

## Liquidity & Cash

Working Capital Ratio 1 : 1

Debtors Parts & Service (Credit Sales) 45 Days Outstanding

### Inventory:

New Vehicle Days Carry 50  
Stock Turns 8  
Return on Investment 20%

Used Vehicle Days Carry 50  
Stock Turns 7  
Return on Investment 40%

Parts Inventory Days Carry 45  
Stock Turns 8  
Return on Investment 175%

New Car Break Even Days 40  
Carry Costs per Day \$45

Used Car Break Even Days 45  
Carry Costs per Day \$45

### Expense % of Gross

Salaries/Commission (incl Technicians) }  
Floor Plan Interest } 72.3%  
Advertising }

### Internet Performance:

Dealer Response Time for Email Enquiries 10 mins

Enquiries Sent per Customer to Dealers 2.7

# AutoTeamAustralia\*

## Dealership Benchmarks

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Those Dealers who operate their business on achievement of benchmarks are generally the more profitable Dealers in the country.

Benchmarks represent the minimum of what the top 30% of Dealers are achieving nationally. They are not static and reviewed quarterly. Achieving benchmarks one quarter does not guarantee achievement next quarter.

### Quick Benchmarks

	Benchmark
NPBT % Dealership Revenue	2.8%
Total Gross per Employee	\$13,000
Parts and Service Absorption	52.5%
New Retail Gross \$PVS	\$2,800
New Unit Sales per Salesperson (incl Manager)	12
Used Retail Gross \$PVS	\$2,600
Used Unit Sales per Salesperson (incl Managers)	10
F&I New Vehicle Penetration Rate	44%
F&I Used Vehicle Penetration Rate	40%
Total F&I Income \$PVR	\$1,200
Gross per Parts Employee (excl drivers)	\$20,000
Total Parts Gross % Sales	27%
Selling Gross per Parts Employee	\$10,000
Service % of Available Hours Sold	100%
Service Labour Sales per Chargeable Employee	\$17,000
Service Labour Gross per Chargeable Employee	\$13,000
Rent and Property Expenses % of Gross	8%

<b>Total Dealership</b>	
	<b>Benchmark</b>
NPBT % Revenue	2.8%
Gross % Sales	17.5%
Expenses % Sales (incl admin)	14.5%
Gross per Employee	\$13,000
Expense per Employee (excl admin)	\$6,750
Selling Gross per Employee	\$6,000
NPBT per Employee	\$2,500
Parts and Service Absorption	52.5%

<b>Administration</b>	
	<b>Benchmark</b>
Rent and Property Expense % of Gross	8%
Total Administrative Expenses % Gross	25%

<b>Finance &amp; Insurance</b>	
	<b>Benchmark</b>
New Vehicle Penetration Rate	44%
Used Vehicle Penetration Rate	40%
Finance Income \$PNVR	\$1,000
Finance Income \$PUVR	\$1,000
Insurance Income \$PNVR	\$200
Insurance Income \$PUVR	\$200
Total F&I Income \$PVR	\$1,200
F&I Gross per Employee	\$70,000
F&I Selling Gross per Employee	\$50,000
Retail Units per Employee	50

<b>New</b>	
	<b>Benchmark</b>
Retail Gross \$PNVR	\$2,800
Fleet Gross \$PFVS	\$1,600
Unit Sales per Salesperson (incl Managers)	12
Gross per Salesperson (incl Managers)	\$27,500
Remuneration % Gross	35%
Variable Expenses % Gross	20%
Fixed Expenses % Gross	50%
Selling Gross per Sales Employee (incl Managers)	\$8,000
Return on Investment	20%
Aftermarket Gross PNVR	\$250
Aftermarket New Vehicle Penetration	50%

<b>Used</b>	
	<b>Benchmark</b>
Retail Gross \$PUVR	\$2,600
Unit Sales per Salesperson (incl Managers)	10
Gross per Salesperson (incl Managers)	\$27,500
Remuneration % Gross	40%
Variable Expenses % Gross	14%
Fixed Expenses % Gross	50%
Selling Gross per Employee (incl Managers)	\$8,000
Return on Investment	40%
Aftermarket Gross PUVR	\$75
Aftermarket Used Vehicle Penetration	30%

<b>Service</b>	
	<b>Benchmark</b>
Ratio Chargeable: Non-chargeable	1.2 : 1
Percent of Available Hours Sold	100%
Labour Sales per Chargeable Employee	\$17,000
Ratio Customer Parts to Labour Sales	0.65 : 1
Labour Gross per Chargeable Employee	\$13,000
Salaries and Payroll On Costs % of Gross	40%
Total Direct Expenses % of Gross	50%
Selling Gross per Chargeable Employee	\$7,000
Selling Gross per Department Employee	\$3,500

<b>Parts</b>	
	<b>Benchmark</b>
Parts Sales per Employee (excl drivers)	\$80,000
Parts Gross per Employee (excl drivers)	\$20,000
Gross % Sales (Net of inv adj)	27%
Salaries and Payroll On Costs % Gross	34%
Total Direct Expenses % Gross	40%
Selling Gross per Parts Employee	\$10,000
Return on Investment	175%

NPBT: Net profit before tax  
 PUVR: Per used vehicle retail  
 PFVS: Per fleet vehicle sold

PNVR: Per new vehicle retail  
 PVR: Per vehicle retail  
 PVS: Per vehicle sold