Makemoro

OPERATING REVIEW · SAMPLE DELIVERABLE

Northfield Equipment & Powersports

A fixed-scope diagnosis of four gaps: order and unit, invoice and reversal, website and search, market and decision.

Sample report. Northfield Equipment & Powersports is fictional and every figure is illustrative. The structure, level of detail and evidence grading are what a real review delivers.

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- **Prepared by:** Makemoro, Toronto
- **Date:** Illustrative sample, 2026
- **Scope:** Fixed-scope diagnosis of four gaps: order and unit, invoice and reversal, website and search, market and decision
- **Duration:** Three weeks, most of it asynchronous

About this document

This is a sample of what an Operating Review delivers. It is written for a fictional company so that you can read the whole thing before deciding whether to ask for one.

Northfield Equipment & Powersports is a multi-brand dealer with three locations in Ontario and about 40 staff. It sells compact construction equipment and side-by-side vehicles from four brands, referred to here as Brand A, Brand B, Brand C and Brand D. None of these are real manufacturers.

Every figure, count and date below is illustrative. The structure, the level of detail and the way evidence is graded are what a real review looks like.

1. Executive summary

The review looked for places where money leaks between systems rather than at the point of sale. We found five findings worth acting on. Impact ranges are annual, estimated from the sample data the client supplied, and stated as ranges because the inputs are partial. Confidence describes the quality of the evidence, not how large the impact is.

#	Finding	Estimated annual impact (illustrative)	Confidence	Gap
1	Eleven units in the review window were promised to two customers at once, and two incoming shipments could not be matched to any order	$38,000 to $72,000 in expediting, price concessions and lost deals	Medium	1. Order ↔ unit
2	Cancelled invoices are edited to zero in the accounting system; inventory status and cost of goods sold are not reversed with them	$15,000 to $30,000 in misstated margin and write-off time, plus audit risk	High	2. Invoice ↔ reversal
3	The website has no individual page for six of the top eight models; in the AI answers we tested, the dealer appears for one of six buyer questions	$20,000 to $55,000 in gross profit from enquiries that go elsewhere	Low	3. Website ↔ search
4	Territory and stocking decisions for Brand B and Brand D are made from internal sales history only; public registration data suggests the north-east territory is under-served	$25,000 to $60,000 in gross profit if one stocking decision is changed	Low	4. Market ↔ decision

#	Finding	Estimated annual impact (illustrative)	Confidence	Gap
5	Payment status is updated by hand for about a third of deposits, which delays the release of allocated units	$8,000 to $18,000 in carrying cost and customer friction	Medium	1. Order ↔ unit (with 2)

The combined range is wide on purpose. We would not present it as a forecast. Findings 1 and 2 rest on records we inspected directly. Findings 3 and 4 depend on outside data and on assumptions about buyer behaviour that only a live test can confirm.

If the client does only one thing, we recommend the allocation board described in section 6. It addresses findings 1 and 5, and it is the cheapest fix with the best evidence.

2. The Gap Map

A gap is a point where one system's record of the truth stops agreeing with another's. The map follows one unit through its commercial life, from the order to a possible reversal, and marks where we saw records diverge.

Severity is rated High (money or compliance exposure observed in the records), Medium (exposure plausible, partly observed) or Low (inefficiency, no direct exposure seen).

Stage	What we observed	Evidence	Gap	Severity
Order	Quotes and orders live in a spreadsheet and in the dealer management system. Unit stock numbers are typed in by hand on the order	14 orders sampled; 3 carried a stock number that differed between the two places	Order ↔ unit	Medium
Allocation	Two orders can name the same unit. Nothing prevents it. The conflict is found when someone tries to deliver	11 units in the review window had two active orders; each was resolved by phone	Order ↔ unit	High
Shipment	Inbound units from Brand A and Brand C are tracked in emails from the supplier. Open orders are matched to them from memory	2 inbound units with no matching order; 1 order with no matching inbound unit	Order ↔ unit	Medium
Invoice	Invoices are issued from the accounting system. The unit stock number is a free-text field	9 of 40 sampled invoices had a stock number with a typo or an old format	Order ↔ unit	Low
Payment	Deposits and final payments are matched to invoices by the bookkeeper, once a week	6 of 18 sampled deposits were recorded after the unit had already been promoted to "sold"	Invoice ↔ reversal	Medium
Reversal	A cancelled sale is handled by editing the invoice to zero or deleting the line. Inventory is re-opened by hand, if at all	7 cancellations in the period; in 5, inventory status and cost did not return to their pre-sale values	Invoice ↔ reversal	High

Reading the map from top to bottom, most of the cost is concentrated in two places: the allocation step, where a single unit can be claimed twice, and the reversal step, where a cancellation does not travel back

along the path the sale took.

3. Gap 1: Order ↔ unit

What we saw

An order and the physical unit it should claim are connected only by a typed stock number. Two orders can reference one unit, and a unit that arrives from a supplier is matched to an order by someone remembering which customer was waiting.

In the sampled window of 90 days we found eleven units with two active orders. All eleven were caught before delivery, but each took between two and five staff contacts to resolve. In three cases the second customer received a price concession to accept a different unit.

Why it costs money

Each conflict costs staff time, and some end in a discount. The larger cost is less visible: when a conflict is resolved by delaying one customer, that customer's deposit sits idle and the unit they were promised stays on the floor, adding to carrying cost. Two inbound units with no order also meant two weeks of unplanned stock on a floor-plan line.

Evidence quality

Medium. We inspected order records, inventory exports and a sample of supplier emails. We did not observe the conflicts as they happened, and the estimate of staff time comes from two short interviews, not from time tracking.

Recommended fix

Make the unit the anchor. Every unit has one record, and an order claims a unit by linking to it. The system refuses a second active claim. Inbound shipments are recorded against units, not against customers, so that a new arrival either matches an open order or is flagged as unallocated. Deposits release or hold a unit by status rather than by someone's memory.

Effort

M. The data model is small. Most of the effort is agreeing on unit statuses with the sales and parts teams and importing clean stock numbers.

4. Gap 2: Invoice ↔ reversal

What we saw

When a sale is cancelled, the invoice is edited to zero or the line is removed. The sale then looks as if it never happened. Inventory has to be re-opened separately, and cost of goods sold is not always reversed. In five of seven cancellations in the period, the unit's inventory status or its cost did not return to its pre-sale state.

Why it costs money

A reversal that deletes or zeroes a record removes the evidence of why the sale was cancelled and leaves downstream records unchanged. Margin reports then overstate or understate profit, month-end takes longer, and an external reviewer cannot trace a cancelled sale from beginning to end.

The rule we apply is that a reversal must travel back down the same path the original took. It creates a new record linked to the original, and that record flows through inventory, cost and payment status so that the net effect is zero. The reason for the cancellation stays on file.

Evidence quality

High. We compared seven cancelled invoices against inventory and cost records line by line. The mismatch is visible in the data without interpretation.

Recommended fix

Introduce a reversal record that references the original invoice and carries a reason code, an author and a timestamp. Remove the ability to delete committed invoices. Let a higher role approve reversals above an agreed threshold. Post the reversal to inventory and cost in the same transaction as the invoice reversal, so that they cannot drift apart. A refund of a payment is its own reversal, linked to the payment and not to the invoice alone.

Effort

M. The accounting system may support credit notes natively. The work is in connecting them to inventory status and agreeing on the approval threshold. We would confirm this with your accountant before scoping.

5. Gap 3: Website ↔ search

What we saw

The website lists models in category pages. Six of the top eight models by sales volume have no page of their own. Specifications sit in downloadable PDFs, which search engines and AI answer engines read poorly.

Location pages exist but repeat the same text for all three locations.

We then asked six buyer questions of the kind a prospective customer might type into an AI assistant. For each, we recorded whether Northfield appeared in the answer and which page, if any, was cited.

#	Buyer question (paraphrased)	Brand appears in AI answers?	Page cited
1	Where can I buy a compact track loader near Barrie?	No	None; two competitor dealer pages and a manufacturer locator
2	Which side-by-side suits a small hobby farm in Ontario?	No	None; a magazine comparison article
3	What is the difference between a mini excavator and a compact excavator?	No	None; a manufacturer guide
4	Is there a dealer in Ontario that services Brand B equipment?	Yes	Northfield service page (location page, Barrie)
5	How much does a mini excavator cost in Canada?	No	None; two rental company pages
6	Which dealers carry Brand D side-by-sides in Ontario?	No	None; manufacturer locator

This is a small sample taken on a single day. AI answers vary between runs and between tools. We treat it as a diagnostic, not a measurement, and we do not infer a rate from it.

Why it costs money

A buyer who asks a general question and sees a competitor named, or no dealer at all, forms a shortlist before visiting any website. If the dealer's pages do not answer the question in plain text, there is nothing for a search engine or an answer engine to quote.

Evidence quality

Low. The tests are a snapshot, the answers change, and we cannot see the enquiries that never arrived. The missing model pages and the PDF-only specifications are directly observable. The impact estimate is an assumption about buyer behaviour and carries the widest uncertainty in this report.

Recommended fix

Give each of the top eight models its own page with specifications in plain text, a short definition of what the machine is for, and the stocking location. Replace the repeated location text with details that differ by site: services offered, hours, brands carried, nearby service area. Add structured data where the page content supports it. Track the six questions monthly and report changes, with no promise about the outcome.

Effort

M. Content drives the effort. The client supplies specifications and photographs; the build is routine.

6. Gap 4: Market ↔ decision

What we saw

Stocking and territory decisions for Brand B and Brand D rely on the dealer's own sales history. That history only describes customers who already found Northfield. It says nothing about where the market is.

For this review we assembled a registered-stock view by territory from public provincial registration data and published industry summaries. The figures below are illustrative and are not drawn from real data. In a live review, each number would carry its source, publication date and the filters used.

Territory	Registered side-by-sides (illustrative)	Northfield location within 90 minutes?	Brand B and D share of recent registrations (illustrative)	Observation
South-west	9,800	Yes (Location 2)	11%	Served; share consistent with sales
Greater Toronto fringe	14,200	Yes (Location 1)	9%	Served; high competition
Central (Simcoe)	7,600	Yes (Location 3)	14%	Served; strongest share
North-east	6,900	No	17%	Not served; highest share of Brand B and D
East	8,100	Partly	8%	Partly served; low brand share

Why it costs money

If the brands Northfield carries are growing fastest in a territory where it has no presence, the decision to open a satellite stocking point, extend the delivery area or attend a regional show is being made without that information. The inverse also holds: a location may carry stock for a brand with a declining registration share nearby.

Evidence quality

Low in this sample, because the data is illustrative. In a real review, registration data is usually Medium to High quality for counts and Low for causes. Registrations lag sales by months, and they do not show which dealer sold the unit.

Recommended fix

Adopt a one-page territory view, refreshed quarterly from public sources, and use it as one input to the annual stocking decision. Do not use it to forecast sales. Pair it with the dealer's own enquiry locations to test whether the north-east pattern is real before committing stock.

Effort

S. The first snapshot is a few days of work. Maintaining it is a monthly or quarterly task that can sit with a partner.

7. Prioritized plan

Fixes are ranked by expected return relative to effort and by how well the evidence supports them. Effort is S (days), M (weeks) or L (months). Owner is the party we recommend carries the work.

#	Fix	Gap	Effort	Expected effect	Owner	First step
1	Unit-anchored allocation: one unit, one active claim, inbound matched to units	1	M	Removes double-promised units; shorter time to resolve inbound mismatches	Partner (build); client team (statuses)	Agree the unit status list with sales and parts in one 90-minute session
2	Reversal records for cancelled invoices, linked to the original	2	M	Margin and inventory agree after cancellations; reasons retained	Client team (accountant) with partner	Confirm whether the accounting system supports credit notes and how they post to inventory
3	Individual pages for the top eight models, in plain text	3	M	A page exists for each question buyers ask; basis for tracking	Partner (build); client team (specifications)	Client supplies specifications for the first two models
4	Monthly tracking of six buyer questions	3	S	A dated record of whether and where the brand appears	Makemoro	Agree the six questions and the tools to test
5	Deposit status automated from the payment record	1 and 2	S	Removes weekly manual matching for about a third of deposits	Client team (bookkeeper)	List the three payment channels in use
6	Quarterly territory view from public data	4	S	One more input to stocking decisions	Makemoro	Choose the territories and the brands to track

Items 1 and 2 should be done in that order, because reversals need units to be unambiguous. Items 3 and 4 are independent of them and can run in parallel with a different owner.

8. The prototype

For the highest-value fix (fix 1) we built a clickable prototype: an allocation board that shows every unit, its single order, and its reversal history.

What the client can click

- **The board.** One row per unit. Columns show stock number, brand, model, status (on order, in transit, in stock, allocated, delivered, returned), the single order that claims it, and the location.
- **Claiming a unit.** Choosing an unallocated unit on an open order links them. Choosing a unit that is already claimed shows who holds it and refuses a second claim.
- **Inbound shipments.** A shipment lists its units. Each unit either matches an open order or appears as unallocated, with a prompt to assign it.
- **A unit's history.** Opening a unit shows every event in order: claimed, released, shipped, invoiced, paid, reversed. A reversal appears as its own entry with its reason, author and the original it points to. The original entry is not changed.
- **Cancelling a sale.** Cancelling a delivered unit's sale creates a reversal. The unit returns to stock, and the board shows both the sale and the reversal in the history.

The prototype is loaded with 40 fictional units across Brand A to Brand D, including the eleven double-claim cases from the review, so that the problem and the fix can be seen side by side.

What it deliberately does not do

- It does not connect to your accounting or dealer management system. It runs on sample data.
- It does not handle permissions, user accounts or approvals above a threshold.
- It does not calculate cost of goods sold or tax.
- It is not production software. It has no tests, no audit logging and no security review.

The prototype exists to settle questions of design cheaply: the status list, who may release a unit, what a reversal should show. If you decide to build, the Design & Build phase starts from those answers, not from a blank page.

9. What we did not look at

This review has limits, and we state them so that nobody relies on it for more than it supports.

- **Financial statements.** We did not audit accounts, verify balances or assess tax treatment. Impact ranges are estimates for prioritization, not accounting figures.
- **Floor-plan financing and credit terms.** Carrying cost is approximated. We did not review lender agreements.

- **Service and parts operations.** Workshop scheduling, parts inventory and warranty claims were out of scope.
- **Staff performance and pay.** We looked at systems and records, not people.
- **Legal and regulatory compliance.** We make no statement about consumer protection, privacy or dealer licensing obligations.
- **Rankings and AI citations.** We tested six questions on one day. We do not promise that any change will cause the brand to appear in answers.
- **Causation in market data.** Registration data shows what was registered, not why. It does not show which dealer made each sale.
- **Sample size.** Records were sampled, not exhaustively reviewed, except for the seven cancellations, which we reviewed in full.

Where an input was supplied by the client and not independently verified, the evidence line says so.

10. Next steps

The decision is yours, and there is no obligation. You keep this report, the gap map and the prototype whether or not we work together again.

1. **Read the report with your team.** Check the gap map against what people on the floor and in accounting recognize. Tell us where we are wrong; we will correct the report.
2. **Choose what, if anything, to do first.** Most clients start with fix 1 or fix 2. You may take the plan to your own team or another partner.
3. **If you want us to build,** we scope Design & Build as a fixed-price phase, with tests, documentation and a handover to your team or partner.
4. **If you want ongoing visibility,** a monthly Market & Visibility Watch continues the tracking in fixes 4 and 6. It can be cancelled in any month.

To ask questions about this report, reply to the email it arrived with, or use the contact form and select "Not sure yet".

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