

# U.S. RETAIL PERFORMANCE GUIDELINES FOR FIXED OPERATIONS

UPDATED  
MARCH 2022



The Retail Performance Guidelines provided are formulated from NCM data ranging from January 1 to December 31, 2021.

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ASSOCIATES

# U.S. RETAIL PERFORMANCE GUIDELINES FOR FIXED OPERATIONS



## MECHANICAL SERVICE DEPARTMENT

Revised March 2022. Proprietary and confidential.

### SALES AND GROSS PROFIT MARGIN

DOMESTIC FRANCHISES VOLUME IMPORT FRANCHISES LUXURY FRANCHISES

1	<b>Direct Labor Gross as % of Direct Labor Sales*</b>	75.5%	77.9%	80.0%
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\*Excluding sublet, and after unapplied time and customer discounts.

### CONTROLLABLE EXPENSES % OF DEPT. GROSS

DOMESTIC FRANCHISES VOLUME IMPORT FRANCHISES LUXURY FRANCHISES

2	Total Sales Compensation <sup>1</sup>	12.0%	13.5%	13.0%
3	Total Supervision Compensation*	12.0%	12.7%	11.1%
4	Other/Specialists' Salaries & Wages (direct departmental)	15.8%	11.1%	9.2%
5	<b>Total Direct Compensation Expense (sum of #2-#4)</b>	<b>39.8%</b>	<b>37.3%</b>	<b>33.3%</b>
6	Policy & Claims Expense	2.3%	2.0%	1.7%
7	Other Supplies and Small Tools (net)	-0.6%	-1.3%	-0.5%
8	Company Vehicle Expense (inc. loaner/sub. transportation expense)	1.5%	1.0%	3.1%
9	Training & Continuous Education Expense	1.3%	0.8%	0.6%
10	Advertising/Promotion Expense (net after co-op)	3.4%	3.0%	2.1%
11	<b>Total Controllable Department Expense (sum of #5-#10)*</b>	<b>47.6%</b>	<b>42.9%</b>	<b>40.3%</b>

\*Including any administrative pro-rates. <sup>1</sup>Based on industry best practice guidelines. All others are NCM benchmarks.

### EMPLOYEE PRODUCTIVITY

DOMESTIC FRANCHISES VOLUME IMPORT FRANCHISES LUXURY FRANCHISES

12	Customer-Paid Business Mix - % of Total Hours Billed	60.3%	62.2%	69.5%
13	Maximum % of 1-Line Customer-Paid Repair Orders <sup>1</sup>	30.0%	25.0%	20.0%
14	Closing % on Menu Opportunities <sup>1</sup>	40.0%	40.0%	40.0%
15	ASR Hours Sold per Multi-Point Inspection Performed <sup>1</sup>	0.50	0.40	0.60
16	Hours Billed per Technician per Month	163	175	180
17	C/P Hours Billed per C/P Repair Order (main and express)	1.58	1.31	2.31
18	# of Technicians per Service Advisor	3.4	2.9	3.2
19	Daily ROs per Advisor (ASM) - From In-House Computer System	14.6	16.7	11.3
20	Daily Customer Count per Advisor (ASM) - From Route Sheet <sup>1</sup>	12-14	13-15	10-12
21	Monthly Labor Hours per Service Advisor	520	489	559
22	Labor/Parts \$ per Repair Order	187	151	408
23	Labor Utilization	94.8%	101.7%	104.7%
24	Net-to-Gross %	18.5	23.6	23.9
25	Percentage of Technicians to Total Departmental Employees	55.0%	54.7%	50.7%
26	Labor Gross Per Stall	\$8,835	\$13,474	\$18,722

<sup>1</sup>Based on industry best practice guidelines. All others are NCM Benchmarks®.

# U.S. RETAIL PERFORMANCE GUIDELINES FOR FIXED OPERATIONS (Continued)



## PARTS & ACCESSORIES DEPARTMENT

Revised March 2022. Proprietary and confidential.

### SALES AND GROSS PROFIT MARGIN

	DOMESTIC FRANCHISES	VOLUME IMPORT FRANCHISES	LUXURY FRANCHISES
1 Customer RO Parts Gross as % of Customer RO Parts Sales	39.8%	41.9%	44.6%
2 Express Lube Parts Gross as % of Customer RO Parts Sales	36.4%	42.9%	43.4%
3 Collision Center Parts Gross as % of Collision Center Parts Sales	32.7%	32.7%	34.4%
4 Warranty RO Parts Gross as % of Warranty RO Parts Sales	43.9%	42.9%	43.2%
5 Internal Parts Gross as % of Internal Parts Sales (hard repair parts)	35.8%	39.7%	37.7%
6 Internal Parts Gross as % of Internal Parts Sales (accessories) <sup>1</sup>	22.5%	22.5%	22.5%
7 Counter-Retail Parts Gross as % of Counter-Retail Parts Sales	30.1%	33.3%	32.8%
8 Total Wholesale Parts Gross as % of Wholesale Parts Sales	19.3%	2.1%	23.9%
9 Tire Gross as % of Tire Sales	16.3%	19.3%	17.0%
10 Gasoline and Oil Gross as % of GOG Sales	33.4%	44.6%	41.6%
11 Stock Order Discount as % of Total Parts Cost of Sales (COS)	3.5%	1.7%	0.3%
12 <b>Overall Parts Department Gross Profit Margin</b>	<b>36.9%</b>	<b>38.8%</b>	<b>37.0%</b>

<sup>1</sup>Based on industry best practice guidelines. All others are NCM benchmarks.

### CONTROLLABLE EXPENSES % OF DEPT. GROSS

	DOMESTIC FRANCHISES	VOLUME IMPORT FRANCHISES	LUXURY FRANCHISES
13 Total Sales Compensation <sup>1</sup>	13.0%	13.0%	11.5%
14 Total Supervision Compensation*	9.8%	11.7%	10.7%
15 Other/Specialists' Salaries & Wages (departmental)	5.7%	1.9%	2.5%
16 <b>Total Personnel Related Expense (sum of #13-#15)</b>	<b>28.5%</b>	<b>26.6%</b>	<b>24.7%</b>
17 Policy & Claims Expense	0.3%	0.3%	0.4%
18 Other Supplies	0.6%	0.5%	0.5%
19 Company Vehicle Expense (inc. loaner/sub. transportation expense)	0.9%	0.7%	1.3%
20 Training & Continuing Education Expense	0.4%	0.3%	0.3%
21 Advertising/Promotion Expense	2.0%	2.2%	1.8%
22 <b>Total Controllable Department Expense (sum of #16-#21)*</b>	<b>32.6%</b>	<b>30.5%</b>	<b>28.8%</b>

\*Including any administrative pro-rates.

<sup>1</sup>Based on industry best practice guidelines. All others are NCM Benchmarks®.

# U.S. RETAIL PERFORMANCE GUIDELINES FOR FIXED OPERATIONS (Continued)



## PARTS & ACCESSORIES DEPARTMENT

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### EMPLOYEE PRODUCTIVITY

	DOMESTIC FRANCHISES	VOLUME IMPORT FRANCHISES	LUXURY FRANCHISES
23 Parts Sales per Front Counterperson per Month <sup>1</sup>	\$125,000	\$125,000	\$125,000
24 Ratio: Number of Technicians per Back Counterperson <sup>1</sup>	8-10	8-10	8-10
25 Parts Gross per Assigned Departmental Employee per Month	\$21,378	\$26,663	\$31,441
26 Collision Center Sales per Assigned Departmental Employee* <sup>1</sup>	\$250,000	\$250,000	\$250,000
27 Filled from Stock Percentage <sup>1</sup>	70-80%	70-80%	70-80%
28 Days' Supply of Parts in Stock	49	44	45
29 % of Parts Inventory Dollars Over 12 Months No-Sale <sup>2</sup>	<5%	<5%	<5%
30 Net-to-Gross Percentage	44.2%	45.8%	46.4%

\*Includes total collision center "Sheet" Sales

<sup>1</sup>Based on industry best practice guidelines. All others are NCM Benchmarks®.

<sup>2</sup>Excluding any protected return parts.

# U.S. RETAIL PERFORMANCE GUIDELINES FOR FIXED OPERATIONS (Continued)



## COLLISION CENTER

Revised March 2022. Proprietary and confidential.

### SALES AND GROSS PROFIT

DOMESTIC  
FRANCHISES

1	Direct Labor Gross % Direct Labor Sales*	59.6%
2	Paint and Materials % of Gross Profit**	41.9%
3	Body Gross per Body Shop Employee	\$6,067
4	Body Shop Departmental Net % of Body Shop Gross	-1.4%

\*Excluding sublet, and after unapplied time and customer discounts.

\*\*Including all materials that "Touch and/or Leave" the vehicle.

### CONTROLLABLE EXPENSES % OF DEPT. GROSS

DOMESTIC  
FRANCHISES

5	Total Sales Compensation <sup>1</sup>	18.0%
6	Total Supervision Compensation*	23.3%
7	Other/Specialists' Salaries & Wages (Direct Departmental)	10.4%
8	Total Direct Compensation Expense (sum of #5-#7)	51.7%
9	Policy & Claims Expense	2.2%
10	Other Supplies and Small Tools (Net)	6.5%
11	Company Vehicle Expense	1.9%
12	Training & Continuous Education Expense	1.2%
13	Advertising/Promotion Expense	2.4%
14	Total Controllable Department Expense (sum of #8-#13)*	65.9%

\*Including any administrative pro-rates.

<sup>1</sup>Based on industry best practice guidelines. All others are NCM Benchmarks®.

### EMPLOYEE PRODUCTIVITY

DOMESTIC  
FRANCHISES

15	Hours Billed per Technician per Month	279.0
16	Estimate Closing Ratio <sup>1</sup>	75.0%
17	C/P Hours Billed per C/P Repair Order	21.96
18	Number of Technicians per Estimator (ABM)	2.8
19	Monthly Labor Hours per Estimator (ABM)	767.3
20	Labor / Parts \$ per Repair Order	\$901/\$1081
21	Percentage of Technicians to Total Departmental Employees	57.50%

<sup>1</sup>Based on industry best practice guidelines. All others are NCM Benchmarks®.



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