

The Wayback Machine - https://web.archive.org/web/20120214085746/http://www.cedmag.com:80/article-detail.cfm?id=10924544

CONSTRUCTION EQUIPMENT Distribution

Helping Dealers Become More Profitable

OFFICIAL PUBLICATION OF ASSOCIATED EQUIPMENT DISTRIBUTORS

[Home](#) [About Us](#) [Media Kit](#) [Subscribe](#) [Previous Issues](#) [Search Articles](#) [Meet the Staff](#) [AED Homepage](#)



SECTION: Groundwork

[Questions or feedback?](#)

Contact [Kim Phelan](#) at (800) 388-0650 ext. 340.

[Back](#) | [Print This Page](#) | [Email This Page](#)



EXECUTIVE PERSPECTIVE ON 'TEST DRIVE'

CED Magazine, April 2009

Article Date: 04-01-2009

Copyright(C) 2009 Associated Equipment Distributors. All Rights Reserved.

Former AED Chairman Dale Leppo talks about the payoff of this dealer-specific business simulation program.

The brochures have crossed your desk, the e-mails are in your Inbox, ads and write-ups have appeared in CED and AEDNews – unlike any seminar or training experience, Test Drive: The Business War Game for Distributor Operations is a serious, hands-on management laboratory now available to AED members thanks to a partnership between The AED Foundation and PriSim Business War Games, as well as the generous sponsorship of accounting firm BDO Seidman.

Stretching strategic thinking and planning skills within a safety zone of simulation, Test Drive lets you put your business decisions to the test over two simulated years of running a fictitious distressed dealership.

But it's more than a mere game, and it's no child's play.

"There is long-term value in Test Drive for every AED member." So says former AED Chairman Dale Leppo, chairman of Leppo Rents/Bobcat of Akron in Tallmadge, Ohio. Leppo participated in the pilot program of Test Drive last summer – CED got him on the phone to find out what kind of takeaways a dealer gains from the experience.

Describe Test Drive to someone who's never done it.

Test Drive gives the people who are competing – and it's really a competition just like the real world out there – the opportunity to make decisions about staffing levels, investments in inventory, investments in physical facilities, investments in rental fleet. They can see what the impacts of those investments are over a multiple-year period with both the peaks and valleys in the business cycle.

Is it realistic?

The model isn't perfect, but it's pretty darn realistic. We ended up with huge variations from the eight groups that were in the sample. By the end of the cycle the biggest companies were twice the size of the smaller ones and there was just an enormous variability on profits, both on a percentage and dollar basis. We ended up with at least a 50 percent swing in actual revenues and more like a 100 percent swing in profitability at the end.

How tech savvy do you have to be to participate?

I am referred to here at work as a "technical Neanderthal." I still do my appointments and keep my calendar on a paper DayTimer, and I could handle the technical side of the program.

You've been working in a dealership for years – did you really learn something new from this?

I can think of one thing that we applied almost immediately at work: Test Drive made it clear that planning for the future and investing for future growth is something that you have to do at almost any point in the cycle if you're going to be successful in the long run.

The next Test Drive is May 5-6 in Boston, Mass. Visit www.aednet.org/testdrive or call Alison Wechman for details at 773-297-2546.

[[TOP](#)]

Article Categories: [Industry News](#) » [Training](#) » [Management](#) » [Association](#)



Subscribe to RSS

CED MENU

- [Home](#)
- [About Us](#)
- [Media Kit](#)
- [Subscribe](#)
- [Search Articles](#)
- [Meet the Staff](#)
- [Trade Press Info](#)

ARTICLE MENU

- [All Previous Articles](#)
- [February 2012](#)
- [January 2012](#)