

# Auto Dealership Network Drives Major Savings with MTS Xpress

First installation saves more than \$60,000/year



Using MTS Xpress immediately reduced waste and misuse, while increasing productivity.

The Performance Automotive Network is a large group of car dealerships in the Midwest and West. Performance has car dealerships in four cities, and is listed among the top 50 dealership groups in the U.S.

The leadership at Performance Automotive began to realize that its parts departments and technicians were spending too much time and money on shop supplies. By installing MTS Xpress automated dispensing technology at six of its dealerships, the network is saving tens of thousands of dollars in labor time and inventory costs.

## Problems Tracking Shop Supplies

When a technician at a Performance dealership needed supplies for a job, he would walk to a parts desk and ask for it in person, or simply take it from a shelf in a storage room. Either way, supplies were freely available, with no way for the parts department to track or bill for what was used.

Ken Kocher, director of fixed operations for the Performance group, was seeing a number of problems with this setup. To start with, techs were losing productive time just walking back and forth to the parts room and waiting for supplies, and the parts department was losing time handing out routine items.

Accountability was a problem too, as there was no control over what each technician used, and many of them were stashing supplies at their work stations.

"Our techs would grab a handful of Brakleen®, sanding discs or valve stems so they wouldn't have to come back for more later," he said. "But the problem was that I'd see the same tech go back on the next job and get another handful.

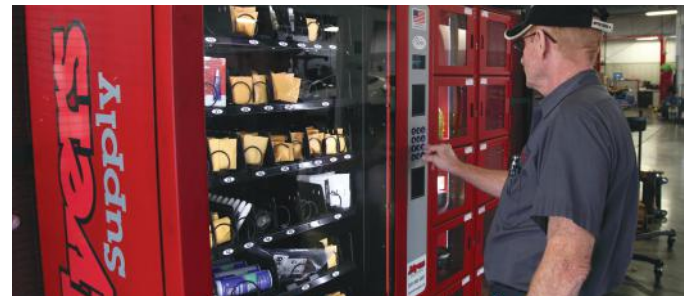
I would go 'shopping' with a cart to the service bays and find all of the supplies that our techs were hiding – it was enough to restock our shelves."

Frequently, techs would forget to mention that they took the last of something, which led to stock-outs. Without the supplies they needed, they would sit idle, reducing the number of jobs they could complete. Meanwhile, the parts department would place expensive emergency orders to restock.

It all added up to lost time and lost money for each dealership.

## More Control with MTS Xpress

To better manage all of these problems, the Performance group found a solution from Myers Tire Supply®, a national distributor of tire, wheel and automotive service supplies and solutions. Myers and its technology partner, Apex Supply Chain Technologies®, are installing MTS Xpress automated dispensing devices at six Performance dealerships in Ohio.



Employees enter their unique PIN and quickly get the supplies and materials they need.

ACCESS™ 6012 Automated Lockers have 12 compartments that hold bulky items such as boxes of gloves, cans of grease, Brakleen, anti-seize paste and PB B'laster nut loosener. EDGE™ 5000 machines store and track high-volume consumables such as sanding discs, razor blades, batteries, brake pad lubricant, electrical tape, Loctite® glue, valve stems and duct tape. When installation is complete, each dealership will have one of each type of device.

Every tech has a unique PIN code to dispense the supplies he needs from the device. Details of each transaction go to the Apex Trajectory Cloud™ platform, which is the brain behind each device. Trajectory, in turn, alerts Performance and Myers Tire Supply about who is using inventory, how much, and when.

## Saving Time and Money

Kocher adopted MTS Xpress to give his people more time to be more productive, and he immediately began to see the benefits. The network's first dealership to use the technology, Performance Toyota in Cincinnati, increased wholesale business in its parts department by 6.9%. Kocher attributes that jump largely to the fact that his parts team doesn't lose time handing out shop supplies, which are now stored and dispensed by the MTS Xpress devices.

**Wholesale business increased 6.9% at the first installation.**

"The counter guys can now spend more time on the phone making calls to customers, so they sell more," he said.

When technicians at Performance Toyota understood that everything they check out is traced back to their unique PIN code, they became more accountable and started to use less. As a result, the dealership immediately began saving \$4,500 a month on shop supplies.

"We forced a change in behavior with this technology. Now our techs are pulling 2 to 3 cans instead of the 5 to 8 that they used before."

Productivity increased, too, due to all of the time saved by MTS Xpress. The AXCESS™ and EDGE™ sit closer to service bays, so techs regained the hours they had been using to walk to the parts department and wait at the counter for supplies. They are more productive, turning more jobs each week.

Managers no longer have to bother with manual inventory counts, because Trajectory™ automatically counts what's in each device. When inventory drops to pre-set minimum levels, Trajectory alerts Myers Tire Supply to reorder, and a Myers rep then restocks the device. This means an end to stock-outs, and an end to the work interruptions that they caused.



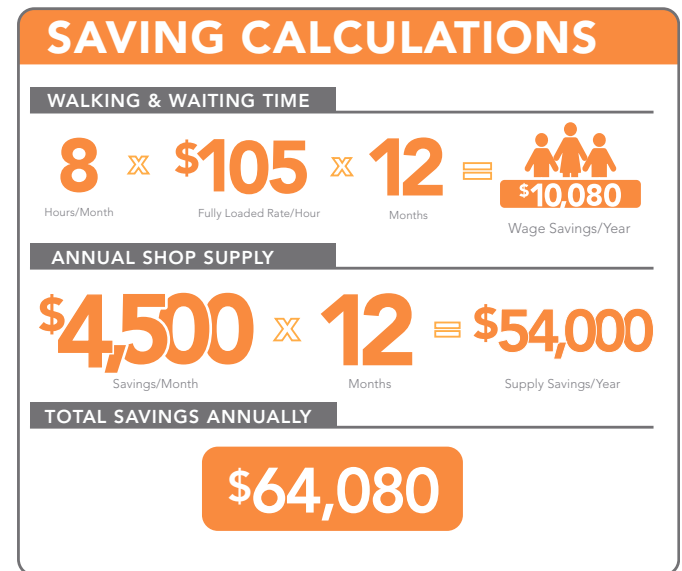
Ken Kocher, Director of Fixed Operations, found that greater employee accountability reduced supply spending by \$4,500 per month.

## Making People's Jobs Easier

Kocher was quickly impressed by the positive change made possible with MTS Xpress.

"We were looking for ways to improve the business, and really focused on this pile of supplies in the corner that we weren't paying attention to," he said. "We went with MTS Xpress to save the parts guys' time on what they were buying. And I have more control over inventory – our techs went from taking anything they wanted to only taking what they need."

"I wish we'd had this technology years ago," he said. "If I can make my managers', parts team and technicians' jobs easier, I'm going to save money and make money. And that's what MTS Xpress is all about."



## Gain Control and Visibility of Your Supplies

To learn more about the full line of automated dispensing solutions from Apex Supply Chain Technologies®, visit [ApexSupplyChain.com](http://ApexSupplyChain.com), email us at [info@apexsupplychain.com](mailto:info@apexsupplychain.com) or call 1.800.229.7912