

Gwinnett Place Ford Lincoln

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Bill Blankenship
Parts Director

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Delivery Area:
Georgia, Florida, Alabama

by Russ Heaps

It's all about doing more with less at Gwinnett Place Ford Lincoln. Although its parts department staff of 22 was pushing more than \$750,000 a month in parts out the door five years ago, it was running at a \$20,000 a month loss. Sustaining that sort of balance sheet drags down the entire operation. That was what newly minted Parts Director Bill Blankenship faced when he joined the dealership more than four years ago.

Over the course of the next 12 months, he realigned the inventory, trimmed the parts department staff, and not only stopped the flow of red ink, but brought the department into profitability.

"When I started the department was a huge mess," Blankenship explained. "Inventory was a disaster. They were carrying about \$1.6 million in inventory on the shelves; about \$800,000 of that was junk.

Our first job was to clean up the inventory."

Not always sure that he hadn't bitten off more than he could chew, Blankenship addressed a variety of issues. "I have to say that I don't think I got much sleep that first year," he admitted.

He reduced the parts staff to 12, and streamlined the inventory to about \$1 million, but turning a loss into a profit required more than simply wringing out some of the costs. It also required growing the service area while establishing a more efficient delivery system.

Evaluating the delivery system he inherited, which included the expense of maintaining a fleet of trucks and drivers, Blankenship figured outsourcing deliveries would be a more efficient way to move parts to customers.

"We partnered with the Hendrick organization for deliveries outside our metro area," Blankenship said. "This gave us access to 20 delivery trucks that we

Wholesale Parts Department Team



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didn't need to maintain or staff. I think this move made a big difference. Not only did it cut our expenses -- I'm spending about one-quarter what I used to spend on deliveries -- it increased our sales area. It's the new idea that has had the biggest impact on profitability."

Another powerful tool in growing sales is eBay. Generating an average of \$50,000 in sales per month, eBay has transformed Gwinnett Place Ford Lincoln's parts department into a national operation. "We sell and ship parts all over the country," Blankenship said.

Blankenship brought 28 years of automotive experience with him when he joined Gwinnett Place Ford Lincoln -- 27 of those years in parts. Factor those years into the 80 years of cumulative parts experience of the three specialists that make up his wholesale-parts team, and it totals well over a century of combined experience.

"All three of these guys are pretty exceptional," Blankenship said of his wholesale staff, "They do a great job getting the right parts to our customers. Our first rule is to always be honest: Having enough respect for the customer to not promise anything you can't deliver. We also communicate to customers that we really care about their business. We let them know that we understand they have customers to answer to. Because of this attitude, the majority of our clients are repeat cus-

tomers. But every bit as important, we rarely have a one-time customer. When a new customer places an order, these guys do such a good job that we turn that first-timer into a loyal customer. It's what you can do with the right people and the right inventory."

Another innovation that Blankenship believes boosts sales is a monthly TV-giveaway promotion. "Every month we pull together all the invoices that total more than \$300, and randomly pull out a winner," he explained. "That winner receives a big-screen TV. We've given away a lot of TVs."

Obviously something is working. With a 99.7% fill rate, year-over-year wholesale sales are up nearly 42%, while eBay sales are up about 40%. Little wonder that Blankenship was one of the first parts managers to earn a level 4 -- the highest -- Employee Excellence Award from Ford.

Granted, there was really only one direction his parts department could go when Blankenship came aboard, but the results are impressive nonetheless. It helps that he has a big organization behind him. Located on Satellite Boulevard in Duluth, Georgia, Gwinnett Place Ford Lincoln is part of the 77-franchise Arizona-based Van Tuyl Group with nearly 70 dealerships spread across 10 states. Selling over 96,000 vehicles in 2012, it is the top privately owned dealership group in the country, rank-

ing No.5 in sales among all dealership groups.

What does Blankenship see as his biggest challenge in the coming months? He wants to expand his staff to take advantage of what he sees as a growing marketing area.

"I'd like to add a couple of more staff in the wholesale department," he said. "Our delivery area continues to grow and I want to capitalize on that growth. Without making any significant changes, I have two more open work stations. I want to fill them with qualified wholesale specialists and kick things up a few notches."

Blankenship has very definite ideas about who those qualified specialists will be. "They have to have a good personality," he said. "This is a people business. They need to relate to the customer. They must be good listeners. To ensure a customer receives exactly the right part, they have to know enough to ask the right question and then carefully listen to the answer. Communication and relationships are everything in this business."

The parts department at Gwinnett Place Ford Lincoln is open from 7 a.m. to 6:30 p.m. Monday through Friday Saturday 8:00 to 5:00. You can reach them by phone toll free at 1-888-920-7271. On the Web go to your browser and enter <http://www.gwinnettplaceford.com/parts/index.htm>. ■