



Edwards & Associates
Consulting • Training • Research
Profitability Consultants to the Automotive Service Industry



Fixed Operations Digest

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Larry's Ramblings:

Merry Christmas

If these words offend you please unsubscribe from my Free Newsletter!

I hope that 2015 was your most successful year ever! I have dedicated the last 22 years of my career to assisting Dealers and Dealership Managers with achieving the same success I was able to achieve early on in my career. Giving Fixed Operations Digest away for FREE is my way of saying Thank You to an industry that has been very rewarding to me and my family.

While we are discussing Christmas and the spirit of giving that Christmas has come to be known for I have a suggestion that is guaranteed to help make 2016 a great year for your business.

Suggestion; Take the bottom 5% of your customers and the bottom 5% of your employees and gift them to your competitors as a Christmas Present!



If you accept my "free" gift I guarantee it will force you to raise your level of performance by at least 5% next year!

Did you know Dealership Salaries are among the highest in the U.S.?

NADA Reports; *"On average, dealership employees earned nearly 29% more than employees in the private-sector workforce, according to a comparison of dealership salaries and 2014 fourth-quarter median weekly earnings of all U.S. employees, as compiled by the Bureau of Labor Statistics (BLS)."*

WHAT WILL 2016 BRING?

Three years of increasing new vehicle sales has had and will continue to have dramatic effects on the Automotive Service Industry. Dealership service experienced a record year in 2014 and 2015 should be even better when the results are finally tallied.

Dealership service gains are primarily a result of record new and used vehicle sales the last two years. While dealership service sales are up significantly aftermarket sales are growing at their highest level ever recorded. Aftermarket growth is primarily because of the explosion in vehicle age. It has grown from an average age of seven years in 2008 to an average age over eleven years in 2014. The over seven year old vehicle repair segment for Aftermarket shops is up over 40% in the first three quarters of this year.

All the signs E&A tracks indicates that 2016 will be another record growth year for dealership Service, Parts and Collision. So, buckle your seat belt and "*Hang On*" I predict 2016 is going to be even better!

Is your 2016 forecast done?

Did you take last year's numbers and bump them up a few percentage points? Or did you look at specific areas of weakness in your department in 2015 and determine what you will need to change in 2016 to improve department's results?

With all the changes occurring in this world right now expecting your business to be "AS USUAL" will probably get you left in the dust. For example, in 2015 we saw the following significant changes occur;

- A high percentage of 16 to 21 year olds have not gotten a driver's license yet. When surveyed they say "getting a driver's license is not a priority!" They must really like riding around in the back of Mom's SUV!
- Self-Driving vehicles are getting closer to reality and each one can have as many as 40 different computers that not only talk to each other, but they are talking to other vehicles too! Can a computer experience Road Rage?
- Repairs on vehicles over seven years old is the fastest growing segment of the Automotive Repair Market. What are you doing to attract and retain these older vehicles?

If you think 2016 will be "*just like last year*" with perhaps a slight improvement in sales, gross and net. You might be wrong!

Following are a few items I suggest you include in your 2016 forecasting process.

- Your goal should be to grow your customer pay business by 10% annually. If you did not have at least 10% growth last year. Identify the critical business issues that prevented you from growing your business last year. Then establish specific measurable objectives that will address and correct these issues. Review the following key performance areas marketing, merchandising, staffing, and production and or operating processes. Determine what happened with the processes that failed to deliver your 2015 forecast. Then develop specific measurable plans to correct these items.
- Once you define your department's objectives for 2016 meet with all your employees and share with them what your 2016 forecast includes. Explain what each one of them will have to accomplish in order to achieve your departments 2016 goals. Then post these items in the department for everyone to see. Be sure to update it periodically, employees function better when they can see for themselves how well they are doing.

If you would like a complimentary copy of my Forecasting Spreadsheet for Service, Parts & Collision send an email request to Larry@edwardsconsult.com

One last thing , what is your personal development plan for 2016? Will you be a leader or a follower? What specifically do you plan to do to help yourself be a better Manager, a better Leader and a better Person in 2016? Remember "*no one stands immobile and prospers.*"

Enroll in an E&A Manager College Course Today...

Upcoming Course Schedule:

- Parts Manager College Course- January 19-21, 2016- Charlotte, NC
 - For More Info [Click Here](#)
- Service Consultant Advanced Selling Skills Course- February 9 & 10, 2016- Charlotte, NC
 - For More info [Click Here](#)
- Service Manager College Course- March 15-17, 2016 - Charlotte NC

- For More info [Click Here](#)

***Please note these courses are not confirmed until we have 5 enrollments and then we will notify you that the course is confirmed.**

Executive Learning Resource for Top-of-the-Line Fixed Operations Managers or Those Who Want to Be

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Edwards & Associates Consulting, Inc. | 5615 Harrisburg Industrial Park Drive | Harrisburg | NC | 28075