

Ward's Dealer Business
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Top dealership may go national ...

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The "system" that's put Ricart Ford on top of the Ward's Dealer Business 500 again could become a national brand.

If that occurs, co-owners Rhett and Fred Ricart could expand beyond their Columbus, OH, base for the first time and start buying dealerships with strong potentials as Ricart system users.

Fred Ricart says, "Thanks to our unique system, we made record profits last year despite slightly lower sales of new and used units compared to 1997.

"We raised our grosses per deal, especially on pre-owned light trucks, and continued this through the first four months of 1999.

"Bert Boeckmann (chairman of Galpin Ford, North Hills, CA) is the best dealer in the country and deserved his (Ward's 500) victory over us (last year based on 1997 performances), but the 'Ricart system' enabled us to regain the lead for 1998."

Ricart topped the 500 in 1996 (for 1995 sales) and 1997 (for '96 results).

Fred Ricart says the dealership did so well because it focuses on used pickups, vans and sport/utility vehicles.

Fred Ricart, 48, composes his own TV commercial ditties. He and wife Lynne sing them alone and together.

He says a model of the "Ricart system" - including the TV spots and personnel compensation and training features - has been piloted at another dealership. He wouldn't name it.

"It worked very well over a lengthy period," he said. "The TV spots drew in customers from far and wide, just as we do here in central Ohio.

"It paved the way for our process of sending them home with a new or pre-owned truck or car in top-notch shape and with a high profit level.

"I don't think there's a dealer ad program anywhere that's as big a drawing card as ours, so why shouldn't other dealers have a shot at using it exclusively in their markets?"

Sales of pre-owned Ford trucks enabled Ricart to regain its No. 1 ranking over Galpin. However Galpin outpaced Ricart in new-vehicle sales, 11,555 to 9,549 units.

Used trucks outsell cars at Ricart by about three to one. Ricart topped Galpin, 10,618 units to 3,174 units in that category.

Ricart sold Ford F-150 pickups at an average cost of \$20,000 tab, says Fred Ricart.

He says, "You have to have in place a total system, from the ads and the word-of-mouth...to the inventories that guarantee spot delivery, to the salespersons who are trained to be non-confrontational and customer-gearred, to the financing that fits the customer's needs, to the constant follow-up."

Overseeing the Ricart operation is chief operating officer Gregory M. Dryden, 47. He marvels that "we're the No. 1 dealer nationwide in a market that's only the 35th largest city in the U.S."

Mr. Dryden, a former executive at the Dean Sellers Ford dealership in Troy, MI, a Detroit suburb, oversees the 557 employees in nine buildings in Columbus that handle Ricart business.

Besides Ford, Ricart also handles Chrysler-Plymouth-Jeep, Hyundai, Kia, Mazda and Mitsubishi franchises. Ricart also sells airplanes and runs its own house financing and insurance company for subprime.

"Fred and Rhett are real dealer visionaries," says Mr. Dryden. "'#1 Ricart' has become a brand and a symbol to owners of Ricart-sold cars and trucks of getting a square deal and A-1 service.

"But the 'Ricart system' also tunes in on a daily basis on what customers want, which is why we concentrated on pre-owned light trucks last year and high-end products in general."

As the emphasis moved to pre-owned, used-unit operations general manager Steve Farrell built up a \$9 million inventory, mostly from trade-ins.

He insisted on good quality at a used-unit "factory" on the main Ricart campus in southeast Columbus. Used-unit leasing was expanded. The omnipresent Ricart commercials made in the dealership's onsite studio shifted to pre-owned pitches.

Rhett Ricart says, "Our best commercials so far in '99 was my sister-in-law Lynne fussing over an ice cream cone flavor choice or choosing some flowers. The punch line was, 'If you're picky about the little things, why not the big things?'

The commercials have made Fred and Lynne Ricart regional celebrities.

Says Rhett, "It's unbelievable the shoppers driving here from West Virginia, or northern Ohio, or Indiana, who ask to see Fred or Lynne."

As the biggest advertiser in Columbus media, the Ricart brothers remain remarkably "provincial" in their outlook.

Fred Ricart's country-and-western commercial tunes, with homespun lyrics, reflect a background more along the lines of his father's Ohio "buy-here/pay-here" dealership than one of a big operation.

"I worked after high school as a reposessor for my dad," he says. "I'll never forget being chased by a guy whose pickup I had nabbed."

Fred Ricart was never interested before in expanding beyond Columbus, or in selling to a consolidator because "corporate cultures take away from the creative role a dealer should play."

But he now looks to purchase the "right" dealerships as a way to expand his marketing system.