

The 36-Point Checklist You Need If You Are Mandated to Close Your Dealership Doors

With the current state of the automotive industry evolving by the hour, more and more dealers find themselves in the unfortunate situation where the government is mandating the temporary closing or partial shutdown of their businesses. We put together a comprehensive checklist you should start getting familiar with now to be prepared in case you find yourself with little to no warning from your local government to have your dealership's doors close as the country battles the COVID-19 pandemic.

Inventory Management

- Arrange for security to make sure inventory is safe
 - Consider hourly security checks as well as storing as much inventory as possible in the service area or the showroom to protect from vandalism, theft and weather
- Do a physical inventory count of all new and used vehicles and ensure that all doors are locked on each of them
 - If possible, retrieve any display and/or loaner vehicles back before you close
- Pull an Aged Warranty Receivables report to see if any vehicles are at risk of missing timeline and ask the OEM for an extended deadline if so
- As inventory shipments will continue to arrive, put up proper signage so the delivery driver knows where the vehicles are to be dropped off and where keys are to be placed; include directions to call the General Manager's cell phone and alert them

Sales Department

- Close out all deals that have been delivered already in the DMS
- Make sure all payoffs have been made on trade-in vehicles on behalf of the customer or the dealership
- Ensure any DMV registrations that are being held at the dealer are mailed out prior to closing
- Make sure all managers have access to login to the CRM at home to monitor e-mails and internet leads to keep in touch with customers until you reopen
- Designate managers for certain daily tasks such as checking the dealership's voicemails, email inbox, etc.
- Ensure an F&I manager can remotely log into lending sites such as DealerTrack, RouteOne, OEM captives, etc. from home
 - Banks are still open and there will still be notes in these systems with contract issues, funding, etc. While there may not be much they can do from home, this will allow them to prioritize for when the dealership does reopen
- If your store is planning on having the team work remotely, create a clear action plan on [what a "virtual dealership" looks like](#)

Service Department

- If the service drive will also be closed, make sure to turn off the compressors and quick lube within the shop to avoid an overhead oil line leak
- Ensure all factory and aftermarket warranty claims are submitted prior to closing
- Close all active customer repair orders
- Ensure all customer vehicle services that are complete get picked up and that the services are paid for prior to closing
- Any vehicle that is in the shop for a longer extensive repair, that is waiting on parts delivery, etc. should be moved to a secure location such as the service bays

- Ensure all loaners vehicles have been returned; it's vital to mitigate the risk of vehicles being damaged/overused because the store is closed and the customer couldn't pick up their vehicle which was being repaired
- Ensure parts suppliers know the service drive will be closed and inform them of the protocol being put in place for deliveries
 - Try to stop expected deliveries to avoid a shipment arriving and having no one there to receive it
- Proactively cancel any scheduled service appointments that are scheduled within the closure period

Human Resources

- Put a hiring freeze in place
- Check with HR to ensure a plan is in place to keep benefit payments current to avoid a lapse in coverage for your team and be sure that all employees know of the benefits available to them (i.e. Teladoc, EAP, etc., if applicable)
- Collect cell phone and emergency contact numbers for all staff and distribute to all managers
- Come up with a call tree or group text communication plan in case of an emergency
- Set all "away messages" on staff voicemail boxes and emails if not working remotely
- Ensure all management & sales staff know how to call in and check their voicemail or forward calls from their desk lines to their cell phones
- Have employees take any personal items home to reduce the possibility of theft
- Ensure staff has the proper login information for all of your tech stack as well as the proper equipment to function at home if needed such as laptops, iPads etc.
 - Keep track of all company-issued devices that are being used remotely by employees
- Encourage your employees to obtain their COVID-19 updates from trusted, valid sources such as the CDC and WHO, and to come to management directly for updates regarding the future state of the business
- If your team will be working remotely, remind them that this is not a vacation and there is plenty of work to stay productive from home such as:
 - Working on building their database, doing OEM or vendor e-learnings, and growing their social media presence to stay connected with their customers

Facility Management

- Make sure all receivables are submitted
- Notify all vendors the dealership is closing (security company, cleaning crew, local authorities, car shipping companies)
- Confirm the dealership is not liable for any franchise agreement infractions by closing
- Adjust thermostats to conserve energy cost while closed and power off computers
- Post signage on all entrances stating that the dealership is closed and will be sending communication, whether it be text or e-mail, to clients with the ETA on reopening
 - Update Google, Facebook, Website and others with hours of operation and how to contact an employee of the dealership if necessary
- Back up all computers, scan important files and place them in a secure location
- File an insurance claim for "Business Interruption" even if your carrier denies it or if you have "Pandemic Exclusions"; do it, anyway, in case the government covers it

Remain positive and keep a calm demeanor throughout the store closure process. Your team is looking toward their leadership for comfort, so remind your employees that together, you will come out of this stronger than ever. Mastermind is committed to support our dealer community in any way that we can.

For additional dealership resources surrounding COVID-19, [click here](#).