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"P. O."

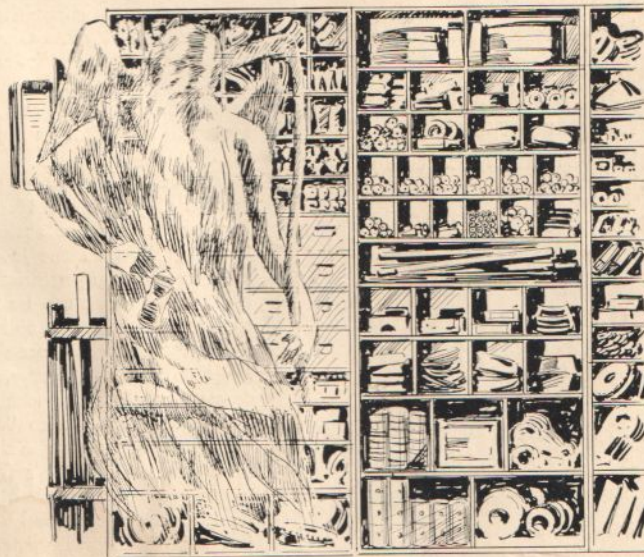
"P. O." is the accepted abbreviation for another of those terms not used in polite society. There are certain things that it is necessary and good for everyone to talk over at certain times, but these because of certain unpleasant connections are, "too often avoided." You mustn't mention "inhale" in speaking of the average run of cigarettes; "Halitosis" and "B. O." come under the same classification. It just isn't done, but at the same time, it is vitally necessary, and for this reason, although we hesitate to mention it, we feel it our duty to do so.

"P. O." in the automobile business, stands for Parts Obsolescence. The condition exists to a serious degree and everybody in the business has been blamed for it. It is commonly supposed to be the free-will gift of the manufacturer to the distributor or dealer. It is supposed that aside from the nominal cost of such material that the manufacturer wants nothing in return for it. The facts, however, do not warrant this conclusion. No high pressure salesman has ever entered your establishment and stamped you into buying a lot of gadgets, which could be classified

as automobile parts. On the other hand, the average manufacturer has worn out dozens of typewriters and printing presses in an attempt to tell distributors and dealers that if they did not watch their parts ordering, they would be confronted with this very unpleasant situation.

Many progressive distributors and dealers are carrying obsolete stocks of parts evidently with an eye to the future. They remember having read in the paper that men like Morgan and Ford often buy antiques. When you consider the large quantity of such stocks throughout the country, however, this would seem to be a rather dubious proposition.

Other distributors and dealers have looked rather kindly upon what they considered a reasonable amount of obsolete stock. They seem to be under the erroneous impression that they represented assets. They are assets, but not the kind that they believe them to be. There are several different kinds of assets, some are known as "liquid" assets — these are not so bad; others are known as "frozen" assets — these are not so good. Obsolete stocks of parts can only be classified as



"EVERY OWNER A SALESMAN"

"petrified" assets. "Frozen" assets sometimes become "liquid" and are useful for meeting pay-rolls. "Petrified" assets, however, are much more stable than "frozen" assets.

Many so-called successful distributors and dealers have purchased consistently, over the past ten years, amounts of obsolete stock ranging from five to ten thousand dollars a year. They have, it is true, made net profits on their Parts Department, running into several thousand dollars a year. They, therefore, are working under the impression that both their net profit and their assets have been continually increased.

There is only one way and only one time at which obsolescence can be controlled. *Stock turnover controls obsolescence. Stock turnover is controlled by stock ordering.* Therefore, obsolescence is controlled at the time parts are ordered and it is controlled by the man who has charge of ordering the parts.

The main trouble seems to be that not enough assistance is given the man who is in charge of ordering parts and too much pressure is put upon him by people in the organization who have no business to order parts, nor to say how many of a given item should be ordered. Just because you replaced two of a certain kind of bearing in one day in two different cars is no reason to suppose that every car in your territory that comes into your Service Station during the next six months, is going to require the same replacement. Just because one man has an accident to a fender on his car is no sign that two dozen other people are going to require the same type of front fender. Just because one cylinder block that happens to be examined, shows the necessity of replacement, is no sign at all that a dozen should be ordered. Ordering should be based upon the time it takes a freight shipment to get from your source of supply to your door. If this amounts to seven days, then your minimum supply of any one item should not exceed seven to ten days' supply. The average distributor or dealer should not carry more than a thirty day supply as a maximum on any item. The only exception to such a rule would be a distributor with an active wholesale territory.

Too much parts ordering is handled simply as a routine by the person in charge of keeping the stock record cards properly posted. Stock ordering is a very important job and it should not be rushed through as a part of your daily routine. A sufficient amount of time should be set aside for this work and a study of every single item to be ordered should be made. Blame only yourself if

your method of ordering produces an ever-enlarging pyramid of obsolete parts which have a value so low that they are not worth the space required to store them in your Parts Department.

At least every three months the man in charge of your parts ordering should go through your entire stock records and list with the Factory those parts which he has an excess supply of. This enables the Factory to consider the return of these items while they are still active. If you let this job go for a year, the part may be inactive at the Factory at that time and no returns can be considered. After each physical inventory your stock should be gone through and parts which have not moved during that year should be written on a separate inventory sheet and considered as obsolete. At the next physical inventory, if these same items remain in the bins, they should be removed and checked again. There are certain items which might be moved by a radical reduction in price, the balance of this type of material will not have a sufficient value to warrant your giving it space in your place of business. It has, at that time, only a junk value and you might as well realize this value out of it.

The most important point to remember is that obsolescence is controlled at the time the order is placed for new material. If sufficient thought is given to the placing of that order, you will not have the problem of disposing of obsolete parts.

Sales Resistance

When in doubt whether to insist upon payment of a service charge against the protest of the customer, do two things: First, make as sure as you can that the customer honestly believes it an injustice to charge him; and, secondly, consider the possible, or probable, future sales resistance from this owner or his friends if he is forced to pay what he honestly believes to be an unfair bill.

The other day I heard of a case where an owner had refused to pay a considerable portion of a service bill because he had not authorized the work. Instead of "selling" him on the justice of the charge the Dealer tried to insist on payment and finally seized the owner's car! From what can be learned after an investigation the loss of good will and the sales resistance caused by this transaction has cost the Dealer, in car sales in that large community, many, many times the dollar and cent value of that service bill.

If you aren't able to "sell" an owner on paying for something he thinks you should do without charge, then cancel the bill. Don't force an honest owner to pay unless you can convince him he *should* pay. Force payment and you lose good will, and the loss of good will is a very much greater loss than the amount represented by any ordinary service charge. Many a car sale has been lost by forcing payment on questionable service charges.

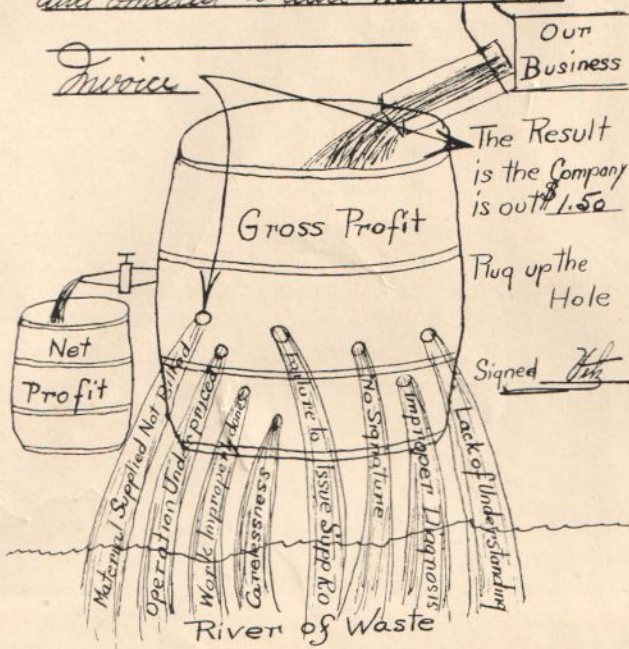
A Westchester Vitz Idea

Mr Jones Stop The Leaks 8-2-32
 Date

Explanation On Rs. 14576 Smith

You supplied two spark plugs
and omitted to add them to the

Invoice



Eddie Vitz of Packard-Westchester comes to bat with another idea. He doesn't seem to have the idea copyrighted and a lot of Eddie's ideas are really worth copying. He evidently is making a real drive to save the pennies and this is probably why he is showing such a good result in his Service Department. He uses a clever little stunt to put it right up to the man who made the error. He knows that there is a certain loss through various kinds of errors and hitting them right on the head seems to be the best way to cure them. There are a great many ways in which a little notice of this kind can be used. It looks to us like one of those simple little ideas that's worth real money. If it saves your department some money, due to miscellaneous leaks, drop Ed a line and thank him!

Fuel Pumps

Any fuel pumps which are removed from Eighth or Ninth Series cars should be turned over to the nearest service station of the Stewart-Warner Corporation.

Some of our Distributors have been returning pumps to us for credit or repairs, and the work can be more promptly and satisfactorily handled by the Stewart-Warner Station.

Top Dressing

When we brought out our present top dressing all of our tops were of pyroxylin finish material and this is

still the case on all models except the 900. These tops are all of a rubberized coated material and our present top dressing should never be used on this rubberized material. We are now investigating to find a suitable dressing for the 900 material.

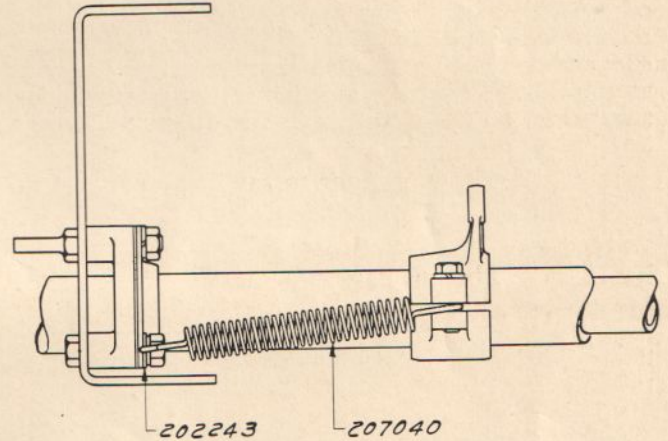
Brake Anti-Rattler Spring

A spring has been developed to be applied to the brake cross shaft of current model cars to prevent a rattle from developing in this shaft.

This change applies to the Standard Eight, the DeLuxe Eight and the Twin Six. It is not used on the Light Eight, owing to the difference in construction.

The application of the spring is shown in the illustration, and you will require for each car:

- 1—207040 Brake Shaft Rear Anti-Rattler Spring
- 1—202243 Brake Shaft Anti-Rattler Spring Clip



Steering Levers 900

A change has been made in the steering geometry of the 900.

This change consists of a shortening of the steering sector shaft lever and the steering knuckle lever left. These are the two levers which are joined to the steering connecting rod. Each of these levers has been shortened 1 inch so that neither the steering ratio nor the line up of the wheels have been changed.

It has been found, however, that the new steering geometry provides a steadier result, and improves the roadability of the car when travelling at high speeds. The change went into effect with front axle No. 366470 and frame No. 366657, and this point should be borne in mind because it is not advisable to interchange the old and the new parts. If it is found necessary to change either lever in one of the early cars, both of the new levers should be installed.

The new style parts are:

- 205778 Steering Worm Sector and Shift Lever.
- 205779 Front Axle Steering Knuckle Lever Left.

PERSONAL MENTION

Service in Rochester



We welcome to service activities the return of Mr. E. J. Mott of Packard-Rochester. Mr. Mott supervised service work in Rochester some time ago and then transferred his activities to another department. He returns with a renewed interest in service work along with the viewpoint of the New Car Salesman.

We always expect

exceptional results from such a combination. Ed recently won third prize in Mr. Macauley's Idea Contest and we hope that he won't forget that there is plenty of room in the PACKARD SERVICE LETTER for prize winning suggestions on "How to better Mr. Packard Owner's Service."

—In Buffalo

And here we have the hard-hitting boys from Buffalo. Mr. E. G. Kirchmeyer, the Parts Manager, took care of fitting out the boys in truly Packard fashion. If they play ball as well as they look, and the reports are that they do, then we have decided here at the Home Office to continue with our game of marbles.



—In Orlando

We have just learned that Packard service in Orlando has obtained an enviable record through the efforts of its service staff, which consists of J. B. Overton, H. A. Ward, Otto Gemeinhardt, L. E. Hill and C. J. Davis. These men have been in continuous active Packard service over a total number of forty-three years' cumulative service. Distributors in the northern section of the

country need have no worry concerning the interest which will be taken in their customers' Packard cars when their touring owners drive into the Nixon-Packard Company in Orlando for service.

Lubricant for Steering Gears

In making hot weather tests on steering gear lubricant we have found that Sturaco, made under Packard's 1302-A specification, is a great improvement. This is not a standard Sturaco product, but will be available through the Parts Department at the factory.

It will be necessary, if Sturaco is used, to change to the Cities Service type M steering gear lubricant in cold weather; or we would suggest at the same time that anti-freeze is put into the cooling system.

It is a very desirable lubricant in cases where the steering gear is sticky when adjusted up tight enough to eliminate rattle. It is particularly valuable in the Twin Six steering gear during hot weather.

We are shipping a small amount to each distributor and advise the use of it in special cases before doing any major work on the steering gear itself.

Parts Service DeLuxe

1932 JUL 4 PM 9 33

KA18 51 NL-PL KANSAS CITY MO 4

PACKARD MOTOR CAR CO-

DET

TAMARISK (Ship by parcel post) ONE EACH GOVERNOR
DIAPHRAGM LEATHER AND RUBBER AND COMPLETE SET
FILLISTER HEAD MACHINE SCREWS AND NUTS FOR GOV-
ERNOR HOUSEING MODEL GWGG (1911) EIGHTEEN NC
MOTOR GWGSG (19171) CAB (Please wire answer)
ALSO ONE EACH HIGH AND LOW SPEED CARBURETOR
AUXILIARY AIR VALVE SPRINGS WIRE IMMEDIATELY
EARLIEST POSSIBLE DATE SHIPMENT CAN BE MADE STOP
TOURIST WAITING-

REID WARD MOTOR COMPANY

The telegram shown was received from our distributor, Reid-Ward Motor Company, of Kansas City. It is interesting to note that the Parts Department was able to wire them that all of the items ordered, a total of seven, were shipped on the day the wire was received. This is of particular interest in view of the fact that the model car for which these parts were required, is a 1911 Packard 18 NC.

We thought this item was of sufficient interest to call it to your attention, as it again illustrates, not only the service, which the Factory Parts Department under Mr. B. R. Horsley's supervision is rendering on old model parts, but it seems to us that it is just one more of those reasons why Packard service is best for Packard cars. No Packard car is ever an orphan car because of its age. This is good dope for a salesman.

SUGGESTIONS OR QUESTIONS FROM READERS ARE ALWAYS WELCOME. HOW CAN WE MAKE THE SERVICE LETTER OF MORE VALUE TO YOU? ADDRESS LETTERS—EDITOR—PACKARD SERVICE LETTER.