

*Educational Service*

**The purpose of this comprehensive program is to enable participants to optimize the sale and use of paint materials.**

*“Thanks to what I’ve learned about waste management, we’re using a lot less paint material. We’ve learned to track profitability and inventory. That definitely helps with profitability.”*

*Denny Anderson  
Body Shop Mgr.  
Moffitt’s Ford  
Boone, IA*

## PAINT MATERIALS MANAGEMENT

(4 hours)

### Target Audience

Estimator, Refinish Technician, Production Manager, Parts Manager, General Manager and Owner

### Are You Experiencing:

- Low paint materials gross profit
- Concern over the amount of waste you are generating
- Lack of an organizational system for supplies
- Concern about the amount of inventory on hand
- Lack of standards for what gets coded to the various GL codes relative to materials
- Lack of awareness of the financial ratios to watch to optimize material profits
- Lack of technician buy-in to help solve these problems

### This Course Will Provide:

- Review of commonly missed P-page items relative to paint labor, as well as paint material reimbursement
- Calibration process for reviewing estimates to catch missed paint time and ensuring that all Estimators are writing similar sheets
- Exercise on properly coding invoices
- Review of inventory storage options
- Method for using Technical SOP’s to reduce inventory investment
- Process for calculating various ratios and comparison of your repair center to industry standards

Participants are requested to bring their income statement and detailed GL ledger to use during class to review their recent decisions on coding invoices. Also, bringing a recently completed estimate on a quarter panel job will provide insights on what you might have missed.

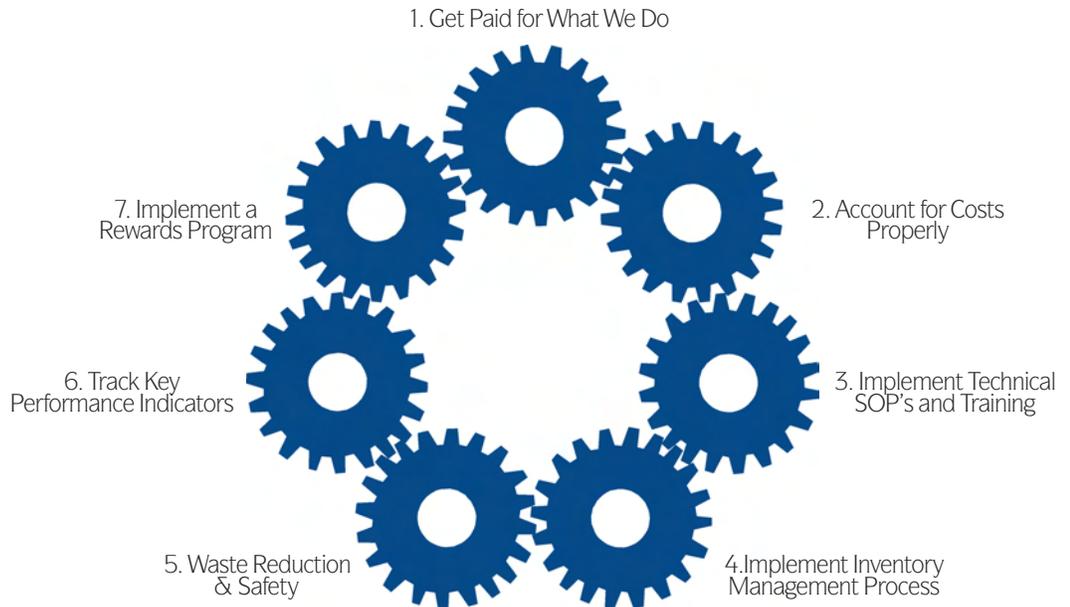
### Why We Are Different!

We understand the value of your team’s time and the need to keep your staff in the repair facility maintaining production. Therefore, most classes are modular in format and delivered locally.

Instructors are Akzo Nobel employees whose only responsibility is business improvement for our customers. This interprets into great depth of knowledge and increased learning for students.



**Paint Materials Management Process**



**Investment Analysis\***  
**Paint Materials Management**

<b>Assumptions</b>	
Current Sales (Monthly)	\$100,000
Current Efficiency	150%
Current Gross Profit Margin	39%
Current Overhead Expense to Sales	28%

<b>Profit Drivers</b>	<b>Service Impact</b>	<b>Monthly Profit Change</b>
Sales	1.0%	\$390.00
Efficiency**	N/A	\$0.00
Direct Cost (as a % of sales)	-0.3%	\$300.00
Overhead Expense (as a % of sales)	N/A	\$0.00
<i>Total</i>		<i>\$690.00</i>

<b>Investment</b>	
Service Cost	\$0.00
Salary & Benefits (service execution)	\$150.00
Travel	\$100.00
Salary & Benefits (implementation)	\$600.00
Other Implementation Costs	\$1,000.00
<i>Total</i>	<i>\$1,850.00</i>

<b>Your Potential Return on Investment</b>	
Annual Operating Income Improvement	\$8,280.00
Investment	\$1,850.00
Return on Investment (\$)	\$6,430.00
Return on Investment (%)	348%
Investment Breakeven in Business Days	56.3



\* This analysis is not a financial guarantee. It assumes proper and complete implementation of concepts and recommendations offered.  
\*\* Profit improvement from an increase in efficiency is expressed through an increase in sales.