



**CITY UNIVERSITY OF NEW YORK
DEPARTMENT OF BUSINESS
SUMMER SESSION I
Dr. Alyssa Dana Adomaitis**

Course: *BUF 2255: Merchandising Planning and Buying*

Time: *MTWTH 2:30-5pm*

Location: *ONLINE BUF 2255: OL25*

Instructor:

Office Hours: By appointment prior class/after class

Prerequisites: MKT 1100 & MKT 1102 or MKT 1103

Course Description: Provides an overview of modern inventory control systems and sales records. Topics include the retail method of inventory, operating statements, techniques of planning, and methods of figuring mark-ups, markdowns, open-to-buy, and terms of sales.

Specifically, the course exposes you (the student) to the mathematical concepts, techniques and analysis which are fundamental to the buying and planning process. Retailing encompasses business functions to first procure goods from a manufacturer and later distribute and sell these goods to the end user or consumer. Many of these processes are highlighted using mathematical problems and interactive learning techniques. Upon successfully completing this course, you will understand how retailers systematically maximize return on investment, through planning sales and inventory in order to increase profitability. Students will become aware of the importance of maximizing sales potential and minimizing losses from markdowns and stock outs. Finally students should be able to explain the financial operations of retail merchandising and apply these principles in basic computer-simulated case situations.

LEARNING OUTCOMES:

Completion of this course, the student will be able to

Content specific:	Assessment of Outcomes
Calculate profit, open-to-buy, markups, markdowns, seasonal plans, turnover, and the ability to evaluate sales results	Lecture discussions, in-class assignments, homework, midterm exam, quizzes, final 6 Month Buying plan
Recognize interdependence of such areas as	Lecture discussions, in-class

inventory level, turn time, gross margin, re-order points, and cost-volume-profit analysis.	assignments, midterm examination, homework, quizzes
Identify a specific line of fashion, cost analyses, create an assortment plan, & then develop a financial Open-to-Buy plan	Lecture discussions, quizzes, Assortment Planning assignments, Final 6-month Buying Plan
Use spreadsheets to perform essential business calculations.	Lecture discussions, quizzes, Final 6-month Buying Plan

General Education:

Understand and employ both quantitative and qualitative analyses to describe and solve problems, both independently and cooperatively	Lecture discussions and assignments, midterm examination, quizzes, and Final 6-Month Buying Plan
Identify issues and problems, ask relevant questions, and link them with appropriate methods of inquiry.	Lecture discussions, midterm examinations, and Final 6-Month Buying Plan, Assortment Planning Assignment
Use creativity to solve problems	Final 6-Month Buying Plan
Pursue disciplined, inquired-based learning	Lecture discussion, Assortment Planning Assignment, & Final 6-Month Buying Plan

Process for Evaluation:

Outstanding (A) work went beyond the package and presentation requirements.

Good (B) work met all grading criteria, performed to top standards.

Average (C) work, met all but one or two of the grading criteria.

Below Average (D) work met only one or two of the grading criteria.

Project Grading Criteria:

- 1) *Initiative* - Students must prove resourcefulness in presenting meaningful information in a well-structured package. Students must demonstrate inclusion of supporting information from course materials. Students must show evidence of adequate preparation in the presentation.
- 2) *Thoroughness* - Students must have covered all topical areas. Students should provide adequate coverage within each topical area.
- 3) *Accuracy* - Students must have reached appropriate conclusions from the information they received. Students must have applied course material accurately, reflecting knowledge and understanding of the material.
- 4) *Professionalism and Creativity* – The promotional package and presentation should reflect professionalism in preparation and clarity, and creativity. They should be attractive and eye-catching. The promotional package and presentation should show evidence of advance work and planning.

Papers will be graded on the following criteria:

- Clear and thorough application of direct and database marketing concepts and principles (including material covered in the assigned reading, lectures, and discussions).
- Demonstration of original, logical, strategic thinking including a complete analysis of facts, logical synthesis, and persuasive conclusion/recommendation. Specific examples should support the analysis. Address the specific requirements of the assignment.
- Quality of research (depth, breadth, appropriateness) and proper acknowledgement of references, including complete citations using APA style in-text notes, when appropriate.
- Appropriate language and tone, accurate spelling, correct grammar, appropriate punctuation, and logical organization. You will not receive an A if your writing is awkward, contains grammatical or punctuation errors, or is disorganized.

RECOMMENDED TEXTBOOK:

Easterling, Cynthia R., Flottman, Ellen L., Jernigan, Marian H., & Wuest, Beth E.
Merchandising Mathematics for Retailing. 5th ed. Upper Saddle River, NJ: Pearson Prentice Hall, 2013. *This text is available in hard copy and as an e-text.*

Cushman, L. M., "A Practical Approach to Merchandising Mathematics," Fourth edition. New York: Fairchild Publications. (ISBN: 978-1-56367-624-6).

Compliance with Federal Law: For information on the authors, titles, retail prices, ISBN numbers, and other details regarding the text books, please visit the college website at <http://citytech.cuny.edu/bookstore>

Career Employability Skills: In order to be successful in the workplace, a graduate of CUNY-City Tech has two needs: 1) strong understanding and skills in their major area of study and 2) good employability skills. The employability skills associated with success are communication, problem solving, time and task management, teamwork, leadership, diversity appreciation and social responsibility.

Supplies

- ❖ **Calculator (must be brought to all class lectures)**
- ❖ A full 8 ½ inch scratch pad for mathematical problems.
- ❖ Textbook for homework

TECHNOLOGY ENHANCEMENT:

- ❖ Blackboard Technology All students will be responsible for Blackboard access and participation and daily announcements to be prepared for class
- ❖ SAFEASSIGN Technology for the submission of Final papers
- ❖ PowerPoint (enhanced with transitions, color, and music)
- ❖ Social Media Technology/Vine App
- ❖ *OPEN LAB* e-portfolio

COURSE POLICIES AND PROCEDURES:

Class attendance is expected. **Excessive lateness can cause a lowered grade as one is not here to learn material** and lacks in class participation. Although students are graded on academic achievement and performance rather than on attendance per se, there are several in class activities, assignments, and quizzes that are completed and handed in during scheduled class times. *These assignments are required and contribute to the final course grade.* Students who are not present in class on the days of these assignments will **NOT** be given the opportunity to make-up these activities unless recognized by City Tech University.

In addition to class attendance, it is also expected that students will complete readings and homework as assigned and participate in class discussions to the extent that it is possible in a class setting. Participation is important in this course. When students' share their thoughts and experiences, class concepts become concrete in their minds as well as in the minds of other students. It is the sharing of our experiences that helps us to learn from each other as well as about each other. Members of this classroom will practice inclusively. We will listen to one another's views with respect regardless of race, gender, sexual orientation, or disability.

It is *strongly recommended* that a student's personal appointments be scheduled at other than class times (this includes job interviews).

If you are absent when an assignment is due, you are responsible for having the assignment turned in during the class period. If you are absent from class, you are responsible for the material covered.

Special Request:

As Fashion Marketing and Management students and instructors we should be proud and stand out in a crowd. Unfortunately not all fashions are tasteful. Please hold yourself to a higher standard.

ELECTRONIC DEVICES:

Many people in our society have not yet learned professional, considerate, behavior regarding electronic devices. Turn off all cellular telephones, beepers, wrist watch alarms, etc. before you enter class. If you use a computer, please sit in the two front rows of the class. **If your electronic device audibly activates during class or you are found on a social media site such as Facebook or Twitter or a shopping website while in class lecture, you will be deducted 5 points from your final grade each time.** If you are expecting a life and death announcement from an immediate family member—brother/sister/parent/spouse/child — please notify me *before* class of that situation.

PARTICIPATION:

Your success in this class depends on your willingness to put effort into your work. You are expected to participate in all large and small group activities, exercises and discussions.

Participation will help you understand the subject matter and will be considered when determining your final grade. **Participation is 10% of your final grade.** Coming to class is NOT participation.

Participation involves:

- **Active Learning.** Taking notes, asking questions and taking responsibility for your own learning.
- **Working with others in group activities:** A chain is only as strong as its weakest link. Don't drag your team down by refusing to get involved.
- **Attending class regularly.** If you aren't here, you can't learn. Please note, your camera should be one, when discussing class lectures.

ACADEMIC INTEGRITY POLICY:

The value of an institution of higher education is dependent upon its ability to maintain the integrity of its academic environment. Academic dishonesty cannot and will not be tolerated at CUNY-City Tech. City Tech is committed to supporting its mission to provide an educational experience designed to develop professional competencies including developing habits of personal and professional integrity. The University expects all members of its community - - students, faculty and staff - - to act honestly in all situations.

"Academic Dishonesty is any form of cheating and plagiarism which results in students giving or receiving unauthorized assistance in an academic assignment or receiving credit for work which is not their own."

All students are expected to agree to a pledge of honesty concerning their academic work, and faculty is expected to maintain the standards of that code

Academic misconduct is defined as any act that violates the rights of another student with respect to academic work or involves misrepresentation of a student's own work. Academic misconduct includes but is not limited to: cheating on assignments, quizzes, or examinations, plagiarizing pieces of work, depriving others of necessary course work, and sabotaging another's work.

Academic dishonesty on exams, quizzes, or any other graded assignment will result in a zero for that graded activity or assignment.

Academic dishonesty includes use of any unauthorized assistance in taking quizzes, tests, or exams; dependence upon the aid of sources beyond those authorized by the instructor, or the acquisition of tests or other material belonging to a faculty member.

Plagiarism includes the paraphrase or direct quotation of published or unpublished works without full and clear acknowledgment of the author/source.

Academic dishonesty will bring about disciplinary action, which may include expulsion from the university. This is explained in the College's online handbook.

"Academic dishonesty (is any) form of cheating and plagiarism which result in students giving or receiving unauthorized assistance in an academic exercise or receiving credit for work which is

not their own. "(Kibler et. al. (1988), Academic integrity and student development: Legal issues and policy perspectives, Ashville, NC: College Administration Publications, Inc., p. 1.) All students are expected to agree to a pledge of honesty concerning their academic work, and faculty are expected to maintain the standards of that pledge.

INFORMATION (TECHNOLOGY) LITERACY STATEMENT

Information Literacy is a valuable set of skills that empowers students to become agile information seekers who adapt to changing modes of information delivery and are selective, critical, ethical users of information in all formats. These skills are embedded within course work throughout academic programs.

QUIZZES, EXAMINATIONS, AND GRADING:

In-class learning assignments are given and completed during class time. These are *unscheduled* but occur frequently. In-class assignments may consist of group activities, short reaction papers and so forth. QUIZZES are in the format of problem solving questions and given at the start of the class.

Should you arrive late on that day, you risk missing the quiz. **There are no make-ups on quizzes.** Students who miss any quiz for reasons that are recognized by CUNY-City Tech (e.g., documented family emergencies, documented illness and the like) *need to contact the instructor prior to missing the quiz.*

There are two exams scheduled during the quarter which includes a **comprehensive midterm** and a **final exam** which will be given during final exam week. **There are no make-up exams.** A student who is unable to take the exam at the scheduled time will result in a **0** on that exam unless absence is recognized by Berkeley College policy. The mid-term and final exams are worth 100 points each. The midterm exam is scheduled for _____ and the final exam is scheduled for _____. The date for the final **will not** be changed.

ASSIGNMENTS/ NO LATE WORK POLICY:

Assignments and projects are due at the beginning of class (**at the beginning when class begins at 2:30 pm**) as scheduled. **NO LATE work will be accepted.** Assignments placed under the professor's door will *not* be accepted. Written work must be **word processed/typed** on standard size 8 1/2" by 11" paper in black ink in **Times New Roman font. All names must be typed on assignments to be accepted. Please plan accordingly for all your assignment due dates.**

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STUDENT ASSESSMENT:

The knowledge of the subject area will be evaluated by problem solving exams in the following areas: profit & loss statements, markdowns, mark-ups, inventory control, merchandise planning and terms of sale. **Daily Homework assignments in these areas will also be graded.** There

will be a required project involving an open-to-buy report. Regular attendance and class participation is expected.

There will be in-class assignments and/or pop quizzes each week. The quizzes are unannounced; however, you should expect to have one pop quiz every other week. Pop quizzes cannot be made up. Written homework assignments, *Practice Problems & Practice Problems for Review*, are found in the textbook and correspond with each chapter. ***These homework problems are graded in class on a 1-10 basis.*** I strongly encourage you to complete homework problems, as test questions are similar to those found in textbook.

Process for Evaluation:

Outstanding (A) work went beyond the package and presentation requirements.

Good (B) work met all grading criteria, performed to top standards.

Average (C) work, met all but one or two of the grading criteria.

Below Average (D) work met only one or two of the grading criteria.

In a case of an emergency, you may e-mail your assignment to me *prior the start time of the class to get full credit.* Documentation of the emergency will be expected the very next day on professional letterhead.

Please do not send me work if you are running late. It must constitute an emergency.

ACADEMIC WRITING CENTER (AG-18):

Any student needing help will find an array of services such as study skills training; support for reading and writing skills; and assistance with mathematics, oral communication and computer applications. Both peer and faculty tutors are available for assistance. The Academic Support Center offers academic assistance to all students through the use of services including tutoring, workshops and access to computer-based programs. For further information, please visit the Academic Support Center on campus and on Blackboard.

All term papers must be seen by ASC prior submission. Please have the appointment slip with edits attached to final submission of paper. ***You are to edit your own paper once edited by ASC.***

INFORMATION LITERACY STATEMENT

Information Literacy is a valuable set of skills that empowers students to become agile information seekers who adapt to changing modes of information delivery and are selective, critical, ethical users of information in all formats. These skills are embedded within course work throughout academic programs.

SAFEASSIGN AS A LEARNING TOOL

SafeAssign helps prevent plagiarism by providing both the student and the professor a feedback report that compares any student work submitted through the software with a comprehensive database of books, journals, websites and papers written by other students. Some of the writing assignments in this course will use Blackboard's **SafeAssign** software to help students improve their skill at paraphrasing statements contained in research on a topic and to help increase

awareness of the proper use of citation when a student writes a paper using ideas or statements taken from a research source.

For any assignment requiring research and/or requiring more than two pages of writing, students will be expected to submit that assignment through **SafeAssign** in Blackboard, following the submission guidelines given with the assignment instructions. Prior to submitting a final draft of an assignment, students will have the opportunity to submit several drafts of that assignment to **SafeAssign** in order to get sufficient feedback from **SafeAssign** reports to help minimize the risk of plagiarism.

- ❖ **If the assignment continues to have evidence of plagiarism in the final draft of the assignment, the professor will file a report to the Department Chair documenting the use of the paper as an action of academic dishonesty.**
- ❖ **If a student fails to submit an assignment to SafeAssign, the professor will assign a grade of zero for that assignment.**
- ❖ **Please understand there are time limitations that must be met. Do not e-mail the professor that SAFEASSIGN was not accepting papers after submission time-out. It is then considered LATE, and NO LATE work is accepted.**
- ❖ **By submitting a paper to SafeAssign, that paper will become source material included in the SafeAssign database.**

GRADES:

Grading and add/drop policies are in accordance with University policies. Students need to submit assignments *on or before the due date*.

Grades are assigned based on total points earned in the course. The total number of points a student earns is divided by the total number of possible points. The total possible points are 500. Two hundred points can be earned through examinations and 100 points through homework and quizzes. A student's score is converted into a percentage and grade will be assigned using the scale listed below. *Excessive absence/lateness can affect grade average by lowering it by 10%. Should students need extra credit or scaffolding of assignments, point earned can be higher depending on the aptitude of the class.*

Participation	= 10% of final grade
Buyer Interview	= 50 points
HW/Quizzes	= 50 points
O-T-B	= 200 points With Power Point Presentation
MIDTERM EXAM	= 100 points
<u>FINAL EXAM</u>	= 100 points
TOTAL	= 500 points

TOTAL

GRADE	POINTS	PERCENTAGE
A	450 plus	90- 100%
B+	425-449	85 - 89%
B	424-400	80 – 84%
C+	399-375	75 - 79%
C	374-350	70 – 74%
D	349-300	60 - 69%
F	0 - 299	0 - 64%

All grades will be based in proportion to the following scale:

A	=	93 - 100
A-	=	90 - 92.9
B+	=	87 - 89.9
B	=	83 - 86.9
B-	=	80 - 82.9
C+	=	77 - 79.9
C	=	70 - 76.9
D	=	60 - 69.9
F	=	59.9 and below

CREDIT HOUR ASSIGNMENT POLICY:

Course work performed outside of the classroom (such as reading, studying, writing papers, doing projects or receiving tutoring) is critical to academic success. **While the time requirements for individual students may vary somewhat, a general rule of thumb is that students should spend about two hours outside the classroom for every one hour required in it.**

E-PORTFOLIOS/OPEN LAB:

CUNY-College of Technology asks all students to participate in building a program-long e-Portfolio of the work that they complete while taking classes at the College. Through a process of *collect, select, reflect, and connect*, students learn to judge the quality of their own work, speak about their learning, and present evidence of their current knowledge and skills. College faculty will assist with this process by recommending that you store at least one significant piece of work from each course in your Blackboard content collection. For more information, see the "**e-Portfolios at CUNY-College Technology**" organization in Blackboard.

MIDTERM REPORTS:

At the end of Week all students will be notified through their CUNY- College of Technology e-mail accounts and/or posted on Blackboard about their progress in this course.

COMPLIANCE WITH AMERICAN DISABILITIES ACT:

Any student who seeks a reasonable accommodation of a disability with respect to an academic matter should obtain a CUNY City Tech College Request for Accommodation of Disability Form, as soon as the need becomes apparent, from one of the ADA Coordinators. The ADA Coordinators can be reached in person or by phone at:
Room A-237 Student Support Services.

Phone # 1.718. 260.5143

Fax: # 1.718. 254-8539

ADA STATEMENT:

Any student who seeks a reasonable accommodation of a disability with respect to an academic matter should obtain a Berkeley College Request For Accommodation of Disability form, as soon as the need becomes apparent, from one of the Deans for Student Development and Campus Life (in New York, New Jersey or Online, as appropriate). Each of these Deans also serve as ADA Coordinators for Students.

The student should specify on this form the accommodation sought, as well as the reason for and duration of the need, and then attach appropriate supporting documentation when submitting this signed form to one of the Deans for Student Development and Campus Life. Such requests will be determined by the relevant Department Chair in consultation with the relevant instructor and with the concurrence of the ADA Coordinator for Students. The types of accommodations available under Berkeley's Equal Opportunity Policy are based upon the individual's documented disability and the College's ability to provide assistance without incurring undue burden or fundamentally altering its programs, facilities, policies or activities.

Students with Disabilities:

Berkeley College is committed to providing qualified students with a disability an equal opportunity to access the benefits, rights, and privileges of school services, programs and activities. Berkeley College provides reasonable accommodations to students with documented disabilities.

Accommodation requests should be submitted as far in advance as possible, but no later than by complete of the first class. It is the responsibility of the student to contact the Student Services Department to initiate this process. The Student Services Department will assist qualified students with disabilities in acquiring reasonable and appropriate accommodations.

COURSE OUTLINE ONLINE VIA BB Collaborate / ZOOM

This schedule is subject to change as the quarter progresses. It may be necessary to speed up, slow down, or backtrack. It is your responsibility to make adjustments as we continue.

WEEK	TOPIC FOR LECTURE/DISCUSSION ONLINE	ASSIGNMENT VIA SAFEASSIGNMENT
WEEK 1 Day 1	Introduction to course: purpose and objectives Practice Math Fractions & decimals	Bring calculator to each class meeting Review of mathematics for retailing
	Store organization	

Day 2	Role of the buyer Responsibilities of a buyer, Merchandise planning selection & Development	Overview of Class (Not in Text) Mathematical Computing: Introduction to Excel ®
	Operating Income	
Day 3	Merchandising terms Review of math Importance of mathematics to retail Cost; Retail; Operating Income; Cost of Goods Sold	Unit I - I pp.2 Review of Projects: HW pp.
	<i>The Metropolitan Museum of Art</i>	
	Cost of Merchandise Sold	
Week 2	Pricing considerations and terms Billed cost; Inward Freight; Cash Discounts; Operating Expenses Controllable & Non-controllable Expenses	Quiz #1 Unit I - II
	Profit and Loss Statements	Quiz #2
	Gross Margin Net Sales Increasing Profits	Unit I -III pp.37 INTERVIEW PROJECT Discussed/Retails stores
	Retail Pricing and Re-pricing of Merchandise Price Lines; Setting Retail Prices; Price Lining	Unit II -I HW pp
	Markup; Types of Markups Markup Calculations & Buying Decisions	Quiz #3 HW pp.
	<i>BUYING INTERVIEW DUE NO LATE PAPERS ACCEPTED</i> <i>Midterm Exam Review</i>	
Week 3	<i>MidTerm Exam</i>	

	Assortment planning Colors, sizes, styles, prices Review Previous Projects	
	Six -Month Seasonal Buying merchandise Planning sales, Stock to sales ratio, Planning reductions Planning purchases	Unit V pp.
	OPEN-TO-BUY presentations FINAL EXAM	Six-month plan, asst. plan & presentations

Bibliography:

- Bohlinger, Maryanne Smith. Merchandise Buying. 5th ed. New York: Fairchild, 2001.
(GMT/NYC/WST TXT 658.72 BOH)
- Cash, Patrick R. Management of Retail Buying. Hoboken: Wiley, 2006.
(GMT 658.7 MAN)
- Clodfelter, Richard. Retail Buying: From Basics to Fashion. New York: Fairchild Publications, 2003.(GMT 658.7 CLO)
- Cushman, Linda M. Using Computerized Spreadsheets: Mathematics for Retail Buying. New York: Fairchild Publications, 2005. (GMT/NYC 658.8 CUS)
- Donellan, John. Merchandise Buying and Management. 2nd ed. New York: Fairchild, 2001.
(GMT 381 DON)
- Easterling, Cynthia R. ed. Merchandise Mathematics for Retailing. 3rd ed. Lebanon, IN: Prentice Hall, 2003. (NYC 381.01 MER)
- Varley, Rosemary. Retail Product Management: Buying and Merchandising. Florence, KY: Routledge, 2001. (GMT/NYC/WST 381.1 VAR)

BUYER INTERVIEW ASSIGNMENT

Conduct a 20 minute in-person interview with a retail buyer from a chain, department, specialty store, or a retail buying office.. This can also be done via social media. Find someone who could be a mentor for your career and following them.. Learn appropriate texting, social media responses, Instagram posts, etc...Remember anything posted, cannot be taken back, once posted. Think before pressing send.

Project must include:

1. Introduction - give a brief introduction, including information about the buyer, as well as information about the type of store they purchase for.
2. Interview - Use questions that follow as a guide. The report is to be written as a narrative report, in paragraph format. DO NOT list each question, and then answer it.
3. Summary - A **typewritten (Times New Roman 12 font) report** (4 pages, double spaced) is to be handed in summarizing the interview, and answering as many questions as possible. This paper should not be shorter than 4 pages.

Try to get your buyer to visit our class. I'd like to get in one or two during the quarter.

Interview Questions for Buyer:

1. What does she/he buy (category-categories) of merchandise?
2. From whom does she/he buy the merchandise?
3. In what markets does she/he buy the merchandise? USA - where? Abroad - where? Does she/he purchase merchandise via the internet?
4. How does your buyer determine what to buy? Ex: what are her/his sources of fashion information?
5. How is her/his open-to-buy determined? By whom? Who okays it?
6. How often does she/he buy? How far ahead of the retail selling season?
7. Does she buy only from manufacturers open lines, or does she/he create some of her own merchandise? What is the percentage of each?

8. Does her/his opinion alone determine what to buy? How many others are consulted?
9. To whom does she/he report? What is her/his line of supervision upwards?
10. How many people on an average report to this buyer? Does she/he supervise? What are the areas of supervision?
11. Does your buyer run a department? Does she/he have customer contact? How often? How is she/he involved with customer returns or complaints?
12. Does she/he determine the retail price of the merchandise? On what formula(s)?
13. How does she/he keep track of sales? How does she/he determine the success or failure of items purchased?
14. Explain the buyer's paperwork in general.
15. What is your buyer's relationship to: sales training, advertising, the fashion department, display department and public relations?
16. What vendor services are available? Which ones does your buyer take advantage of?
17. Any other pertinent duties or responsibilities in your buyer's job description?
18. Does this individual plan on remaining a buyer, or is she/he looking to go into another area of the fashion industry? any possible promotion?
19. What are the major advantages and disadvantages of her/his job?
20. What advice does she/he have for fashion merchandising students?

Please be sure to include in your introduction the buyer's name, company address, and phone number of the fashion/retail company. Include information on the department(s) they purchase for.

This assignment is **due no later than** _____. There will be a grade of "0" (zero) for later papers.

Feel free to let me know if you have any questions. Good Luck!!

Open-to-Buy Project
CREATING A FASHION RETAIL STORE

Part A (60%)

As a buyer for XYZ retail store you will choose a classification of merchandise that you would like to buy. You will decide where your store will be located and what type of store it will be. This information will be backed up by valid research and trend information. Once you have decided on the type of merchandise you want to carry and have developed a name for the store and location you will have \$1,182,000 (Retail) to spend to stock your store.

This money will be your open-to-buy (OTB) for the season and we will use the Spring/Summer* season which will encompass February, March, April, May, June, and July as there is information that is readily available. You will detail down to the SKU level* what your department will consist of and how you plan your inventory flow. We will discuss this in more detail as the course progresses. The written portion of the project will be a minimum of three typed double spaced pages discussing the process and your research and why you choose the product classification that you did, the balance of the project will be numbers based. Once you determine the product category we will use 50% markup which you will use to determine the costs of the merchandise that you will need to buy.

*When illustrating your SKU's please be sure this is shown right after the three page discussion portion of the project. Your SKU's should also be typed.

Part B.

Using the figures provided you will calculate the following for the XYZ store.

1. Open to buy (R/C) for each month
2. Average monthly sales
3. Average monthly on order
4. Mark down % for each month

	<u>Mar</u>	<u>April</u>
<i>Planned sales</i>	200,000	300,000
+ Planned reductions	26,000	31,000
+Planned EOM Stock	<u>80,000</u>	<u>110,000</u>
= Total monthly needs	306,000	441,000
-BOM Stock	<u>200,000</u>	<u>80,000</u>
=Planned purchases	106,000	361,000
-Merchandise on order	<u>15,000</u>	<u>145,000</u>
A. =Open to buy (At Retail)	91,000	216,000
=Open to buy (at Cost)	45,500	108,000

	Planned Sales	On order	Employee Discount	MD\$	Shortages	EOM	BOM
Feb.	\$300,000	\$125,000	2%	\$8,000	2%	\$200,000	\$160,000
Mar.	\$200,000	\$15,000	3% (6)	\$12,000	4% (8)	\$80,000	\$200,000
Apr.	\$300,000	\$145,000	4%	\$4,000	5%	\$110,000	\$80,000
May	\$200,000	\$35,000	0%	\$3,000	7%	\$90,000	\$110,000
June	\$400,000	\$170,000	5%	\$18,000	2%	\$210,000	\$90,000
July	\$200,000	\$23,000	7%	\$25,000	3%	\$70,000	\$210,000

Part C. Solve the following:

1. After careful analysis of the economic data from the U. S. Government the XYZ store set a sales plan increase for the next season (Feb-July) of 9.1%. Based on this years sales plan what is the companies new projected sales plan for the next season?
2. In the prior year same sales period the XYZ store had actual sales of \$1,740,000.00. What was dollar increase/decrease for the sales period and suggest reasons (2) cited reasons for the change from one season to the next. What was the percentage increase/decrease?

(Parts B and C are worth 40%)

This assignment is **due no later than** _____. There will accepted late papers.

Please let me know if you have questions. Thank you and Good Luck!

*In Fashion retailing, the business cycles usually end on July 31 and January 31. Business cycles in retailing (especially for apparel) are generally known as seasons. The February through July business cycle is called the Spring/Summer season, and the August through January business cycle is called the Fall/Winter season.

Participation will be assessed as follows:

	Exemplary (90-100%)	Proficient (80-90%)	Developing (70-80%)	Unacceptable (>70%)
Frequency of Participation on Class	Student initiates contributions more than once in each recitation.	Student initiates contributions more than once in each recitation.	Student initiates contributions more than once in each recitation.	Student does not initiate contribution & needs instructor to solicit input.
Quality of Comments	Comments always insightful & constructive; uses appropriate terminology. Comments balanced between general impressions, opinions & specific, thoughtful criticisms or contributions	Comments always insightful & constructive; uses appropriate terminology. Comments balanced between general impressions, opinions & specific, thoughtful criticisms or contributions	Comments are sometimes constructive, with occasional signs of insight. Student does not use appropriate terminology; comments not always relevant to the discussion.	Comments are sometimes constructive, with occasional signs of insight. Student does not use appropriate terminology; comments not always relevant to the discussion.
Listening Skills	Student listens attentively when others present materials, perspectives, as indicated by comments that build on others' remarks, i.e., student hears what others say & contributes to the dialogue.	Student listens attentively when others present materials, perspectives, as indicated by comments that build on others' remarks, i.e., student hears what others say & contributes to the dialogue.	Student listens attentively when others present materials, perspectives, as indicated by comments that build on others' remarks, i.e., student hears what others say & contributes to the dialogue.	Student listens attentively when others present materials, perspectives, as indicated by comments that build on others' remarks, i.e., student hears what others say & contributes to the dialogue.

GRADING RUBRIC

	Excellent	Good	Poor
Clarity of Concept/Initiative	Trend / Concept is clearly articulated in all aspects of the work.	Trend / Concept is articulated in some aspects of the work.	Trend /Concept is not articulated.
Thoroughness	Aesthetic is clearly expressed, and the project details strongly support the aesthetic	Aesthetic is expressed, and the project details somewhat support the aesthetic	Aesthetic is not expressed, and the project details do not support the aesthetic
Accuracy	Concepts and all statements are factually accurate and demonstrate clear understanding of the material and the ability to apply the material to additional use-case scenarios	Concepts and all statements are factually accurate and demonstrate a working understanding of the material	Concepts and all statements are factually inaccurate and do not demonstrate a working understanding of the material or are not present at all.
Professionalism/ Technique and Skill	Presentation conforms to the parameters of the assignment <i>and</i> is executed with a high level of neatness and technical skill.	Presentation conforms to the parameters of the assignment <i>but is not</i> executed with a high level of neatness and technical skill.	Presentation fails to conform to the parameters of the assignment and is not executed with a high level of neatness and technical skill.