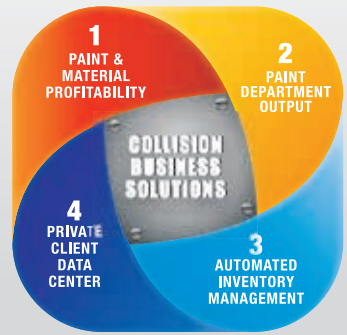


1 Paint & Material Profitability

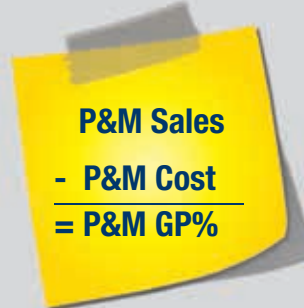


MAXIMIZE P&M PROFITABILITY:

We must measure P&M Sales and P&M Cost separately relative to OUTPUT

These are two separate processes managed in different areas of your facility by different people

- P&M Sales is accomplished in the Front Office (Writers)
- P&M Cost (usage) is incurred on the production floor (Techs)



MAXIMIZE P&M SALES:

What is your Actual P&M Sales Rate?

$$\frac{\text{ACTUAL P\&M SALES}}{\text{PAINT HOURS}} = \$30.27$$

$$\text{Your Prevailing Market Rate} = \$32.00$$

EACH SHOP HAS ITS OWN



MINIMIZE P&M COST (USAGE)

How much are you using per Paint Hour?

- Measure your cost per paint hour by product category such as color, clear, abrasives, etc.
- Compare usage to goals and industry benchmarks
- Target problem areas and take corrective action where they will have the greatest impact

2014 Paint and Material Scorecard												
ABC COLLISION CENTER SHOP #1												
Usage \$	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Avg
01 Color	\$5,482	\$5,648	\$6,776	\$8,215	\$6,628	\$9,697	\$9,854	\$5,871	\$6,652	\$5,001	\$5,321	\$6,452
02 Reducers	\$888	\$545	\$991	\$919	\$548	\$735	\$1,025	\$745	\$983	\$561	\$648	\$777
03 Clear	\$3,211	\$3,190	\$3,912	\$3,844	\$3,385	\$3,912	\$4,735	\$3,838	\$4,391	\$3,247	\$3,618	\$3,662
04 Hardeners	\$2,007	\$2,057	\$1,500	\$1,343	\$2,330	\$1,505	\$2,505	\$1,505	\$1,783	\$1,030	\$2,156	\$1,730
05 Primers	\$714	\$641	\$1,084	\$641	\$450	\$1,222	\$769	\$1,194	\$1,422	\$388	\$1,430	\$1,024
06 Misc Paint	\$368	\$391	\$395	\$470	\$516	\$307	\$551	\$561	\$570	\$404	\$501	\$468
001 Total Paint	\$12,619	\$12,472	\$14,259	\$15,431	\$14,052	\$12,948	\$19,450	\$13,514	\$15,661	\$10,830	\$13,673	\$14,083
002 Paint Abrasives	\$992	\$991	\$1,257	\$1,122	\$1,236	\$1,252	\$1,936	\$1,343	\$1,987	\$1,399	\$1,683	\$1,380
003 Masking	\$791	\$600	\$835	\$784	\$698	\$685	\$943	\$827	\$843	\$574	\$741	\$757
004 Compounds/Polish	\$0	\$126	\$199	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
005 Compound	\$100	\$130	\$177	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
006 Parts/Sublet	\$415	\$288	\$300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
007 Stock/Strain/TR	\$10	\$9	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
002 Paint Supplies	\$2,308	\$2,152	\$2,789	\$2,906	\$2,934	\$2,937	\$4,879	\$3,170	\$4,874	\$3,973	\$4,424	\$3,526
Abrasives	\$443	\$431	\$55	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Body Abrasives	\$1,696	\$662	\$861	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Filters	\$567	\$704	\$346	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sealants	\$238	\$225	\$293	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
003 Body Supplies	\$2,844	\$2,012	\$1,357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Detail Products	\$228	\$72	\$229	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fasteners	\$605	\$830	\$786	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance Account	\$77	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Stock	\$479	\$636	\$577	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PPS/Mix Cup/Cars	\$594	\$509	\$719	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shop Supplies	\$734	\$524	\$496	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shop Vehicle Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
001 Total P & M	\$17,871	\$16,636	\$18,405	\$18,337	\$17,016	\$15,885	\$24,329	\$16,684	\$20,535	\$14,803	\$18,113	\$17,609

2014 Paint and Material Scorecard												
ABC COLLISION CENTER SHOP #1												
Usage \$	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Avg
Paint Hours												
01 Color	835	837	986	962	846	1,089	1,314	1,342	1,337	1,296	1,149	1,088
02 Reducers	853	875	858	863	874	852	875	848	848	836	846	850
03 Clear	815	818	856	844	840	825	830	821	829	820	815	828
04 Hardeners	824	826	812	811	824	813	811	812	812	809	818	814
05 Primers	808	807	810	807	804	813	809	809	810	804	814	805
06 Misc Paint	804	807	804	804	807	808	804	802	804	801	804	804
001 Total Paint	815	816	814	812	812	811	810	810	811	808	811	810
002 Paint Abrasives	\$119	\$118	\$126	\$118	\$148	\$138	\$147	\$130	\$147	\$108	\$146	\$127
003 Masking	\$95	\$93	\$95	\$92	\$93	\$93	\$92	\$92	\$93	\$94	\$95	\$93
004 Compounds/Polish	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
005 Compound	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
006 Parts/Sublet	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
002 Paint Supplies	\$243	\$256	\$222	\$252	\$194	\$214	\$214	\$214	\$214	\$214	\$214	\$214
Detail Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fasteners	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Stock	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PPS/Mix Cup/Cars	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shop Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Shop Vehicle Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
001 Total P & M	\$18,112	\$16,892	\$18,627	\$19,143	\$17,212	\$16,097	\$25,243	\$18,824	\$21,749	\$15,811	\$19,287	\$18,118

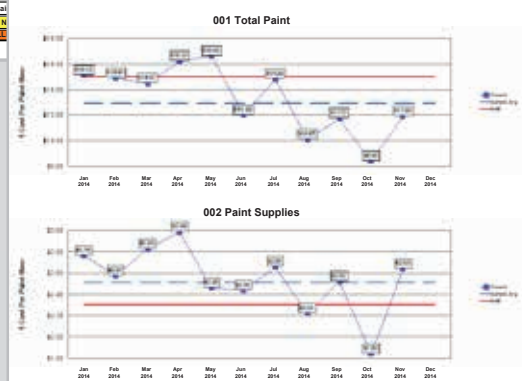
FOCUS ON USAGE!

- Less Usage = Less Cost, Improved Profitability
- Less Usage = Increased Paint Department Output

All we need from you is monthly Paint Hours

$$\frac{\text{PAINT (ONLY) COST}}{\text{PAINT HOURS}} = \$18.62$$

$$\text{Benchmark @ refinish price} = \$15.00$$



WE ARE A DIFFERENT KIND OF DISTRIBUTOR:
We want you to use Less Product (Cost \$) for every Paint Hour Produced!



The NCS Brand Promise
"Reducing Your Cost of Doing Business"