# Are you making more on Parts than Labor?

 $\frac{1}{2}$  of Diesel Repair Shops fail within 5 years due to cash flow problems.

Don't let your Pricing Strategy take Profit from your Pocket.

#### **Cost-Plus Pricing**

**Sell Price = Cost / Margin** 



## **OEM Turbocharger** Reman, 1-Year Warranty

Cost: \$1,250

\$1,250 / .9 = \$1,388 **Sell Price** 

10% Cost Margin

**Labor: \$200** 

2 hours x \$100/hour = \$200

**Profit: \$138** 

\$1,388 - \$1,250 = \$138

**Total Job Profit: \$338** 

**Oversimplified Pricing Tactic** 

**OEM Can Offer Lower Price** 

**Limits Profit Potential** 

**Market-Based Pricing Based on the 'Going Rate'** 



### New, 2-Year Warranty

**Cost: \$875** 

**Market Value: \$1,250**Customer Discount: \$138

**Labor: \$200** 

2 hours x \$100/hour = \$200



#### Profit: \$375

\$1,250 - \$875 = \$375

(30%Margin)

**Total Job Profit: \$575** 

\$61,620 More Each Year!

Based on 5 jobs per week.

Brand New Part, Better Warranty

**OEM-Quality at a Discounted Price** 

Creates a Price-Based Competitive **Advantage for your Repair Shop** 

Order Smart • Price for the Market • Keep your Cash

For Exclusive Savings and Free Business Tools, visit www.HighwayandHeavyParts.com/dealer-program today!

