Gwinnett Place Honda

3325 Satellite Blvd. • Duluth, GA 30096



by Russ Heaps

Any long-distance runner will tell you that often taking the lead in a race is easier than keeping it. When you can fix on the current leader, you can set a pace to overtake him. When you are out in front, however, only the self discipline forged by relentless training and a strong grasp of the basics will keep you ahead of the pack.

No one is more aware of what it takes to stay out in front than John Hicks, parts manager of Duluth, Georgia's Gwinnett Place Honda. With 17,000 square feet of warehouse space and roughly \$1.1 million in parts always on hand, Hicks and his 28-person staff average more than \$1.8 million in parts sales every month. This is good enough

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to rank Gwinnett Place Honda as the number one Honda dealership in parts sales in the country. "But it's tough when you are in front to stay there," Hicks said.

A part of the Hendrick Automotive Group family that covers 12 states and includes 88 new car dealerships, Gwinnett Place Honda is the largest sales-volume car dealer in Georgia. It also lays claim to having one of the five top service departments in the country. "We've always sold and fixed a lot of cars," Hicks responded when asked to list some of the reasons for the success of his parts department.

With more than 300 years of cumulative experience in parts, the staff knows the business inside and out. Each of the four parts professionals manning the wholesale desk average more than 20

Gwinnett Place Honda Wholesale Department Team



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years experience. They are on track to do \$6.5 million in wholesale sales alone this year.

"The three guys on the wholesale desk are completely Honda trained," Hicks stated. "Their training is on-going with classroom training every year. They have had at least 60 modules of training each."

Hicks himself has been selling parts nearly his entire life. He cut his teeth selling parts in his father's auto parts store in Jackson, Mississippi. When most people are still trying to figure out what they want to do in life, at age 19 Hicks was the parts manager at a Honda store in Vicksburg. That was 25 years ago. He joined Gwinnett Place Honda as the parts manager in 2004. It was under his stewardship that it grew to become the country's top Honda parts department.

Not over-complicating the process, Hicks credits three basic factors for his department's strong performance. At the top of the list is the quality of his people and the outrageously low turnover rate.

"No one ever leaves," Hicks said.
"We've only had one person leave in
the past three years, and he retired!
Basically, we grow our own people here.
I have a mentoring program. When I

hire someone, I'm really hiring them for their next position. I've got four people in a training program right now. This isn't a one-man operation; it's a total team effort. Everyone is crossed trained and can do more than one job. If someone is out, we pull together and cover."

Also among the keys to success Hicks stressed is simply the Hendrick organization. He credits it with everything from providing the opportunities and benefits that allow him to hire topnotch people to the necessary technical and financial resources. "They give us everything we need to do the job," he said. "They actually grew during the downturn, so there's been no issue getting what we need."

The final core component, according to Hicks, is not just having a large inventory, but having the parts customers need. "We have the right stuff," he explained. "Our fill rate is 97%. If we say we've got it, we've got it."

Nearly as critical as having the part a customer needs, is getting the right part to the customer. "Our main goal is providing great customer service," Hicks said. "That means the right part the first time. In our picking and staging process, every part is checked three times for accuracy before reaching the customer: When it's pulled,

when it goes on the truck and when it comes off the truck."

Focusing on Georgia, Alabama, Florida and Tennessee, the bulk of wholesale business is within this four-state region. Hicks runs some of his own delivery trucks while also utilizing parts trucks from the nearby Hendrick Chevrolet store. Outside the greater Atlanta area, Hicks relies on a variety of delivery services, such as Diligent and Advantage. "I'd say 85% of our parts are delivered on our own trucks," he estimated.

Also influencing sales growth, Hicks said, is Honda's Collision Select program. This allows Gwinnett Place Honda to compete with aftermarket parts sources. "Our customer can upload an estimate with aftermarket parts pricing, and we can then price it out with OEM parts beating the aftermarket prices," he explained. "Honda then subsidizes the cost. We're the number one dealer in the country in Collision Select subsidies."

When asked about future goals for his department, Hicks simply replied, "We are always looking to grow and do better. I want to offer this opportunity to more people. Ultimately my goal is never to go backward, to always move forward."