

YARD & GARDEN

Dealer Success Guide

CONTROL THE CHAOS AND GROW YOUR SALES

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STIHL®

volume 22

A Supplement to Yard & Garden

Building the Courage to
Make Changes

How To Manage Parts
Department Unpredictability

The Big Time: Taking
on Tractors



PICK, PULL, STOCK, STAY

Finding a better way to organize parts has allowed Kim Olson to prevent his growing inventory from outgrowing his facility of 25 years, while increasing customer satisfaction and turnaround time in the shop.

After spending 25 years in their facility, Kim and Judy Olson of the Mower Shop in Fort Smith, AR, had to make a decision. With their children having already chosen careers outside of the power equipment industry, they had no successors. The space that housed their dealership was small, but their volume kept getting larger. They needed to decide between moving into a larger space or doing more with the little space they already had.

“Our store is the most cramped 1,200 square feet in the industry,” Kim Olson explains. “We have enough parts and equipment inventory to fill a 5,000-square-foot building easily. Our parts situation was just like everybody else, but everybody else has way more room than we do.”

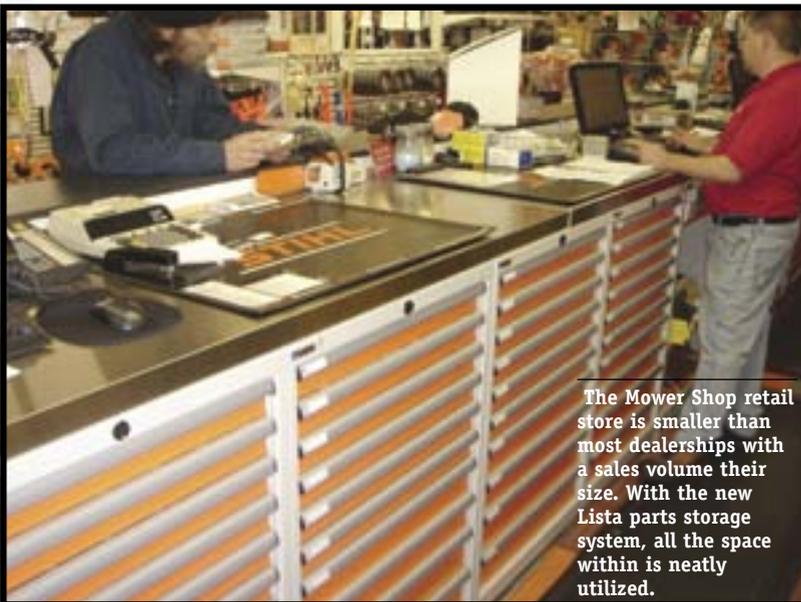
The Olsons weighed their options and decided that with their low overhead and established location it would be best to stay in their small space. “When it comes to our location, stability goes a long way,” says Olson. “Customers value knowing where they can find us. We have carried STIHL since 1987. If you have

stability in your lines, location and help, it all makes a difference.”

STAY AND FIND A BETTER WAY

The Olsons decided to stay put and find a better way to manage parts within their office, shop and retail store. They made their first attempt at improving storage by replacing wooden shelves with metal and cardboard boxes with plastic bins. “We got rid of the cardboard boxes and spent \$1,500 on plastic bins which were colored and looked better,” says Olson. “After it all, everything was still dusty and dirty with lots of wasted space between the bins on the shelf.”

After a few years of prettied-up clutter on the shelf, they began building a Lista system piecemeal with the guidance of another dealer who had been through the process. “Originally, we were going to get all of the cabinets at one time for the shop and out on the sales floor. Lynn Pesson of Southland Engine in Lafayette, LA, told us that was the wrong thing to do,” explains Olson. “So we started with the Lista counter with the



The Mower Shop retail store is smaller than most dealerships with a sales volume their size. With the new Lista parts storage system, all the space within is neatly utilized.



Every part has its place within the cabinets and are closely tracked with the c-Systems Software business management system. This saves time for both the employees and customers when pulling parts.

STIHL facade on the front of it.”

Olson followed Pesson’s instructions and added a little at a time once they had a better idea of what kind of configurations were needed. Pesson also gave Olson some tips on how to track the parts’ locations with c-Systems Software.

“He saved us a month’s work telling us how to use it to locate parts,” explains Olson. “He had already been there, having loaded and reloaded cabinets. I spent 20 minutes on the phone with him and he saved us 40-50 hours of work.”

Metal shelving in the back holding the bulk items in plastic boxes was soon replaced with floor-to-

ceiling drawers and shelves. Every single part now has its assigned location in a cabinet. Storage buildings out back hold items that move only once or twice a year, reserving room in the store for only fast-moving parts.

IMPROVED WORKFLOW

Olson has always had a good handle on managing his parts inventory, but the biggest payout for him has been the reaction from customers. They are equally impressed with the store’s clean look and the speed at which staff locates parts.

“We had so much wasted space. Now everything the customer needs is right there,” says Olson.

“More than anything else, it’s the compliments you get that make it worth it. It looks so much more professional than wooden shelves and boxes, and people tell us all the time how unbelievable it is that they can ask for a part and we know right where to find it.”

The service department at The Mower Shop also reaps the benefits of the Lista cabinets. Workstations were installed that put everything within the technician’s reach, translating to faster turnaround for customers. “With the added workspaces in the shop I can do 75% of the repairs I’m going to do and never leave that spot,” explains Olson who still works on repairs. “Our techs spend less time walking to the store for parts because they have the frequently used parts labeled and organized in drawers right in their work benches.”

Unlike Olson, many dealers have a large back room where they can sloppily store parts out of the customers’ view. Olson urges them to still consider how a better storage system would still benefit them.

“Our clean facility helps us gain the trust of the customer,” explains Olson. “If we can confidently find parts, and not need 20 minutes to find something in our inventory, it shows we have a good handle on our business.”

Improved organization, higher customer satisfaction and increased turnaround time in the shop have all been accomplished with the help of a better system for organization. It’s helped Olson to do more in the small space he has chosen. “There is no one in as cramped of a facility as we are that does anywhere near the volume we do,” says Olson. “It’s been an investment in time and money, but it is paying us back twofold.” ■