

Action

MRB - Market Representation Bulletin

2023 Ford Dealer Financial Statement Enhancements

MRB-2023-2N

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To: Ford and Ford Lincoln Dealers

Attention: Dealer Principal
General Managers
Office Managers/Controllers/Accountants

Subject: 2023 Ford Dealer Financial Statement Enhancements

ACTION REQUESTED

- Please read and review this overview of the 2023 Dealer Financial Statement Enhancements, including the explanation of the new Ford Pro and Mobile Service pages added to the Ford Financial Statement for 2023
- Please read and review the detailed explanation in the attached 2023 Financial Statement and Chart of Accounts

SUMMARY

This communication summarizes the 2023 Dealer Financial Statement Enhancements

- Two new Ford Pro pages to capture financials specific to the commercial & fleet business (pages 8-9)
- A new Mobile Service page (page 10)
- Modification to several accounts on existing pages of the Dealership Financial Statement

These new pages are specifically designed to enable Dealers and Ford Motor Company to better quantify the **value** and **impact** of our commercial and fleet business, as well as the Mobile Service business. This will allow for more effective, efficient and strategic management of the many different aspects of your dealership's business. The additional Ford Pro pages are available for all Ford Dealers to utilize.

APPLICATION OF THESE 3 NEW PAGES:

- **All Dealers participating in the Commercial Vehicle Centre (CVC) program are strongly encouraged to complete the Ford Pro pages as part of the monthly Ford Financial Statement submission process.**
- **All Dealers participating in Mobile Service program are strongly encouraged to complete the Mobile Service pages as part of the monthly Ford Financial Statement submission process.**
- **All other Dealers that sell vehicles or parts to commercial / fleet customers, or perform service or body work on commercial / fleet vehicles are strongly encouraged to utilize the additional pages and submit financials as part of the monthly Ford Financial Statement submission process.**
- **The Mobile Service page is available to all Ford and Ford Lincoln Dealers participating in the Mobile Service Program.**

HIGHLIGHTS OF 2023 CHANGES

- The Used Vehicles Program name will change and now includes Ford Blue Advantage (FBA) Gold & Blue (FBA Gold & Blue not applicable to Canada)
- Subscription Services may now be captured on the Financial Statement
- Additional Memo pages (Pages 8, 9, & 10) have been added to the Ford Financial Statements:
 - Ford Pro Sales Page 8 - captures new Commercial & Fleet vehicle sales, semi-fixed expenses, new & used Finance & Insurance, selling expenses, fixed expenses, personnel, and departmental operating profit
 - Ford Pro PSB Page 9 (Parts, Sales & Body Shop) - captures Commercial & Fleet parts, service & body shop sales and expenses
 - Mobile Service Page 10 – captures Mobile Service sales & expenses

2023 FINANCIAL STATEMENT CHANGES IN DETAIL

Page 1 – Used Vehicle Program Name Changes

- Certified vehicles (Franchise Only) will now be referred to as FBA Gold/Lincoln/Other Vehicles. This reflects on the Inventory & Notes Payable
- Remarketed Vehicles will now be referred to as FBA Blue Vehicles. This reflects on the Inventory & Notes Payable

Page 3SUV

- All FoMoCo & Non FoMoCo Fleet will be relabeled as Commercial/Fleet
- New FoMoCo Commercial/Fleet accounts added that will total on Page 3SUV and memo map to Page 8. These are broken out by vehicle model
- New SUV Subscription Service accounts added for Retail SUVs and Commercial/Fleet

Page 3TRUCK

- All FoMoCo & Non FoMoCo Fleet will be relabeled as Commercial/Fleet
- New FoMoCo Commercial/Fleet accounts added that will total on Page 3TRK and memo map to Page 8. These are broken out by vehicle model
- New Truck Subscription Service accounts added for Retail Trucks and Commercial/Fleet

Page 3CAR

- All FoMoCo & NonFoMoCo Fleet will be relabeled as Commercial/Fleet
- New FoMoCo Commercial/Fleet accounts added that will total on Page 3CAR and memo map to Page 8. These are broken out by vehicle model
- New Car Subscription Service accounts added for Retail Cars and Commercial/Fleet

Page 3CAR – Traditional and Digital Advertising Expense Accounts

- New FoMoCo Commercial/Fleet accounts added that will memo map to Page 8.
- The goal of this optional section is to improve the ability of Commercial/Fleet to measure the Advertising effectiveness of their Traditional and Digital Advertising spend by using comparative composite group analysis and trends through reports and tools located in FBMI (Ford Business Management Intelligence) reporting system

Page 4

- Certified vehicles (Franchise Only) will now be referred to as FBA Gold/Lincoln/Other Vehicles
- Remarketed Retail Vehicles will now be referred to as FBA Blue Vehicles
- Removed Remarketed Wholesale Vehicles & Added Car & Truck Off Lease
 - Remarketed Wholesale Vehicles line has been removed and has been replaced with Car & Truck Off Lease buy backs, with the interest rate increases the number of customers choosing buy backs has increased
- Used MED/HVY relabeled as Used Commercial/Fleet
 - Updated to align with Ford Pro Financial Statement Pages
- New Commercial/Fleet F&I & Semi Fixed accounts added that will total on Page 4 and memo map to Page 8, Commercial Fleet Retail. F&I & Semi Fixed Expenses will be New & Used combined on Page 8.

Page 5

- New Commercial/Fleet PSB accounts added that will total on Page 5 and memo map to Page 9, Commercial Fleet PSB
- New Mobile Service accounts added that will total together on Page 5 and memo map to Page 10, Mobile Service

Page 6

- New Commercial/Fleet Fixed Expense accounts added that will total on Page 6 and memo map to Page 8, Commercial Fleet PSB
- New Mobile Service Fixed Expense accounts added that will total together on Page 6 and memo map to Page 10, Mobile Service

Page 8 (New)

- Captures Commercial/Fleet vehicle sales, Commercial/Fleet expenses, Commercial/Fleet F&I, & Commercial/Fleet Personnel
- This is a memo page, meaning all Commercial/Fleet Retail journal entries & accounts are based on pages 3SUV, 3TRK, 3CAR, 4, 5 & 6, and then the Commercial/Fleet accounts only map to their assigned memo page. The Chart of Accounts will show which page and line numbers the accounts are assigned to.

Page 9 (New)

- Captures Commercial/Fleet Parts, Service & Body Shop

- This is a memo page, meaning all Commercial/Fleet PSB journal entries & accounts are based on pages 5 & 6, and then the Commercial/Fleet accounts only map to their assigned memo page. The Chart of Accounts will show which page and line numbers the accounts are assigned to.

Page 10 (New)

- Captures Ford's Mobile Service business
- This is a memo page, meaning all Mobile Service journal entries & accounts are based on pages 5 & 6, and then the Mobile Service accounts only map to their assigned memo page. The Chart of Accounts will show which page and line numbers the accounts are assigned to.

DEFINITION OF THE FORD PRO BUSINESS ACTIVITY TO BE CAPTURED AND REPORTED IN THE FORD PRO PAGES OF THE FINANCIAL STATEMENT:

- **Ford Pro Sales Page 8:** Commercial and Fleet revenue and expenses to be reported shall include:
 1. New Commercial & Fleet vehicle sales, semi-fixed expenses, new & used Finance & Insurance, selling expenses, fixed expenses, personnel, and departmental operating profit
 2. The sale/lease of a vehicle or F&I product to a company, business, government entity/agency or municipality
 3. The sale/lease of a vehicle or F&I product to a person, company, business, government entity/agency or municipality and the vehicle will be generally used for a business/commercial/governmental reason or purpose
 4. The sale/lease of a vehicle or F&I product to a company, business or government entity/agency or municipality customer with a FIN code
 5. The sale/lease of a vehicle or F&I product utilizing any of the following Commercial/Fleet/Government Sales Types: E, L, 6, 7.
 6. In general, all expenses and revenues within your Dealership attributable to commercial/fleet operations
- **Ford Pro PSB Page 9:** Commercial and fleet parts and service transactions to be reported shall include:
 1. A part sale or service event involving a vehicle that is generally used for a business, commercial, governmental reason or purpose
 2. A part sale or service event involving a vehicle owned or used by a company, business or governmental entity
 3. A part sale or service event involving a business, company or government customer
 4. A part sale or service event involving a customer with a FIN code

Dealership Customer Coding Direction: To ensure your Dealership Management System (DMS) can bin transactions appropriately (i.e. retail, commercial, fleet, governmental, etc), it is highly recommended that Dealers input the customer type code for all commercial, fleet, and government sales types.

Customer Type Codes (Examples):

- R: RETAIL CUSTOMER - Typical shop customers having services performed In either, your repair shop or your own body shop, for warranty and/or customer pay services
- G: GOVERNMENT - Any federal, provincial, county, municipal, ministry, territory or other official government agency. These include directly related government agency subdivision such as schools or police departments. This applies to the Repair Shop and the Parts Department
- F or X: FLEET or COMMERCIAL – Commercial business-owned Fleet customers include those with a valid Fleet Identification Number (FIN) or commercial business accounts with registered and operable Ford or Lincoln vehicles

ATTACHMENTS

- 2023 Ford and Lincoln Dealer Financial Statement (PDF)
- 2023 Ford and Lincoln Dealer Chart of Accounts (PDF)

QUESTIONS

- **Account Mapping & Transmission Issues:** Contact your Dealership Service Provide (DSP) or Dealership Management System (DMS) Provider

- **Accounting Questions:** Contact FBMI helpdesk 1-888-399-3452 – Monday-Friday 8 a.m. – 8 p.m. ET or email at: fbmisupport@urbanscience.com
- **Ford FBMI or Financial Statement Questions:**
 - Ontario: Adrienne Solda – asolda@ford.com
 - Quebec & Atlantic: Melanie Cook - mcook130@ford.com
 - Western & Pacific: Jordan Gerrits - jgerrit1@ford.com
 - Canada: Ang Li – ali3@ford.com
- **Ford Pro Program Questions and Support:** Please contact your Regional Ford Pro Commercial Business Manager (CBM)
- **Ford Mobile Service Program Questions and Support:** Please contact Marco Dodaro at mdodaro1@ford.com

FREQUENTLY ASKED QUESTIONS (FAQ)

- Q. What dealerships use the new Commercial/Fleet & Mobile Service Pages 8, 9, & 10?**
A. All Ford Dealers that participate in Ford Pro business (commercial and fleet business) and/or the Mobile Service business **are strongly encouraged to utilize and accurately complete the additional Ford Pro and Mobile Service pages.** In other words, all Dealers that sell vehicles to commercial / fleet end users, or sell parts to commercial / fleet customers, or perform service work or body work on commercial / fleet vehicles are strongly encouraged to utilize the additional pages and submit financials with the overall Financial Statement monthly submission.
- Q. What is a CVC dealership?**
A. A CVC Dealer is a Dealer that participates in the Commercial Vehicle Centre (CVC) Program.
- Q. Do all CVC dealerships need to use these new pages?**
R. All Ford Pro Dealers that participate in the Commercial Vehicle Centre (CVC) Program are strongly encouraged to utilize and accurately complete the additional Ford Pro pages and reporting on a monthly basis as part of the monthly Ford Financial Statement submission process.
- Q. What is Mobile Service?**
A. Mobile Service is an extension of the Dealership Service lane and provides customers with a convenient way to service their vehicle and still receive the quality and expertise from Ford trusted Technicians using Ford parts. It is no longer enough to serve our customers in the manner most convenient to us. We must adapt and serve our customers in the manner convenient to them. Our customers demand it.
- Q. How does a Dealer Management System (DMS) determine if a dealer is CVC or Mobile Service?**
A. The Dealerships themselves know whether they are enrolled in and participating in the Ford Pro Commercial Vehicle Centre (CVC) Program or the Ford Mobile Service Program. Also, Dealerships can indicate whether they participate in the commercial/fleet business from a vehicle sales, parts & service sales, or subscription service perspective.
- Q. For Page 8 Personnel, which personnel count should be input?**
A. This is intended to capture dealership personnel specific to the Ford Pro (Commercial/Fleet) business. This includes respective personnel for dealerships that participate in the Ford Pro CVC Program and those Dealerships that do not participate in the Ford Pro CVC Program but participate in the Ford Pro commercial/fleet business.
- Q. What are the renamed Used Program Ford Blue Advantage (FBA) Gold & Blue?**
A. FBA Gold & Blue are US only used vehicle programs and not applicable in Canada. The Canadian Certified Pre-Owned program had been cancelled as of January 3, 2023.
- Q. What are the Subscription Services?**
A. Subscription Services are future revenue streams that Ford Canada and National Roundtable (NRT) are working together to develop in Canada. 2023 Financial Statement has the ability to capture these future revenue streams once available.

RESOURCES LINKS

New Ford Business Management Intelligence (FBMI) URL click [HERE](#) (Please be patient as this may take several minutes to load.)

Ford Accounting Manual: <https://www.fmcdealerfbmi.dealerconnection.com/AccountingManual/en/>
<https://www.fmcdealerfbmi.dealerconnection.com/AccountingManual/fr/>

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Attached Files: • [2023 Ford Financial Statement - Final English.pdf](#)
• [2023 Ford Motor Company Chart of Accounts - English.pdf](#)

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