**Establish Sales and Service Procedures**

 ***Treat all pre-owned trade-ins as an investment***

 ***By Valerie Ziebron***

Does taking in pre-owned boats affect your service department? You bet. More boats on the lot taking up space, and those boats need to be in good running order. The question is: who's going to pay for that? You are. Kind of...

    So are pre-owned boats an asset or a liability to your dealership? They can be either, depending on how you handle them. If you treat them with a well-thought-out and carefully executed plan that your employees fully understand, it can be one of the best bottom-line builders for your business. But beware: If this is something you decide to throw at your staff and try for awhile to see how it goes, you would likely have better odds winning the lottery.

    Making money on pre-owned boats is a test of the relationship between your sales and service department. And to keep the peace in that relationship, you need to ensure a few things.

1. First things first: Know that time is of the essence. Customers expect this transaction to be much like trading in a car. They drive in with their boat, you appraise it and they drive off with a new one. Have an efficient system in place before they arrive to create a wonderful way to establish your dealership as the one-stop boat ship and capitalize on the beauty of impulse buying.

2. Complete an accurate value assessment of the boat, identifying all service issues. Smaller items like the depth finder, gauges, aerator and bilge pump can add up quickly and before long you are throwing good money after bad.

3. That means that you need to ensure that a skilled individual - preferably someone thinking of the resale and not the current sale - completes a written evaluation of the boat.

4. Allow for enough time and money to complete the needed repairs. And figure those costs into your margins.

5. Create proper internal work orders so the bill is picked up by the sales department as opposed to asking the service department to absorb it.

6. Determine a fair way to pay technicians to upgrade the boat so they will be willing to do a good job. Technicians will help ensure that this investment is a great idea for you and your future customer.

     You'd be amazed to find how many opportunities you can find in the pre-owned market if you just sat down and brainstormed. For example, you should approach every service customer as a walk-in looking for a new boat. Include trade-in value for their boat along with the thank-you card you leave after their service is done. Even if a small percentage of your service customers are trading in with you on a regular basis, the rewards can be tremendous in growing your business.

   Additionally, some stores are now beginning to use their pre-owned inventory to offer service customers loaner boats during their boats' downtime. This has a number of major benefits, including making the customer extremely happy with your service, keeping your pre-owned boats running, and encouraging sales. Typically, the customer's insurance covers the loaner.

    Another way you can generate qualified leads for your trade-in business is to use your Web site as a means for offering trade-in values or even case for pre-owned boats. Customers fill out an online form with information about the boat, including a place for the customer to rate the condition of the boat. It's a great lead generator, but just be sure to follow the money rule: "Look at it for real to determine the deal."