HEROHUB OPERATING SYSTEM
EXECUTIVE REPORT

Grand Teton Powersports

August 2026

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This report gives you a fast, executive view of where Grand Teton Powersports stands through August: what's on track vs the $1M profit goal, what's slipping, and what to do next. Use it to align department leaders on the priorities that will protect the forecast and drive the next step up in performance.

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Grand Teton Powersports

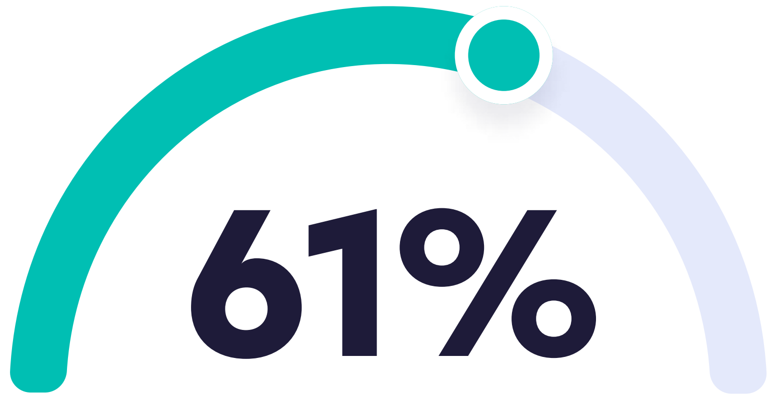
EXECUTIVE SUMMARY

WIG: $1M Net Operating Profit

Financial Position

NOP Goal:
$1M

Remaining
$388,000 (39%)



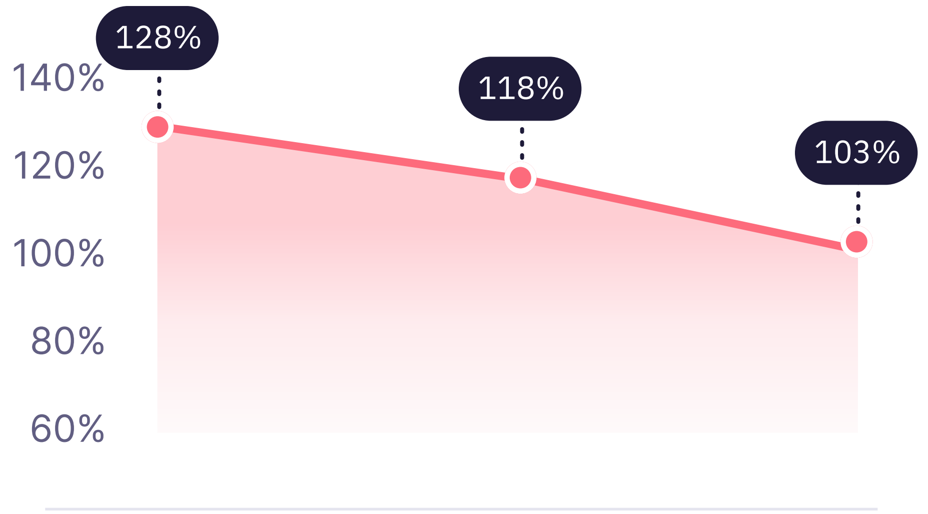
Net Operating Profit (Month): 7.3%

YTD NOP:	**$612,000**
YTD Budget:	**$583,000**
Forecast:	**$1.06M**

- On pace to exceed WIG
- Outperforming Herohub20 average +5.3%

Emerging Risk

Service Labor Efficiency
3-Month Outlook



- Service labor efficiency declining (3-month trend) -25%
- On pace for 13,600 billed hours vs. WIG of 15,000
- **$110K+ gross risk** if not corrected

Momentum

- **F&I PVR**: $623 (Budget: $500)
- **Finance penetration:** 52% YTD (WIG: 50%)
- **Used GP PVR:** $1,843 (Near $1,825 WIG)

EXECUTIVE TAKEAWAYS

- The dealership is profitable and trending above WIG pace
- Service productivity decline is the primary operational threat.
- F&I strength and OEM mix create upside potential.

Financial Snapshot

Metric	Month	YTD	Budget	Herohub20	Summit20
Net Operating Profit %	7.3%	7.1%	7.0%	5.3%	8.2%
Operating Cash Flow Margin	6.8%	6.4%	6.0%	4.9%	7.5%
Absorption Rate	81%	79%	85%	72%	90%
New GP PVR	$1,575	$1,602	$1,650	$1,480	$1,780
Used GP PVR	$1,843	$1,812	$1,825	$1,620	$1,950
F&I PVR	$623	$602	$500	$510	$675
Hours per RO	2.2	2.3	2.6	2.4	2.8

EXECUTIVE TAKEAWAYS

Profitable and ahead of plan: NOP% 7.1% YTD vs 7.0% budget and 5.3% Herohub20, but below 8.2% Summit20

Cash strong, absorption weak: Cash flow margin 6.4% YTD vs 6.0% budget; absorption 79% YTD vs 85% budget (fixed ops not carrying overhead yet)

F&I is carrying; service volume is the lever: F&I PVR $602 YTD vs $500 budget; Hours/RO 2.3 YTD vs 2.6 budget

WIG Dashboard — Department Alignment

Metric	WIG	YTD	Forecast	Status
Dealership	$1M NOP	$612K	$1.06M	
Sales	$1,825 GP PVR / $125 Floorplan	$1,812 / $132	Slight Risk	
F&I	50% Penetration	52%	Exceed	
Service	15,000 Hours	10,200 Hours	13,600	
Parts	3 Turns	2.4 Turns	2.6 Turns	

EXECUTIVE TAKEAWAYS

On pace overall: $612K YTD, $1.06M forecast vs $1M WIG

Sales/F&I mixed: F&I 52% vs 50% (green); Sales slightly under PVR and floorplan $132 vs $125 (yellow)

Fixed ops is the gap: Service 13,600 vs 15,000 hours (red); Parts turns 2.4 vs 3.0 (yellow).

Grand Teton Powersports

SERVICE DEEP DIVE

Service Deep Dive (Primary Risk Area)

Hours Billed vs. WIG

10.2K

68% of WIG: 15,000 Hours

Forecasted Gap: 1,400 hours

- **YTD**: 10,200 hours
- **Pace**: 11,250 hours
- **Forecast**: 13,600

Revenue & Gross Risk

$154K revenue risk

Gap (1400 hours) @ $110/hr labor rate

$110K gross profit risk

What Changed

Hours per RO ▼	Warranty ▼	Customer Pay ▼	Internal ▲
2.6 → 2.2			
-0.4	**-23%**	**-18%**	**+35%**

EXECUTIVE MANDATE

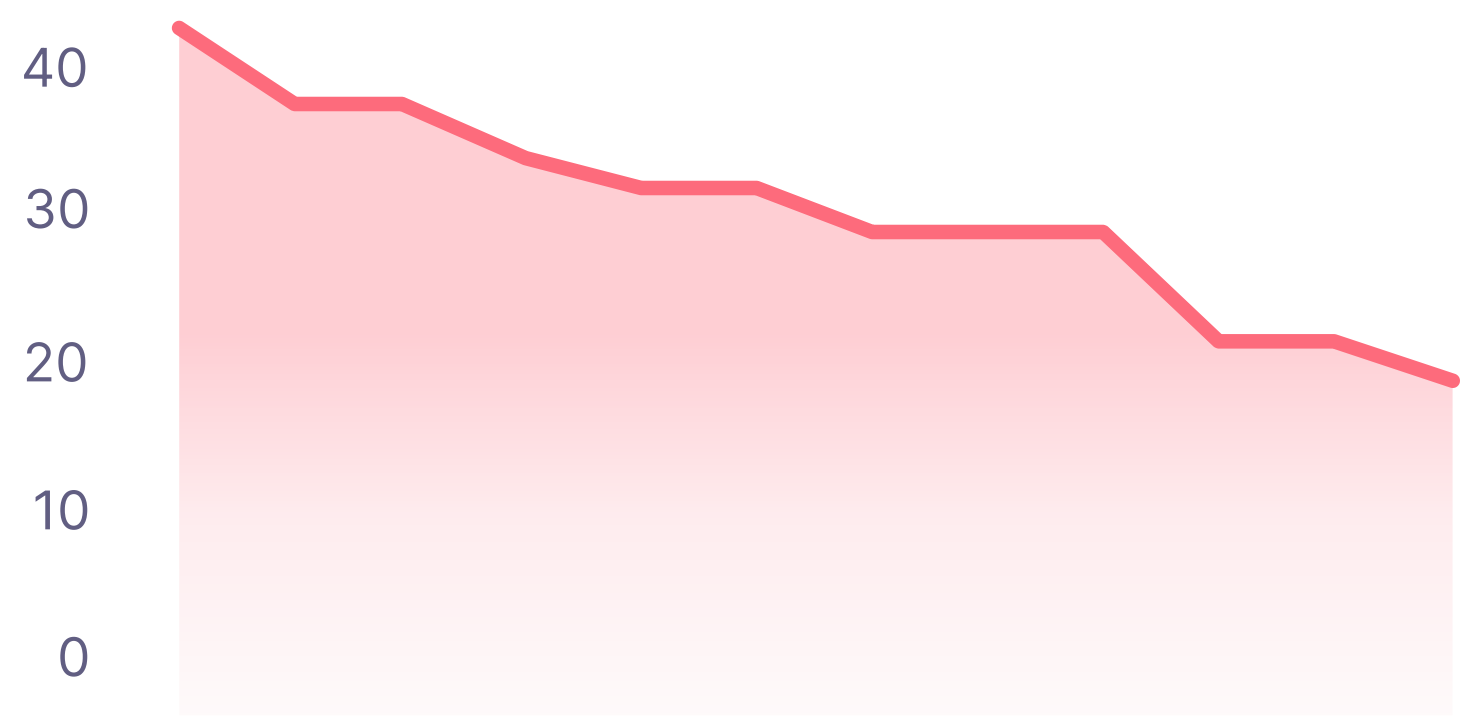
- 20 RO audit immediately
- Restore 2.5+ hours/RO
- Internal labor approval process
- Warranty claim aging review

Used Inventory Capacity Story

Used Inventory

Current on hand
23 units

Retail pace
20–25/month



Risk: Growth choke

If +5 additional used units retailed/month

= ~$9K additional monthly gross
= ~$108K annual opportunity

ACTIONS

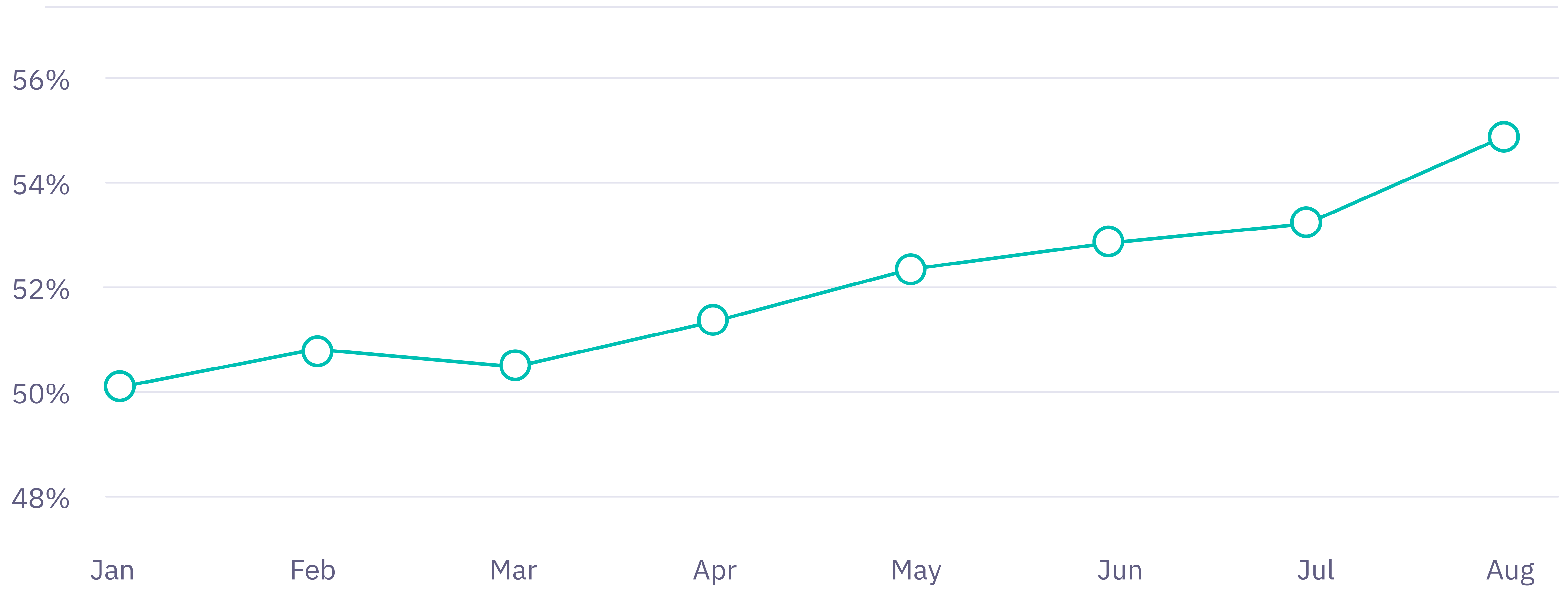
- Service lane mining
- Trade capture discipline
- Direct acquisition campaigns
- Auction ROI controls

F&I Momentum — Protect & Scale

6-Month Upward Trend

WIG
50% Finance Penetration

YTD
52% Finance Penetration



6-month upward trend post:

- ESC change
- Ancillary additions

ACTIONS

- Producer variance review
- Menu compliance check
- Early chargeback monitoring

Executive Talk Track — Department Meetings

Sales

Hits

- Used GP strong
- Volume healthy

Risks

- Floorplan slightly elevated
- Used inventory thin

Questions

- Acquisition plan
- Aging discipline?
- Pricing consistency?

F&I

Hits

- Penetration above WIG
- PVR strong

Questions

- Sustainability?
- Process consistency?

Service

Miss

- On pace to miss WIG by 1,400 hours

Questions

- RO audit results?
- Advisor presentation rate?
- Technician productivity?

Parts

Miss

- Turn 2.4 vs 3 WIG

Questions

- Aged inventory?
- Bundle strategy?
- OEM parts stocking discipline?

FINAL EXECUTIVE NARRATIVE

- Grand Teton Powersports is financially strong and on pace to exceed its $1M WIG.
- Service productivity erosion represents the most significant operational risk.
- BRP is the most strategically important OEM by profit contribution.
- CF Moto presents a high-margin expansion opportunity if fixed ops support improves.
- Capital and showroom allocation should follow profit contribution discipline.

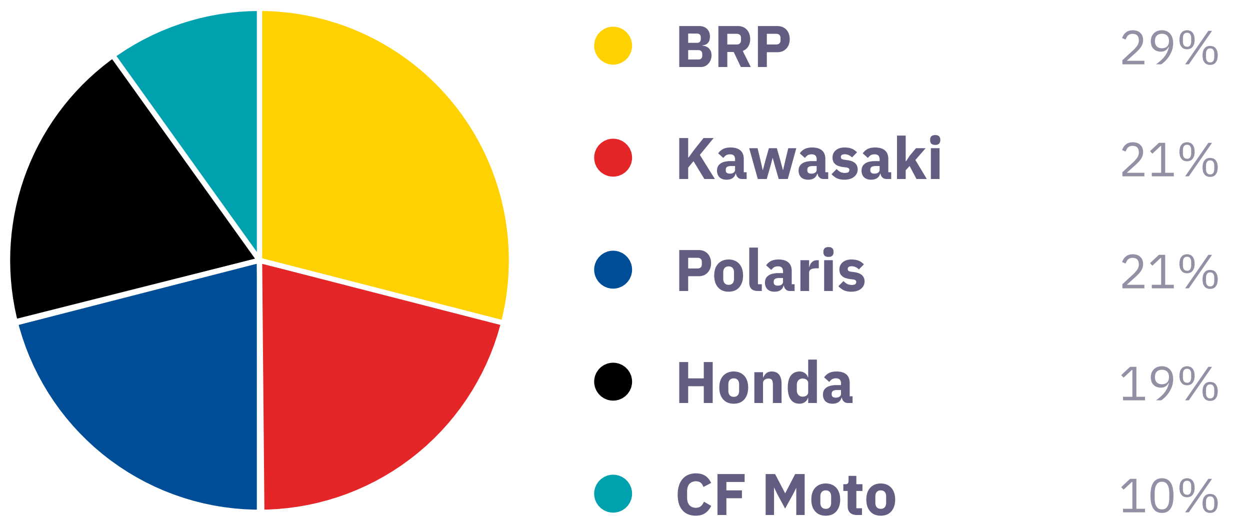
Future State

OEM Profit Contribution Intelligence

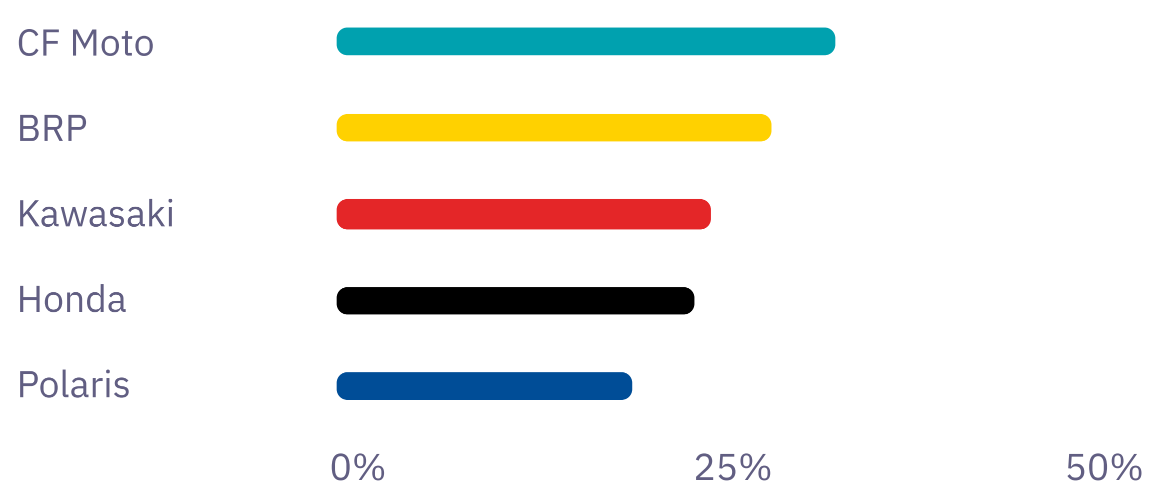
OEM Profit Contribution Intelligence (YTD)

OEM	$ Profit Contribution	% of Total	GP % of Revenue	Rank ($)	Rank (Margin)
BRP	$842K	29%	28%	1	2
Kawasaki	$610K	21%	24%	2	3
Polaris	$615K	21%	19%	3	5
Honda	$560K	19%	23%	4	4
CF Moto	$270K	10%	32%	5	1

% of Total



GP% of Revenue



EXECUTIVE TAKEAWAYS

BRP: Most Strategic Brand

- Highest contribution dollars
- 2nd highest margin
- Balanced fixed ops performance

Recommendation:
Allocate 29% of showroom space
Expand partnership and allocation

Polaris: Volume Driver, Margin Weakness

- 3rd in dollars
- Lowest margin %

Recommendation:
Margin discipline audit
Floorplan impact review

CF Moto: Highest Margin, Lowest Scale

- 32% margin (highest)
- Only 10% of total dollars
- Weak parts & service penetration

Recommended Showroom Allocation (By $ Contribution)

Recommended Showroom Allocation

Contribution %		Recommended Floor Space	
BRP	29%	**BRP**	29%
Kawasaki	21%	**Kawasaki**	21%
Polaris	21%	**Polaris**	21%
Honda	19%	**Honda**	19%
CF Moto	10%	**CF Moto**	10%

EXECUTIVE TAKEAWAYS

Recommendation: Align showroom allocation % to dollars generated, not perception.