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Final exam

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

Mar April

Planned sales 200,000 300,000

+ Planned reductions 26,000 31,000

+Planned EOM Stock 80,000 110, 000

= Total monthly needs 306,000 441,000

-BOM Stock 200, 000 80,000

=Planned purchases 106,000 361,000

-Merchandise on order 15,000 145,000

A. =Open to buy (At Retail) 91,000 216,000

=Open to buy (at Cost) 45,500 108,000

Feb	March	April
300,000	200,000	300,000
20,000	26,000	31,000
+ 200,000	+ 80,000	+ 110,000
520,000	306,000	441,000
- 160,000	- 200,000	- 80,000
360,000	106,000	361,000
- 125,000	- 15,000	- 145,000
235,000/2 = 117,500	91,000/2 = 45,500	216,000/2 = 108,000

May	June	July
200,000	400,000	200,000
17,000	46,000	45,000
+ 110,000	+ 210,000	+ 70,000
327,000	656,000	315,000
- 80,000	- 90,000	- 210,000
247,000	566,000	105,000
- 35,000	- 170,000	- 23,000
212,000/2 = 106,000	396,000/2 = 198,000	82,000/2 = 41,000

Planned sales + Planned reductions + Planned EOM stock = Total monthly needs - BOM stock = Planned purchases - on order = Open to buy (At Retail)

Feb	April	June
B1. 117,500 = .2916	108,000 = 36%	198,000 = 49.50%
300,000 or 28.16%	300,000	400,000

March	May	July
45,500 = 22.75%	106,000 = 53%	41,000 = 20.50%
200,000	200,000	200,000

Planned Sales	On order
B2. 300,000	B3. 125,000
200,000	15,000
300,000	145,000
200,000	35,000
400,000	170,000
+ 200,000	+ 23,000
1,600,000/6 = 266,666	513,000/6 = 85,500

B4. MU% for each month markup% = $\frac{M\$}{P\$}$

Feb	March
9,000 = 2.6%	12,000 = 6%
300,000	200,000

April	May	June
4,000 = 1.3%	3,000 = 1.5%	18,000 = 4.5%
300,000	200,000	400,000

July
25,000 = 12.5%
200,000

Planned Sales On order Employee MD\$ Shortages EOM BOM

Discount

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?

Show work:

300,000

200,000

300,000

200,000

400,000

+200,000

1,600,000 x 9.1%= 145,600 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 (3) cited reasons for the change from one season to the next. What was the percentage increase/decrease?

Show work:

1,740,000.00- 1,600,000.00= \$140,000 the increase in dollar

140,000/1,740,000=8.0% increase in sales

The XYZ store had actual sales increase by \$140,000 dollars and the percentage increase at 8.0%. Due to the recession, the impact on the U.S. Retail stores increased by nearly 0.8%. According to CNN news, "Retail spending increased by a faster clip of 0.6%. Sales of building materials and gardening items jumped the most, by 2.2% in May from the prior month. From a year ago, overall retail sales rose 1.6% in May." By Mena on June. 2023. This

pandemic that passed has shown in many ways that anything could happen economically, socially, and politically. Most people staying inside won't get sick. Companies and restaurants thought how to make a sales increase, online was the way to go since the year of 2020. However, people don't expect that prices will go high due to war.

The percentages of companies due to russo-ukrainian war. According to CNBC news, “Energy prices are spiking, and they may remain higher persistently, but I expect much of the run-up seen in recent days to recede within a few months, which means mainly a short-term impact on growth and inflation,” said economist Stephen Stanley, with Amherst Pierpont. “Consumers have massive liquidity, income growth, and wealth to draw on.” by Steve Liesman on mar. 2022.

While the war goes on, gas prices are going up, food, rent and healthcare such as medicine are high now. However, a lot of Americans are suffering due to this russo-ukrainian war.

The citizens of the u.s are going to suffer under these prices. According to the world economic forum, “Ipsos surveyed over 20,000 people in 30 countries and found that at least half also reported increases in the cost of clothing and shoes, housing, healthcare and entertainment. Two-fifths of respondents expected prices to continue rising for at least the next three months.” by Douglas Broom on Dec. 2021. More people are at the risk of losing everything. Because people need basic essentials such as shelter, food, clothes, and healthcare. And if they can't afford their needs, what is their plan or what are politicians going to do? People are voting for these politicians and they aren't doing anything for citizens but want to gain financial stability. However, I hope people realize that “ not everyone is going to be on your side, that one person

will most likely want to gain that power”. However, people are voting for these heartless politicians and people still believe them.

References

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<https://www.cnbc.com/steve-liesman>

<https://www.weforum.org/agenda/2021/12/rising-prices-inflation-ipsos-survey>