

Tools to Help Increase Your Profit

LINEAR PRICE MATRIX

STANDARD PRICING MATRIX OFFERS A VARIABLE MARKUP THAT CAN BE ASSIGNED TO A PARTS GROUP. THE SUGGESTED RETAIL PRICE WILL ADJUST BASED ON THE COST OF THE PART. IT ALLOWS YOU TO CHARGE A HIGHER MARKUP ON PARTS WITH A LOWER COST. BELOW IS AN EXAMPLE OF A TYPICAL PRICE MATRIX.

Price Matrix 1 Tag Search					
Minimum	Maximum	Flat	Margin/Markup		
0.01	4.00	.00	75.00		
4.01	6.00	.00	65.00		
6.01	15.00	.00	60.00		
15.01	25.00	.00	55.00		
25.01	999999.00	.00	50.00		
999999.01	.00	.00	.00		
.01	.00	.00	.00		
.01	.00	.00	.00		
.01	.00	.00	.00		
.01	99999999.99	.00	40.00		

THERE IS ONE DRAWBACK TO A STANDARD PRICE MATRIX. THINK OF A STANDARD PRICE MATRIX LIKE A SET OF STEPS.

WHEN AN ITEM'S COST IS AT THE LOW END OF A "STEP", A GREAT DEAL OF PROFIT CAN BE LOST. THE EXAMPLE

BELOW SHOWS HOW A 2 CENT DIFFERENCE IN COST CAN AFFECT YOUR PROFIT WHEN USING A STANDARD PRICE MATRIX.

	Iv. Snow paren						
Hrs/Qt	Part	Description	Cost	Total	Avg Cost	GP	GP %
1.00	* PART	AIR FILTER	14.99	37.9900	14.99	23.00	60.54
1.00	*PART	AIR FILTER	15.01	33.9900	15.01	18.98	55.84

NOW, THINK OF A LINEAR PRICE MATRIX LIKE A SLIDE OR A HILL. AS THE COST INCREASES, YOUR GROSS PROFIT PERCENTAGE WILL GRADUALLY DECREASE, REMOVING THE "STEPS" IN A STANDARD MATRIX. IN THE EXAMPLE

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BELOW	ONE	CAN	SEE	THAT	THE	OVERALL	GROSS
PROFIT	DECRE	EASES	GRAI	DUALL'	Y INS	OVERALL TEAD OF R	APIDLY.

Hrs/Qt Part	Description	Cost	Total Avg Cost	GP	GP %
1.00 * PART	AIR FILTER	14.99	44.1900 14.99	29.20	66.08
1.00 * PART	AIR FILTER	15.01	44.2400 15.01	29.23	66.07
1.00 *PART	AIR FILTER	24.99	66.9900 24.99	42.00	62.70
1.00 *PART	AIR FILTER	25.01	66.9900 25.01	41.98	62.67
	Subtotal for Air Filter	80.00	222.41		

LABOR MATRIX

A LABOR MATRIX HELPS A SHOP MAINTAIN ITS PROFIT LEVEL ON JOBS WITH REDUCED PARTS INCOME. FOR EXAMPLE REPLACING A WATER PUMP CAN BE MORE PROFITABLE BECAUSE OF THE ADDITIONAL PROFIT ON THE PARTS AND MATERIALS REQUIRED THAN REPLACING A MAIN BEARING WHERE MINIMAL PARTS WOULD BE SOLD.

THE RATES IN THIS EXAM-PLE ARE GREATLY EX-AGGERATED TO PRO-VIDE A CLEAR EXAMPLE ON HOW THE SYSTEM WORKS.

Matrix 2	Tag Search		
Qty Max	Labor Rate	Not used	
1.00	102.00	.00	
3.00	104.00	.00	
5.00	106.00	.00	
8.00	108.00	.00	
9999999.00	110.00	.00	
	Qty Max 1.00 3.00 5.00 8.00	Qty Max Labor Rate 1.00 102.00 3.00 104.00 5.00 106.00 8.00 108.00	

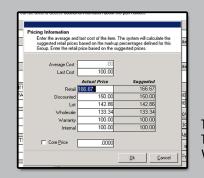
AN EXAMPLE OF THE RESULT IS BELOW:

Hrs/Qt Part	Description	Total	Sell
.80 L	replace manifold pressure sensor	81.60	102.0000
	Subtotal for replace manifold pressure sens	81.60	
1.80 L	replace water pump	187.2	104.0000
	Subtotal for replace water pump	187.2	
5.80 L	Replace camshaft seal	626.4	108.0000
	Subtotal for Replace camshaft seal	626.4	
.30 LOF	Lube Change Oil & Filter	12.50	41.6700
	Subtotal for Lube Change Oil & Filter	12.50	

YOU CAN SEE THAT THE SELL (HOURLY) AMOUNT IS AUTO-MATICALLY ADJUSTED AS HOURS INCREASE. YES WILL STILL ALLOW FOR STANDARD LABOR PRICING ON THE SAME TICKET, AS WITH THE LUBE, OIL, & FILTER SERVICE ABOVE.

MARK DOWN FROM PRICE LEVEL

THE "MARK DOWN" FUNCTIONAL-LOWS THE SYSTEM TO PROVIDE A DISCOUNT FROM A SELL PRICE INSTEAD OF A SEPARATE MARKUP FOR A PRICE LEVEL. FOR EXAMPLE, PRICE LEVELS 2 AND 4 BELOW GIVE DISCOUNTS FROM THE RETAIL PRICE.



Pricing Inform	nation		
	Name:	Profit Margin %	Use Matrix
Price Level 1	Retail	40.00	0
Price Level 2	Discounted	-10.00	1
Price Level 3	List	30.00	0
- Price Level 4	Wholesale	-20.00	1 -
Price Level 5	Warranty	0.00	0
76 Price Level 6	Internal	0.00	0
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Cost	.00	☑ Trac	ck Purchase Infor

THE EXAMPLE ON THE LEFT SHOWS THIS PRICING STRUCTURE ON AN ITEM WHICH COSTS \$100.00