812	OH	ALGER	24	18	5	1	192	10	182	4,886	3,246	1,512	128	2,041	14,250	93%	94%	71%	
23	30.5	SE	43311	OH	BELLEFONTAINE	24	14	10	-	1,189	12	1,177	4,910	3,260	1,522	128	2,053	15,427	93%	94%	77%	
24	30.4	S	45365	OH	SIDNEY	19	13	5	1	-	-	-	4,929	3,273	1,527	129	2,053	15,427	93%	94%	77%	
25	21.6	SE	43310	OH	BELLE CENTER	18	9	9	-	277	8	269	4,947	3,282	1,536	129	2,061	15,696	94%	94%	78%	
26	26.9	N	45856	OH	LEIPSIC	17	13	4	-	250	5	245	4,964	3,295	1,540	129	2,066	15,941	94%	95%	79%	
27	20.6	SE	43348	OH	RUSSELLS POINT	16	11	5	-	205	3	197	4,980	3,306	1,545	129	2,074	16,138	94%	95%	80%	
28	16.8	NW	45844	OH	FORT JENNINGS	16	8	8	-	227	3	224	4,996	3,314	1,553	129	2,077	16,362	95%	95%	82%	
29	23	SE	43324	OH	HUNTSVILLE	15	12	3	-	250	9	241	5,011	3,326	1,556	129	2,086	16,603	95%	96%	83%	
30	1.6	NW	45802	OH	LIMA	14	12	2	-	41	2	39	5,025	3,338	1,558	129	2,088	16,642	95%	96%	83%	
31	28.3	N	45831	OH	CONTINENTAL	12	8	4	-	181	7	174	5,037	3,346	1,562	129	2,095	16,816	95%	96%	84%	
32	30.4	W	45874	OH	OHIO CITY	11	7	4	-	-	-	-	5,048	3,353	1,566	129	2,095	16,816	96%	96%	84%	
33	29.7	E	45843	OH	FOREST	10	9	1	-	-	-	-	5,058	3,362	1,567	129	2,095	16,816	96%	96%	84%	
34	24.6	SW	45869	OH	NEW BREMEN	10	9	1	-	223	6	217	5,068	3,371	1,568	129	2,101	17,033	96%	96%	85%	
35	24	E	45836	OH	DUNKIRK	10	5	5	-	143	7	136	5,078	3,376	1,573	129	2,108	17,169	96%	97%	86%	
36	21.9	NW	45827	OH	CLOVERDALE	9	6	3	-	141	7	134	5,087	3,382	1,576	129	2,115	17,303	96%	97%	86%	
37	11.3	SW	45819	OH	BUCKLAND	9	3	4	2	20	5	15	5,096	3,385	1,580	131	2,120	17,318	97%	97%	86%	
38	18.8	S	45306	OH	BOTKINS	8	8	-	-	134	2	132	5,104	3,393	1,580	131	2,122	17,450	97%	97%	87%	
39	7.4	N	45820	OH	CAIRO	8	7	1	-	32	6	26	5,112	3,400	1,581	131	2,128	17,476	97%	98%	87%	
40	27.3	SW	45865	OH	MINSTER	8	6	2	-	255	4	251	5,120	3,406	1,583	131	2,132	17,727	97%	98%	88%	
41	7.6	E	45854	OH	LAFAYETTE	8	5	3	-	28	5	23	5,128	3,411	1,586	131	2,137	17,750	97%	98%	88%	

# Sales Process

The most important part of an organization. I have developed a system with the help of many other talented people in the industry that brings real organization to a sales department. We call it 3-2-1.

## Here's How it Works

- 3** The salesperson must be responsible for 3 ups per day on the average in your dealership
- 2** Salesperson must demo 2 of them in a professional manner and T.O. to the sales manager before they leave with a shopping price that is good for 24 hours
- 1** Management must do everything possible to sell 1 of the three ups that this salesperson has worked today. I mean anything that does not cost the store. This process will allow hard workers to keep a good attitude and work towards three ups per day.

# Sales Process

## Working Deals

- The deal starts after a hold/sold tag has been placed on the demo wait. This is the only time that you have a buyer. Manager ask salesperson at the desk "Did you demo the vehicle?" If the answer is "yes" proceed; If the answer is "no" the manager asks "why not" and probes for reason
- Start the deal based on the type of customer you have in the shoot. The salesperson can help. Listen, salesperson should know how long in the market, internet buyer, or prior customer. Start at least 3% over invoice on new cars.
- After the deal has been started w/price sales person doesn't leave the customer until they have agreement to buy with a deposit-the only way to leave is call the tower and state your case, the manager decides to T.O. or ask you out to the tower. "No Back & Forth"
- When the deal is done for the day the manager thanks the customer for coming in-and find out what brought the customer to our store to just shop. You are probing for another shot at a close. If it does not work make sure the customer gets your best price and the manager and salesperson follows up every twenty-four hours until they make a decision.

# Sales Process

- All deals that are not completed are put in a Working Deal Basket at the tower and brought to the sales meeting the next morning for follow-up strategy. "Salesperson gets a copy of the deal".
- The log sheets are posted for 3 days in the sales managers office to review constantly for 72 hours. As the deals are done we mark them off- when they buy elsewhere we mark it down and analyze - was it product, price or people and move on.
- After the three days the customer goes into the follow up file with the salesperson to track every week for a month after that whenever they (the customer) say call back.

# Sales Process

## The Purpose

- Only 80% of the people that visit the first time should leave with out buying the first time around, however, most dealerships have over 90% that leave after the 1st visit. Our job is to work that 10% more and sell them.
- Everybody does it their way and gets less than average sales results per salesperson (10)

# Car Selection Process

- **Introduction**

Give the customer your business card and introduce yourself.

*E.g.. "Good morning, welcome to \_\_\_\_\_!  
My name is \_\_\_\_\_, and yours?"*

- **Qualifying Stage**

You will want to find out what kind of car the customer is looking for and the basic business or personal (family) use. How many miles per year they will drive is also important.

- **Presenting the Automobile**

Make sure when presenting the automobile you utilize the brochure. While presenting, it is important to find out if they have a trade in? Where they last purchased? And if they were pleased with the service department?



# Car Selection Process

- **“Will another person like to help in the selection of color and trim?”**

While on the demo ride. This is the second question you must ask. If the customer says no you have a “buyer.”

- **“Do you like it?”**

When you pull into the lot, park the car in a safe and visible place. Then ask Question #3. If they say yes, say enthusiastically “Well let’s park it on sold row!” At this time have the customer to initial the sold tag. This is the 4th time the customer has said he/she is a buyer.

- **Introduce Service The Department**

After the customer has initialed the sold tag, introduce them to the service department. Offer your customer some coffee or a soda.

# Car Selection Process

- **“When do you want delivery?”**

When leaving the service department, proceed to your office, and get a buyers work sheet. Then ask the 4th question, regardless of their answer, you follow up with...

- **“Why not now?”**

This reinforces the fact that you have a buyer.

- **“In purchasing this car now, exactly how do you want it titled?”**

If there is a trade involved, look the customer straight in the eye, reach out your hand and ask for the title. He may not give it to you, but he will definitely tell you where it is. This is the 6th time the customer has taken mental ownership.

# Car Selection Process

- **Trade-ins**

Page the used car buyer to dial your extension. The used car buyer will appear. Introduce the buyer to the customer. Let the buyer take control. The first question the buyer will ask you is "do you have the title?" The 2nd question the buyer will asked based on the previous answer is Mr.. Customer, can I assume, I can take delivery of you vehicle today. If the customer says yes, this is the 7th time they have take mental ownership before quoted a price from the sales desk.

- **As a team, this is what we expect from each salesperson at \_\_\_\_\_.**

# Show Room Follow-Up

- **Customer Name** \_\_\_\_\_
- *"Hello, my name is \_\_\_\_\_. I am with 3-2-1 Automotive Consultants. Did I call at a bad time?"*

**NO** - proceed.

**YES** - Pick a time to call back.

- *"We were recently hired by \_\_\_\_\_ to conduct a follow-up with all customers that visited the showroom. May I ask you a few questions?"*
- *"On a scale of 1 to 10, how would you rate:*
  - A. The Dealership
  - B. The Vehicle
  - C. The Salesperson
  - D. The Manager
  - E. The Price

## Wanted Board

Year	Make	Model	Equipment	Date Needed	Salesperson

1. Located on the showroom floor.
2. Salesperson enters used vehicle desired off of work sheet in front of used vehicle customer just before they leave after touching the desk.



# Sales Manager's Daily Agenda

- 1. Merchandizing – 7am**
- 2. Final Deal Meeting – 8:30am**
  - A. Go over yesterday's log**
  - B. Develop top-10 deals**
  - C. Call all customers with 24hr price**
    - 1) Sales Manager calls same day**
    - 2) "Did you beat my price?"**
    - 3) Set an appointment for delivery!**

# Sales Manager's Daily Agenda

3. Hold short product meeting with Training Manager
4. Training Class starts at 9:00am
5. Sales Managers – walk inventory to look for out of place inventory, i.e. trades, etc.
6. Meet with salespeople after training class – get appointments
7. Run detail F&I summary – verify that all deals are in the office! Dehorse – check
8. SELL 6 CARS A DAY!!



# Find a Deal Meeting!

Booked \_\_\_\_\_

Doc \_\_\_\_\_

Dropped \_\_\_\_\_

Tracking \_\_\_\_\_

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- 50 Sales per Manager (includes GSM, Excludes F&I)
- Used vehicle inventory (30 days supply at retail dollar amount zero 60 day units)
- New vehicle inventory 45/60 day supply (less than 5% over 90 days)

# Sales Managers

## Drive The Dock Sheet

New Booked In Tower \_\_\_\_\_

Today's Doc Report \_\_\_\_\_

Must Drop Today \_\_\_\_\_

Used Booked in Tower \_\_\_\_\_

Today's Doc Report \_\_\_\_\_

Must Drop Today \_\_\_\_\_

Doc must be up to date  
within prior 2 days  
business.

Contracts should be  
turned to cash in less  
than 5 days

Opp Basket \_\_\_\_\_

Drop \_\_\_\_\_

Net Drop \_\_\_\_\_

Date \_\_\_\_\_

# 3•2•1 Sales Meeting

SALESPERSON	UPS	MTD	DEMOS	CLOSED	DELIVERED
<b>TOTALS</b>					

Time \_\_\_\_\_

Date \_\_\_\_\_

Mgr. \_\_\_\_\_

Monthly Goal \_\_\_\_\_

Mo. To Date Del. \_\_\_\_\_

Mo. To Date Ups \_\_\_\_\_

Mail outs Turned In  
Today \_\_\_\_\_

Appointments  
Scheduled \_\_\_\_\_

# 3•2•1 Sales Meeting

Comments \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Salesperson \_\_\_\_\_

Manager \_\_\_\_\_

Salesperson

Ups

Demos

Closed

Delivered

Monthly Goal

MTD, Ups

MTD, Delivered

Mail Outs

Appointments Paid

Date \_\_\_\_\_

Mgr. \_\_\_\_\_

# 3•2•1 Sales Meeting

	Date	Salesperson	Amount	Reason	Signature
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
		<b>Total</b>			

# Master Tire & Auto Care

Air Condition

Tune-Up

Transmissions

Brakes

Oil & Filter

Alignment

# Vehicle Service

**0 - 30,000 MILES - BEST PART - GAS & GO PERIOD**

**30,000 - 75,000 MILES - MAINTENANCE PERIOD**



- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Tires   | <input checked="" type="checkbox"/> Exhaust   |
| <input checked="" type="checkbox"/> Shocks  | <input checked="" type="checkbox"/> Alignment |
| <input checked="" type="checkbox"/> Filters | <input checked="" type="checkbox"/> Flushes   |
| <input checked="" type="checkbox"/> Brakes  | <input checked="" type="checkbox"/> Hoses     |
| <input checked="" type="checkbox"/> Battery | <input checked="" type="checkbox"/> Belts     |

**AVERAGE COST OF REPAIRS**

**\$3,000 - to over \$3,500 in  
the 3rd and 4th Years\*\***

\*\*Source - The Complete Car Cost Guide

# Service Check Follow-Up

•Customer Name \_\_\_\_\_

•Hello, my name is " \_\_\_\_\_ ". I am with 3-2-1 Automotive Consultants. Did I call at a bad time?

NO - proceed.

YES - Pick a time to call back.

•We were recently hired by \_\_\_\_\_ to conduct a follow-up with all customers who received a FREE CHECK BOOK from Ford PROGRAM HEAD QUARTERS. May I ask you a few questions?

•Did you receive your check book? Yes \_\_\_\_\_ No \_\_\_\_\_

Yes- Have you used it for service

No- Set an appointment

No- Well please stop by and we will give you one or I can mail it to you.

Thanks Again, \_\_\_\_\_

•We are here to serve you



# Service Lane Sales

- Make copies of all repair orders with over SIXTY thousand miles on it.
- Give to new car SALES MANAGER.
- Call Service Customer

Thank them for their business and find out if we fixed it right the first time.

If we did, probe for new prospects.

Ask a question like:

“Mr./Mrs.. \_\_\_\_\_, did you know that we are having a new car Clearance Sale this weekend?”

If they are interested, invite them in. If not, ask for a referral.

“Who do you know that might be in the market for a new car?”

Smile and thank them again.

# Net Loss Per Day

Existing Customers \_\_\_\_\_  
1. Recent Customers \_\_\_\_\_  
2. Inactive Customers \_\_\_\_\_  
3. Lost Customers \_\_\_\_\_  
Total of 2 & 3 = \_\_\_\_\_  
Lost Customers \_\_\_\_\_ x \$ \_\_\_\_\_

Repair Order Amount = \$ \_\_\_\_\_  
x 4 Times per year = \$ \_\_\_\_\_  
÷ 312 Working Days = \$ \_\_\_\_\_  
NET LOSS PER DAY = \$ \_\_\_\_\_

(Working Days Gross x 35%)

Dealership: \_\_\_\_\_

Owner: \_\_\_\_\_

Notes: \_\_\_\_\_

# Used Vehicle Day's Supply – Dollar Value

Total Used Dollars in Inventory

\$ \_\_\_\_\_

*Divided by*

Retail Cost of Sales

\$ \_\_\_\_\_

(Sales - Gross = C.O.S.)

*Equals*

Number Months Supply in Dollars

\_\_\_\_\_

*Times 30 Days*

*Equals*

Dollars Days Supply

\$ \_\_\_\_\_

# Used Vehicle Day's Supply – Units

Units in Inventory

---

*Divided by*

Average Units Retailed Per Month

---

*Equals*

Number of Months Supply of Vehicles

---

*Times 30 Days*

*Equals*

Days Supply of Units

---

# Inventory Dollar Turns Per Year

## Calculated Used Vehicle Monthly Cost of Sales

*Cost of Sales is calculated by subtracting your used vehicle gross from your used vehicle sales for the current month end*

Used Vehicle Monthly Cost of Sales      \$ \_\_\_\_\_

*Times 12 Months*  
*Equals*

Annual Cost of Sales      \$ \_\_\_\_\_

# Inventory Dollar Turns Per Year

Annual Cost of Sales

\$ \_\_\_\_\_

*Divided by*

Total Dollars Used Inventory on Hand

\$ \_\_\_\_\_

*equals*

Inventory Dollar Turns Per Year

\$ \_\_\_\_\_

**Minimum Turn = 9 Turns per Year**

**Guide = 12 Turns per Year**

# Forecasting

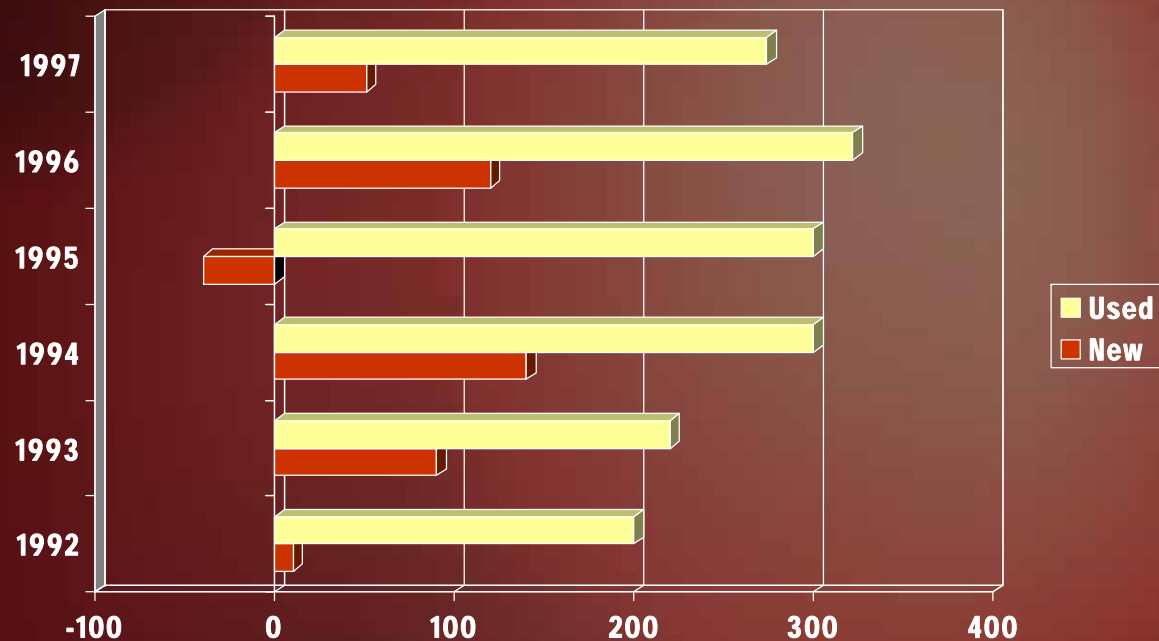
1.	Number of Units in Inventory	113
2.	Nine (9)	1017
3.	Twelve (12)	85
		40
5.	Overage Units – 60 Days in Stock (OV)	28
6.	OV * \$1,298 =	\$36,344
7.	9 Turns per Year =	\$327,096

# Why should new car dealers be interested in the used car end of the business?

Twenty years ago in the United States there were basically four manufacturers and they controlled over 90% of the new car market and over 86% of the used car market place.

Now there are approximately 32 manufacturers and less than 40% of the used car business is handled by new car franchises.

The used car business has become a wholesaler and independent trader dominated business.



1996 was the second best new vehicle year in the '90s in net profit. Used vehicle profit out performs the new car dept. by 3 to 1.

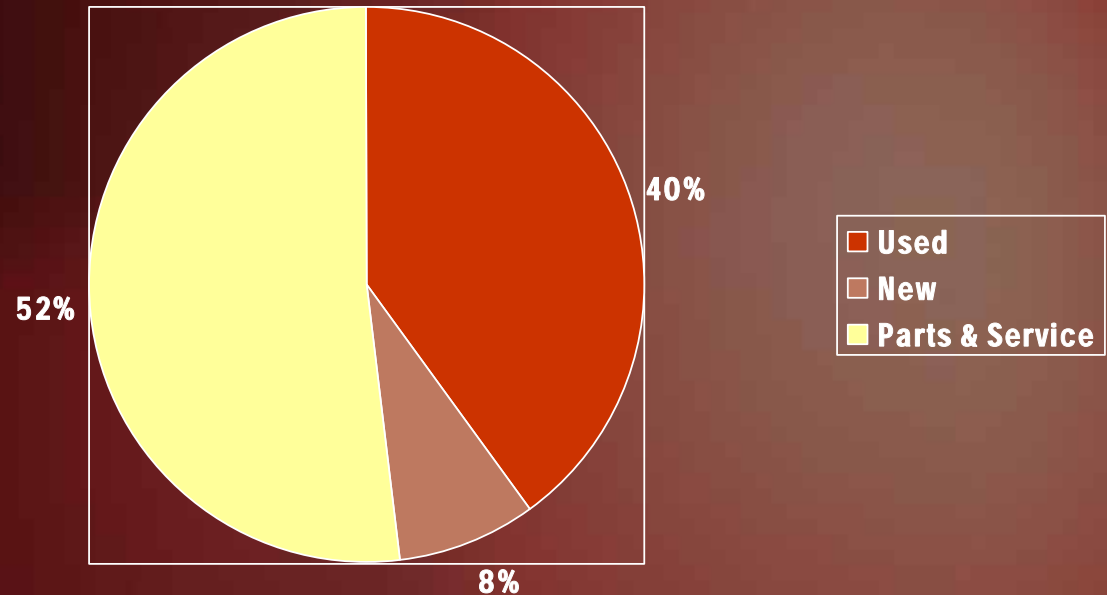
Source: ADT Automotive 1997 Used Car Market Report



## Source of Dealership Profit - 1997

A dealer has to be better than the competition in three areas:

1. Conquest Trading
2. Reconditioning – Mechanical and Cosmetic
3. Marketing, Merchandising and Retailing



When these three things happen not only will the used vehicle department show strong improvement, but it also has a positive effect on the new vehicle department, F&I, parts and service.

The dealers who have implemented these systems consistently show the highest dealer profit, the highest used to new vehicle ratio and they are also the best conquest traders.



# Benefits

- Invest In Your People
- Invest In People Most Likely To Buy What You Are Selling
- Reduces Advertising Cost
- Reduces Floor Plan Cost
- Reduces Turnover
- System Training and Follow-Up System For Today's Salesperson
- CSI Will Improve
- Dealer Makes More Profit and Knows Why

**Challenging The Way  
Inspiring A Shared Vision  
Modeling The Way  
Leading The Process  
Enabling Others To Prosper**

**If You Are Not Doing This – You Are In The Way**

# Thank You!

Clayton Perry, Sr.

3.2.1 Automotive Consultants

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