



## 10 Points of Fill Rate to-the-Shop

Fill Rate To The Shop is the lifeblood of the Customer Support department. The activity of the parts department has a direct impact on the productivity and profitability of the service department.

Fill Rate is measured many different ways. Some manufacturers measure their fill rate to their dealers, such as, "We have a 93% fill rate to our dealers". Various measurements are calculated from your DMS labeled as "Level of Service" or "Fill Rate", but the actual mathematics of these measurements remains a mystery. True Fill Rate To The Shop is measured by sales (not orders or purchases), takes into account all requests for broken parts (Lost Sales) and excludes the high volume "Easy" parts (oil, filters, plugs etc). What's left are the hard to find, slower volume but still **highly profitable** parts that keep our technicians working and our customers cars rolling in and out on time and as promised.

Fill Rate To The Shop can be measured by simply tracking the parts requests that were immediately filled from the shelf to the technicians' hands. In terms of percentages, if 100 technicians came to the counter and asked for a part, how many got the part and how many walked away empty handed. Most dealers have a true Fill Rate To The Shop in the 60 to 70% range. Candidly ask your technicians what they think the true Fill Rate To The Shop is in your store. They are usually quite accurate in their estimates.

Regardless of whether you are at 60% or 80%, think what an extra 10 points of additional Fill Rate To The Shop would mean to your business....

- Point 1.** Additional Fill Rate To The Shop can add at least ½ hour per day per technician of additional productive time. This translates to \$1000 per month per technician of plus parts and service gross profits. In a 10 Technician shop this equals over \$120,000 per year of Gross Profit!
- Point 2.** Additional Fill Rate To The Shop can have a huge positive impact on your CSI performance in "**Fixed Right The First Time**" and "**Vehicle Ready When Promised**". High CSI leads to Customer Loyalty and repeat and referral business.

CONSULTING SERVICES, INC.

- Point 3.** Additional Fill Rate To The Shop will increase your on hand assortment to your technicians by 700 to 1500 new part numbers! Think how many more times you can immediately say “Yes” to technician requests.
- Point 4.** Additional Fill Rate To The Shop can typically be funded by money the dealer has already spent. By reclassifying the current investment and returning the parts that don’t sell, most times you can use the credits to repurchase the parts you really need to have on the shelf.
- Point 5.** Additional Fill Rate To The Shop can result in your being able to predict the parts we will need and have them on the shelf before the customer arrives as high as 93 to 95% of the time.
- Point 6.** Additional Fill Rate To The Shop will reduce the amount of Unsold Special Orders that you need and the associated complexities and cost of trying to get customers back in to have them installed.
- Point 7.** Additional Fill Rate To The Shop will help you have the parts you need much sooner for all of the new models that are being introduced.
- Point 8.** Additional Fill Rate To The Shop will reduce alternative transportation expense, reduce parts procurement costs, improve technician productivity and improve both parts and service profits.
- Point 9.** Additional Fill Rate To The Shop will increase vehicle throughput to the shop by 6 cars per tech per month. That means in a 10 technician shop, we can take in and successfully repair 60 more cars a month without adding technicians, hoists or shop space
- Point 10.** Additional Fill Rate To The Shop will increase Employee Satisfaction. Parts on the shelf results in smoother transactions for parts people, technicians and service advisors. Less time on fire drills and more time spent helping our customers.