



Internship report
On
**Challenges of merchandising in
SIKDAR Apparel Hosiery Ltd.**

Submitted To:
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LETTER OF TRANSMITTAL

14 December 2018
Mr. Md. Anhar Sharif Mollah
Assistant Professor
Faculty of Business and Entrepreneurship
Daffodil International University

Subject: Request for submitting internship report on challenges of merchandising in SIKDAR Apparel Hosiery Ltd.

Dear Sir,

I would like to thank you for supervising and helping me throughout my internship program in completing my MBA. This internship program has given me opportunity to experience one of the latest and unexplored areas of business in Bangladesh and has expanded my present knowledge manifold.

This report is a study on “Challenges of Merchandising of the SIKDAR Apparel Hosiery Ltd.” with special focusing on organizational as well as managerial skill with which I was assigned during my internship. .

Please feel free in contacting me if you have any queries. I would be glad to provide any clarification regarding the project.

Sincerely,

Md. Atiqur Rahma
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DECLARATION

I do hereby sternly declare that the work presented in this Internship Report entitled is “Challenges of merchandising in SIKDAR Apparel Hosiery Ltd” I do a creative work done by me under the supervision of Mr. Md. Anhar Sharif Mollah, Assistant Professor, Faculty of Business and Entrepreneurship, Daffodil International University. No part of this report has been previously submitted to any other University/ College/Institution/Organization for any academic certification/degree/diploma/qualification.

The work I have presented does not breach any existing copyright and no portion of this report is copied from any work earlier for degree or otherwise.

I further undertake to indemnify the department against any loss or damage arising from breach of the forgoing obligation, if any.

.....
Md. Atiqur Rahman
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APPROVEL CERTIFICATE

This is to certify that Md. Atiqur Rahman bearing ID No.173-14-037 a student of Master of Business Administration (MBA) program, and Major in Finance has completed the Internship Report under my supervision and completed the report whose title is –“Challenges of merchandising of the Sikdar Apparel Hosiery Ltd” Shahar Khilgaon, Malibag, Dhaka, Bangladesh. As a partial requirement for obtaining MBA degree. He has been permitted to submit the report.

I wish him every success in his life.

.....
Mr. Md. Anhar Sharif Mollah
Assistant Professor
Faculty of Business & Entrepreneurship
Daffodil International University

ACKNOWLEDGEMENT

All praise to God, the almighty, and the merciful. Without his blessing and endorsement this report would not have been accomplished.

The successful completion of this report might never be possible in time without the help some person whose inspiration and suggestion made it happen. First of all I want to pay my gratitude to my supervisor teacher Mr. Md. Anhar Sharif Mollah. Assistant Professor, Daffodil International University. My internship supervisor has provided me guidelines, help in assisting my report. He was constantly supporting me with his inspiring personality. I will always be grateful for her extraordinary reinforcement.

I would like to pay the opportunity to specially thank Mr. Sahidul Haque Sikdar, Managing Director, SIKDAR Apparel Hosiery Ltd for giving me the opportunity to work and learn in his company. Without his support this report would not gain this subject.

Never the less gratitude to Mr. Safiqul Islam, Merchander Manager, SIKDAR Apparel Hosiery ltd for guidance under his excellent governance. Most importantly Md. Mossarof Hossen, Senior Merchandiser and my on-site supervisor for providing me time to time information, suggestion as well as procedures to work with my topic. I also thank him for creating a friendly environment & assist me with the information of my project.

I also thank to my parents and some friends who keep on this long process with me always offer report.

Finally I will show my gratitude to all the Management & Non-Management Staffs who have helped me during the internship period and the entire persons who somehow have impact on me in completing my whole report and internship. Last but not the least it was the grace of Almighty Allah who gave me the ability to make these things possible.

EXECUTIVE SUMMARY

As part of my MBA program, I have completed my three months internship program from a well-known garments named “SIKDAR Apparel Hosiery Ltd”. During my internship period in sikdar apparel hosiery ltd”, I have gained valuable knowledge and experience in the field of Merchandising”.

So based on my learning and experience from the organization I have completed my internship report on the “Challenges of merchandising in Sikdar Apparel Hosirey Ltd”. In this paper I have tried to focus and analyze the core merchandising and what kind of value added services they are providing to their employees.

In the report I have discussed what kind of challenging activities I have done describes in details. The services include CV screening, Data entry, Job posting, Assist in interviews, Help candidate in the time of joining etc. In CV screening I have basically discussed about the Executive Search of candidates from BD jobs or other relevant sources.

In recommendations how the buying can improve and also give some suggestions. In this report the problems, scope, limitations and various analyses are also done. In this report I have also tried to analyze the benefits of these services as well as my learning from the organization. From my personal view the learning aspect was fruitful and the experience there will help me in the future. I have learnt many aspects of Merchandising, working with different sections of the company. Mainly working with challenging Merchandising activities of the buying was a great learning opportunity.

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Chapter 1

Introduction

While Textile and garments industries are flourishing in Bangladesh and playing a very important role in the economy of Bangladesh. Sikdar Group of companies limited has added a bright chapter of RMG (Readymade garments) scenario. They have extended to day in many case having material with most technical state of the art machines with internationally skilled auxiliaries there by getting their selves ready to satisfy latest choice and needs of their valued customers worldwide.

They have fulfill requirement always to take solid initiatives in all steps of the buyer. We have to focus lead time minimize, quality full product output, timely delivery consciousness because now competition market. And also accurate documentation are there care in the business and of course competitive and well price is ensured.

Sikdar group of companies feel proud to bring tag career 'Made in Bangladesh' in their product and urge the valued customers to kindly pay visit to the land of their group which is quiet place located at a distance of two hour drive from the Dhaka city.

They protected their valued customers that their establishments are free from any irregularities and are fully compliant which a important issue of the current days.

An in depth analysis and study of the processes and activities involved is required to understand the functioning and overall growth of this sector. Young graduates still don't prefer to work in garments thinking about the risk and challenges associated with it. But perhaps this is the largest industrial growth that the nation has ever witnessed. My report has been based on SIKDAR Apparel ltd which started its journey in 1997 in the RMG sector of Bangladesh. In less than two decades it has gained one of the largest conglomerates in the apparel industry.

Chapter Company profile

Company profile

Sikdar Group is a Bangladeshi mass business. The founder and chairman of the group is the person Zainul Haque Sikdar. Rick Haque Sikdar and Ron Haque Sikdar are the Director of the SIKDAR Group. Sikdar Group started as a textile and garments manufacturing company. Powerpac holdings, a sister concern of the Sikdar Group, got a contract to made a power plant from power development Board august in 2011. Its Supplementary powerpac port limited was given the government contract to operate to jetties in the port of mongla in 2016. The same year powerpac got approval from Bangladesh economic zones. Authority to operate Mongla Economic zone in Bagerhat. Sikdar group has owes three different banks a total of 18,380 million taka as of 9th august 2015. By 23 december 2016 liabilities to over 20 billion taka. The group is a major shareholder of National bank.

Subsidiaries of SIKDAR Group

- SIKDARAPPAREL.LD
- SIKDAR CREATION LTD
- SIKDAR FASHION WEAR LTD
- SIKDAR APPAREL HOSIERY LTD
- SIKDAR CLASSIC DYEING& KNITTING(PVT)LTD [UNIT 1]
- SIKDAR CLASSIC DYEING & KNITTING(PVT) LTD [UNIT 2]
- SIKDAR COMPUTERIZE LABEL LTD
- SIKDAR ACCESSORIES LTD
- SIKDAR SALT

I was appointed in SIKDAR Apparel Hosiery Ltd, where the main orders of SIKDAR group arrives and the merchandisers get them done from their group organization inside the same arena. Here their main job is to produce readymade garments for export purpose. Almost of the buyers those who are buying garments are foreigner except of some B2B buyers who does partial things (knitting, Dyeing, and yarn dyeing) for their company's order in SIKDAR.

They have about 4000 workers who work day and night to meet the fulfillment of their buyers. The different sections of this company are described below with their details.

Achievements

Central Lab Accreditation Certificate Given By Bangladesh Accreditation Board
(BAB) Award for Environmental Compliance from Ministry of Commerce & Industries
Business Award from Ministry of Commerce &
Industries Global Organic Textile Standards (GOTS)

The Walt Disney Certification

Knitting

Knitting means the process by which yarn is manipulated to create a textile or fabric. This is the first step of making a garments product in SIKDAR. Multiple loops of yarn, called stitches, in a line or tube making by knitting. At one time knitting has multiple active stitches on the needle by knitting. So all of the garments Knitted fabric consists of a number of consecutive rows of interlocking loops. As each row progresses, a newly made loop is pulled through one or more loops from the prior row, placed on the achieving needle, and the loops from the prior row are then pulled off the other needle. Here at SIKDAR Apparel Hosiery Ltd the yarn are outsourced and knitted in their own machines. Besides they also do outsourcing production for other companies when their demand is full filled. SIKDAR group has in total 33 knitting machine in their Knitting unit. Workers work here for three shifts for 24 hours production. After the knitting of clothes they are taken to a quality check where a machine man operates a machine through which knitting is checked wither everything is all right or not. After the quality check they pack it for further procedure but putting a lot number and the buyer's name for whom the fabric is made.

Dyeing

When fabrics are produced they produce in of white color if the yarn is not dyed before. So to bring color in those cloths there is a process where the cloths are colored as demanded by the buyers. There is several processes for Dyeing. Firstly a sample dye is done because you cannot risk making a mistake in a bulk amount production. Then if the sampling is done all correct then that is sent to bulk production. Then after Applying color there are various process that are done before delivery. There are 24 various types of machines which run 24 hours to meet the demand.

There is also yarn dyeing available at SIKDAR Fabrics where threads are dyed and colored before they are knitted into cloths.

Printing

This is the section where printing on the cloths is done. There are 2 types of printing one is the chest printing and another allover printing. Chest printings are done after cutting and before swing.

Swing and Packaging

After all the process is completed the clothes are stitched and final output products are made. Once they are ready and quality checked they are ironed and packaging is done for the shipment. All the details of every process are described in the project steps part. Merchandising section for the export oriented garments and the responsibilities of a Production coordinator. The study will also help us to understand the roll of readymade garments in socio economic development of the country. The overall production process of the buying and about the machineries, accessories and the work forced that is required for a particular buying house.

The company at a glance

Particulars	Details
Name	Sikdar Apparel Hosiery Ltd
Group Affiliation	Sikdar Group
Business types	Gaments Manufacturing and
Year establishment	1997
Location	Dhaka
Number of Production Line	26
Preferred Bank for trading	National Bank
Stutas	Private ltd company
Corporate office	1101/1, Shahar khilgaon, Malibag, Dhaka , Bangladesh Phone-8312061,9337431-32 Fax- 88-02-8313642 E-mail: info@sikdargroup.com
Factory	Khadun Moza(DUG NO.342/343), Tarabo, Rupgonj, Naarayangonj.
Business Line	Manufacturing and exporting t-shirt, polo shirt, Sweater
Export outlet	USA, UK, Germany, & Italy

Chapter-3

Job Description

Job Description

As an intern, I worked under a team which served a buyer brand named “Jennifer”. Working with the merchandisers of team Jennifer, my duties was to learn and understand the order letter from the buyer and create a pre sample of their desired product for approval. Then after the approval when the product goes on to production then keeping in touch with every production line and their follow up was the main task I had to do. Since I was assigned as intern in the project, so I have been working with my supervisor who used to do all the follow up keeping me with him so that I learn each and every pros and cons from him.

3.1 Specific responsibilities of the jobs

Generally the buyer gives a printed design sheet named art work to the merchandisers for the order of the product that they need. The art work contains picture and color code of each and every element on the outfit including prints to zipper and buttons. All the measurements of each and every size are mentioned on the art work sheet. After receiving the art work, a fit sample is made of the product in the sampling section. Once the sample is made then the merchandiser can then calculate the cost of production per unit. So seeing the sample cost the merchandiser sends a unit price for each of the outfit to the buyer. If the buyers are not happy with the price then they send another price for that product and then then again revised price is sent to the buyer until the final when it is locked under negotiation. After the order conformation then the product goes for bulk production.

Firstly there will be knitting of cloths and the merchandisers would be approving the cloth on the swatch card. Then it will go for Dyeing process. After the ample dye swatch approval then the bulk Dyeing is made. After finishing Dyeing then All over printing is done if necessary as required by the buyer. If not then it straight away goes for cutting procedure. Merchandisers have to keep strong eye on the line up for every follow up during this process. The cut piece of cloths is next stitched and formed shape of the outfit. Then after all quality check the outfit is ironed and packed as instructed by the buyer. The packed goods are then shipped till the port. The duty of the merchandiser remains until the buyers receives their goods from the company in the port. Follow up and strict supervision brings all these work a success and increases the GDP growth of the country through export.

3.2 Scope of the report

During my internship program I tried to collect as much as data as possible to explain straight forward image about the importance of the merchandising and marketing department for the export oriented garments and the value of the merchandiser for the buying industry. Developing and maintain strong, secure relation with buyers and suppliers by the guiding principle of the the garments.

To read the report i capable to know clear image about the significance of the merchandising and marketing department for the export oriented garments and responsibilities for a production coordinator.

We will get help to understand with study the roll of readymade garments in all economic development of the country. The overall production process of a buying and about the machineries, accessories and the work forced that is required for a particular buying house.

3.3 Objective

Objective means, peruse of my study and what a reader can gain from reading this report. The main objectives of this report are, know the current export situation of SIKDAR Apparel Hosiery Ltd. Analyze the growth rate of RMG sector of Bangladesh Price competitiveness Lead time factors socio and Cultural barriers in RMG sector. Product development Concept develops about knitting, dyeing, printing and Swing.

Objective also means purpose of the report. The objectives of this report are given bellow-

- o To know about particular Ready mate garments
- o Data gather about many things of the company
- o To get new idea about the shipping
- o Concept develop about knitting and spinning
- o Comparison between classroom theoretical learning and practical learning in company
- o we have to achieve knowledge about the Ready mate relevant other institution
 - o To know about the technical process and management process in apparel industry
 - o To have skilled labor of quality product
 - o we have to take idea about present marketing condition of RMG product, growth, achievement, competition.

To analyze the reason behind recent labor unrest in BD.

O To do merchandising practice.

- Current scenario about backward supply chain status of SIKDAR Apparel Hosiery ltd o to find out the ways to improve the loop hole for doing better performance of SIKDAR Apparel Hosiery Ltd.

3.4 Problem

- I had to face the problem collecting data information about the sector
- There is limited time one of the major barrier of finishing the project
- Every company has kept secreting of their data and information . As a result it could not bring out for clear reason which could very much successful.
- The office stuff could not give enough time.

3.5 Methodology

Methodology means how to processes of research and data collection and how to made for this report. I have used both primary and secondary data for developing my report. Here includes the data source of conducting the report;

Primary Sources include;

Visiting the factory
Interviewing the Workers
Interviewing with the officials
Interviewing Experts
Self-experience

Secondary Sources include;

Books
Internet
Newspaper
Journal report

3.6 Mission & Vision

Mission: A strategic plan starts with a preplanned pathway clearly focus as business mission. In another way “A mission describes the organizations basic function in society in terms of the product or service produces for its customer.”

A clear business mission should have each of the following elements:

- A purpose (Why the business exists)
- A strong and strategic scope
- Policies and standard of behavior
- Values and culture

Vision: Vision provides the justification of behavior and therefore exerts important influence on marketing decisions.

Activities are underpinned by a set of visions that all business are asked to respect:

- They put customer first
- They are professional
- They respect each other
- They work as one team
- They are committed to continuous improvement.
-

3.7 Strength

- Imported Machinery
- Strong marketing Image
- High financial resources
- Awareness of product
- Committed Staff
- Good reputation
- Believable
- Strong communicating power
- Strong political support

Chapter 4

Project

4.1 Product development and Challenges

The first challenge which a merchandiser faces is the various processes through which the garments product or the outfit goes through. Generally at first the buyer gives a printed design sheet named 'art work' to the merchandisers for the order of the product that they need. The art work contains each and every element on the outfit. After receiving the art work, a fit sample is made of the product in the sampling section. Once the sample is developed then the merchandiser can then calculate the cost of production per unit. Seeing the sample cost the merchandiser sends a unit price for each of the outfit to the buyer. After the order conformation then the product goes for bulk production. The big challenges now start for a merchandiser.

4.1.1 Knitting

The demanded cloths are knitted here according to the need of the buyer. The fabrics that are mostly produced here are,

1. Single Jersey
2. Rib Stripe
3. Half feeder Lycra rib
4. Three thread fleece
5. Full feeder Lycra single jersey
6. Lycra French terry
7. Lycra Single Lacoste
8. Single Jersey, etc.

A through quality checking is done into every inch of fabrics after they are knitted. Various types of manufacturing defects are found while checking. Those defect part are cut and kept aside away for a different purpose. The manufacturing defects that are commonly to be seen are,

- i) Hole
- ii) Loop
- iii) Crease mark
- iv) Naps
- v) Oil spot

In total 33 knitting machines are currently running to meet the need of the customer on time. The merchandisers have to keep in touch with the Knitting Supervisor for follow-ups during his project works.

4.1.2: Dyeing

Dyeing is the process of bringing color shades in cloths. This is a long and one of the most challenging part in garments industry. If you cannot bloom the accurate color shade that the buyers want then the company will face a big problem. The color shades are given from Pantone

Color book. The code color is to be accurately dyed in the fabric. This long process has two parts, Main Dyeing process and finishing process. The processes are shown as flow chart.

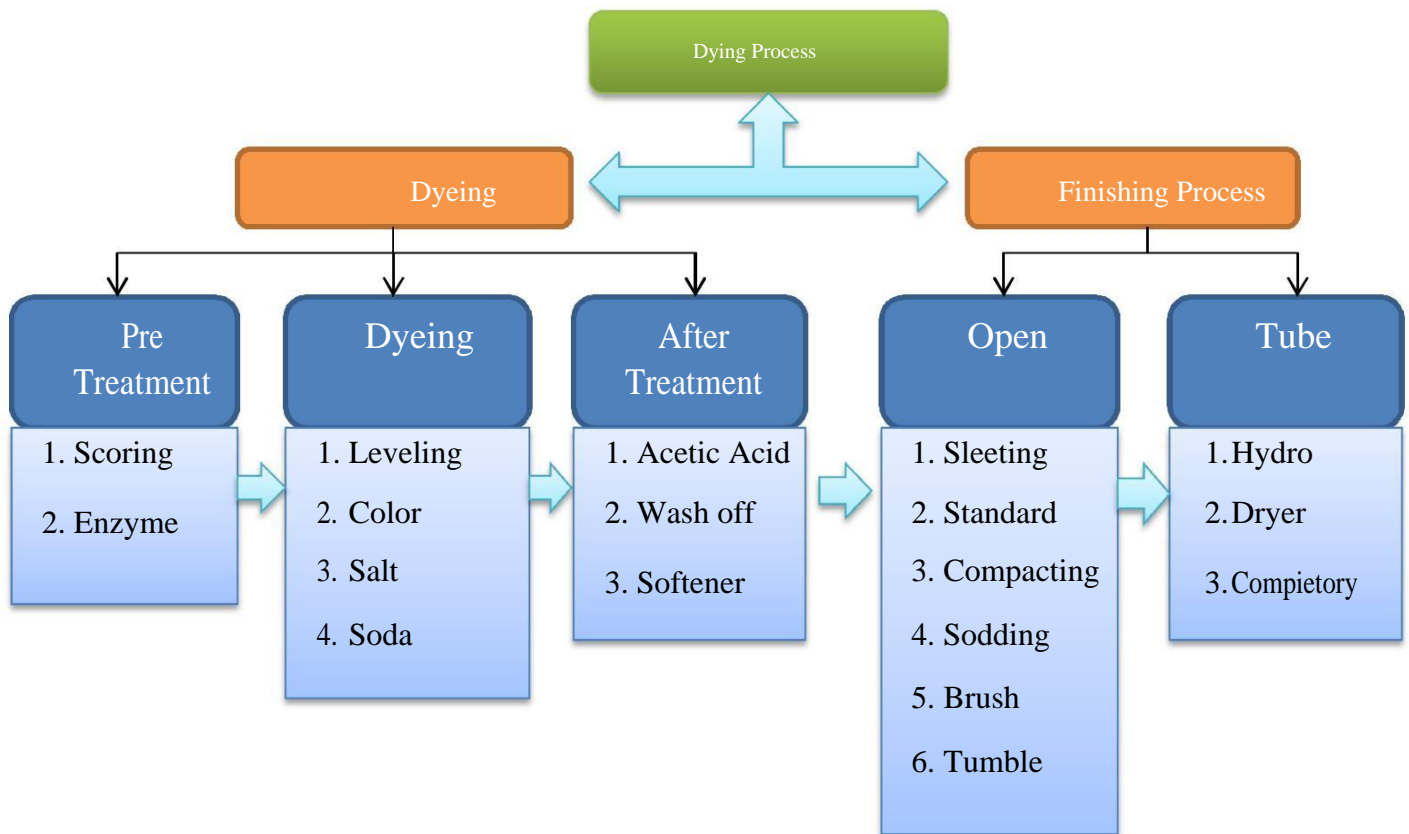


Table 1: Dyeing process step by step

The process of dyeing starts with singing. It is a process where the dust and the fly dust from the cloths is removed. A burner type machine where those get burned and the fabric is made pure. Then they are

sent for scoring for pretreatment process. The process where the fabric gets Enzyme mixed to it. This brings white color to the fabrics. After that the leveling is done and added color to the fabric. Salt and soda is if followed mixing next. The challenging part here is to make the accurate shade of the cloths as buyers want. If there is a slight difference in the shade then the buyers may not buy the lot. So various sample Dyeing is done in small machines for the buyer's approval. After the sample is done they send all the shades in a swatch card for approval to the buyer. Once the buyer gives clearance then that shade is done in a big quantity in large machines. Before the fabrics are entered into the machines they are cleaned up for free hours with chemicals so that the previous color has no effect on the present lot. It takes up to 7-8 hours for pouring the color in the fabrics. When this process are finished, then the after treatment process starts. They are added acetic acid and washed off so that harmful chemicals run away and washed. After washing, softener is added to the fabric to make it comfortable for its user. The ready knitted products which are yarn dyed are not re dyed. They are just washed.

Next the finishing process starts. They are all not mandatory but some are. The buyers are the one to demand what are the processes that are to be done to heir fabrics. Under the open process Sleeting is done where the cloths tubes are cut into sheet of cloths. Then followed by slandered and it follows completing where the fabric gets re washed and water is removed from it. Then that is followed by sodding process where the cloths enter a big machine with lots of heating and air chamber where the cloths get dried within 30 seconds. After which sodding brush is done to the fabrics. Brush is optional where the buyers demand. It's a process where the inner portions of the clothes are made soft and cotton substance appears. It is generally done for worm keeping outfit. Finally in open section Tumble is done for calculating the weight if the fabric in gsm. And if the weight does not meet then they have to reprocess it in the tumbling process. Finally the ending process of Dyeing is done, Hydra, Dryer and completing. All the processes are very sensitive and important. A little loss may bring up a huge loss to the business. So merchandisers have to be very alert and do follow up for this type of work.

4.1.3: Yarn Dyeing

Before the knitting there are one more steps that are often done for stripe or check type cloths that are the yarn or the thread is dyed up into various colors and then knitted into cloths. If fabric is dyed in this process then the common dyeing is not needed. It is just washed. Yarn dyeing is generally done if the byers demand and if the buyers order stripe or check knitted cloths. There are many forms of yarn dyeing. Common forms are the package form and the hanks form. Cotton yarns are mostly dyed at package form, and acrylic or wool yarn are dyed at hank form. In the continuous filament industry, polyester or polyamide yarns are always dyed at package form, while viscose rayon yarns are partly dyed at hank form because of technology.

The process of Yarn dyeing is shown in the flow chart below,

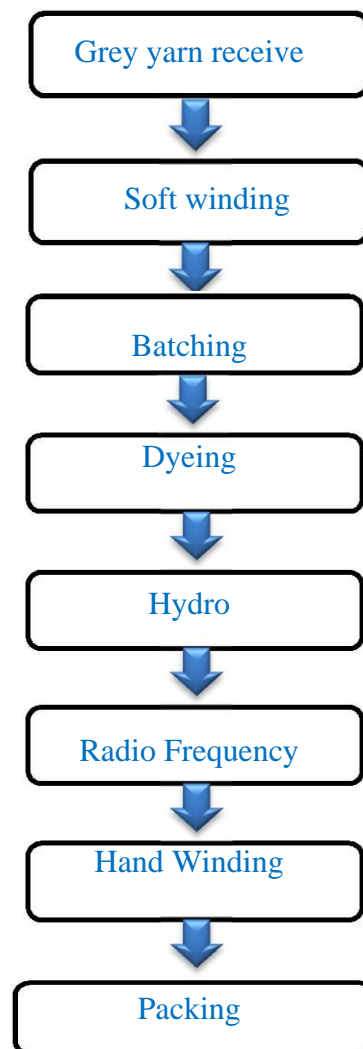


Table 2: Process of Yarn Dyeing

The common dyeing of cotton yarn which was followed by SIKDAR Yarn Dyeing is described followed

1. The raw yarn is wound on a plastic spring tube from paper tube to achieve a package suitable for dye penetration. This process is called Soft winding.
2. These softened packages are loaded on a dyeing carrier's spindle one on another for further process.
3. The packages are pressed up to a desired height to achieve suitable density of packing.
4. The carrier is loaded on the dyeing machine and the yarn is dyed. It takes 12 hours for a batch to complete this step.
5. After dyeing, the packages are unloaded from the carrier into a trolley.
6. Now the trolley is taken to hydro extractor where water is removed.
7. The packages are hydro extracted to remove the maximum amount of water leaving the desired color into raw yarn.
8. The packages are then dried in a Radio frequency machine to achieve the final dyed package.
9. Then the yarn is waxed and hard winding (Again rolling the yarn into paper cone from plastic cone) is done. After this process, the dyed yarn packages are packed and delivered.

4.1.4: Printing

There are two types of printing in the fabrics that is done. It's either All over print or Chest skin print. For the all over print the full large sheets of cloths gets their design before cutting and for skin print the small things are printed later after cutting.

4.1.5 Chest printing:

After the body cutting into different shapes and parts this chest printing is done they are sent into printing section. This a sensible task as the merchandisers have to instruct for exact place and design with the accurate color as the buyer has given. So infect it is a challenging part. To overcome this challenge a dice set of the particular piece of cloths is made and they are placed in the accurate place with measurement. Then the color mix is pulled over the dice with hand and thus the print is placed permanently on the cloth. This process is repeated until it's done till the final process. The printed part is dried with the help of dryer. All the piece of printed cloths is then quality checked and only the best goods are sent for further process. The defected once are wastage. So it is a challenging job to minimize wastage for maximum profit.

4.1.6 All over print

All over print is done after the Dyeing in large piece of cloths with the help of automated machines. The same dice is made of the design as on chest print but here the size is big because it is done on big automated machines. The processes of all over print are:

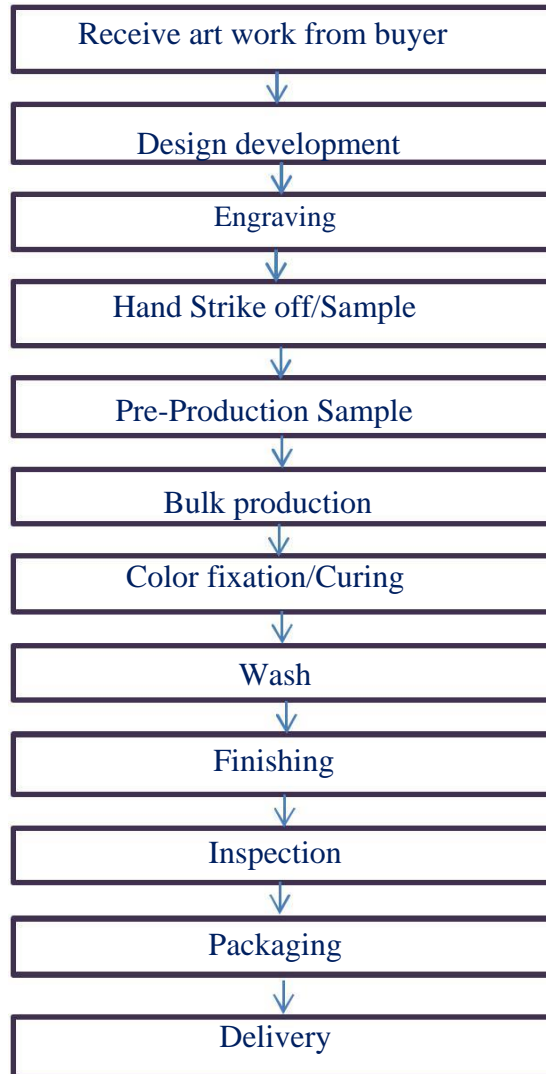


Table 3: All over print steeps

4.1.7 Cutting

Firstly a trough check is done to the fabric before they are cut. Then the fabrics are placed straight one after another like layer. Then a pre measured and approved hard paper named pattern is placed on the top fabric and made precut mark. Finally it is cut on that lines where they marked by the help of pattern. After cutting all the pieces are again checked for quality maintenance wither all the pieces are cut at the good state or not. The rejected items are further recycled for a different purpose smaller side then that. After a complete inspection there is a tag

S - 003

Installed to it. The tag holds a code which represents sizes, for which this piece is cut, The place where this piece is to be placed and the serial number. Then these are sent for swing where all the parts are joined according to the code. Example of the tag and its meaning:

The S here in this example tag symbolize the size or small and symbolize the Position Where this cloths to be stitched and 003 is the serial number of that piece. All the 003 of each position is stitched together for an outfit. Another challenging benefit of this Tag is when it is in the stitching floor then this might get lost or misplaced. So after fining they can identify which piece and which size it is even if it's out from its lot. So to overcome these challenges this tag is used.

4.1.8 Swing:

Swing is one of the vital parts of garments industry. As here is the most man power that works in the garments sectors of Bangladesh. There are 1-2 people who work in each machine at this factory. Total they have 700 over look machines, 1050 plain machines, 756 Flat lock machine, 123 button hole and stitching machines and another 160 back tape, F.T. Flatcar, Somuk stitch, piqutin and Rib machines working continually in different floors of different buildings.

After the cutting of cloths the pieces are sent to stitching and sewing section. There are lines of various machines where all the swing machines are places in serial one after the other. And at the end there are two quality checking managers who are re checking if all the items are properly stitched or mot. It not then they are sent again to that particular machine man who has done it wrong. All the process from steep one till the end is coming one by one till the quality check as the finished goods. Each machine contains an operator and a helper. The helper helps the operator to complete the task. Once a step is done they are sent to the next steep until completed. Then the line quality check manager checks the product. All the quality passed products are sent to next packaging steep.

4.1.9 Packaging

In the packaging section firstly steam ironing is done then then again final check about measurement and color is seen and then sent to packaging. The necessary tags including price tag is included with the product as given by the buyer. Then they are folded and put in to a poly bag and sealed. Then the products are placed into a box with size, item code and lot number.

This is how a product is made in our garments industry. The merchandiser is never in rest when each and every process is going on in the floor of his product item. He has to move about every time to look after the quality and perfection. Once after the order this processes starts and the first challenges begin.

3.2 Challenges in Pricing

Setting price for the buyers is the most important and challenging task of a merchandiser. Giving up a lesser price then the competitor and making profit through it after doing the project is a difficult task. It is like submitting tender quotation. The buyers generally give the contract to the company with the least price. After getting the design sheet and making the sample the merchandiser then can set price for the product. Counting everything that cost to make the sample, they can find out the price. The way of finding a price is given below;

$$\frac{\text{Length} \times \text{Width} \times \text{GSM}}{100}$$

Here,

Length is the length of the outfit in inch. And width of the outfit in inch and .GSM is the weight of certain fixed amount of the cloth it is made up with.

Other than that printing cost, all over printing cost, Accessories (Zipper, lace, buttons, and elastic etc.), swing and packaging costs are added to this cost. Then total all costs are added and the final cost for one unit of that particular outfit is made. It is often calculated per dozen. Then 12 is multiplied with the above equation.

After setting up a price the price sheet is shown to the head of marketing in this organization and he is the one who approves it consulting with the managing director of the company. Then the final approved price is sent to the buyer. If they agree with the price they give a conformation order and if they don't they resend a price offer. In re sending a price offer the merchandiser re-prices the item with little less profit to get the order and the same process applies again. Then finally if the buyers are convinced then a ready order sheet is given as approval. That is the green signal to proceed on with the manufacturing. The duration to give delivery of that supply is also viven in that order sheet.

4.3 Lead Time

Lead time is the time between the initiation and completion of a production process. For example, the lead time between the placement of an order and delivery of the above order is 31st May, 2017 from the date of order placement. This lead time is a challenging task for the merchandiser. The lead time depends on the quantity of the ordered goods. The time is fixed during the agreement with the price. Generally the buyers ask the merchandisers the time when they can deliver. So the time required for production of that required unit is given to the buyers during that time. Often there are negotiations between the buyers and the merchandisers about the time just like the price negotiation. So in the agreement order sheet the time for delivery or shipment is mentioned. If they cannot deliver the ordered good on time then the buyer may ask discount or flight shipment. Which is a problem for the company as it may fall on loss.

So the merchandisers have to be well experienced to know the accurate time they can deliver the work keeping in mind about their production capacity per day and number of man power. In most of the cases failure in meeting the promised lead time brings loss to the company. Whir the merchandisers are mostly responsible for the failure.

4.4 Socio and Cultural barriers

Most if the buyers in this sector are from western nations. They often face problem in different cultural aspect of our country.

For example if we discuss about a case of Mr. Wangson from France. He is non-Muslim French. He visited Bangladesh to inspect his ordered goods. His mode of communication is English. So for that the merchandisers must be good in English speaking to communicate with them. Communication gap is a big gap in our education and social system. Other than that there are religious issue which doesn't match with the buyers. Suppose for Mr. Wangson, In Friday it is a working day for him in his country. So he has visited the factory and the factory is closed here since it's a government holiday in Bangladesh. So there comes a barrier. On the other hand if he has to come to Sunday where he has a official weekend then he will not be able to communicate the update to his bosses. So keeping that in mind Divine Group has made a weekly holiday in Sunday for the merchandisers and the other stuffs. Friday is a full time office day for the merchandisers here. On the other hand we are Muslims and we fast during the month of Ramadan. So production becomes less during the month of Ramadan. We have a lot of extra cultural factors in our society then the western. Sometimes it becomes the reason for being far behind from the western world. So since merchandisers very often have to meet with various people from different part of the globe it becomes a challenging issue.

4.5 Technology adoption: Achieve new concept about knit garments manufacturing process

There are running on three basic operations: cutting, stitching and finishing in developing world the garments industry. The various production is a combined process of various specialized and general machines operated by manual/mechanical/electronic devices by skilled and general machines operated by skilled and unskilled labor of diversified organizational production activities (Bhavani and Tendulkar, 2001). Traditionally, high technology and R&D activities have been less prioritized in the garment manufacturing industry. However, in many example, the production involves manual operations of machines and materials of automated assembly. Since the materials need proper feed through the machines, automation is limited (Bailey, 1993). Therefore, the technology adoption in the industry has primarily been mass-production focused, and technology development and usages have been limited. In recent years, however, the change in the market trends and fast fashion styles reduced demands for mass production models. At apparel executives believe that industry competitiveness depends upon the ability to quickly respond to demand with a variety of practices and better engineering practices (Bailey, 1993). Desired levels of production and quality can be achieved by adoption of newer technologies and techniques. Apparel makers strive to cope with ever-changing fashion styles by reducing the time it takes to design, produce, and deliver the goods. Accordingly, the industry began to place greater emphasis on advanced technologies to fulfill the extended demand for production, speed, and quality requirements for the competitive export market. Recent technology changes in clothing manufacturing include: development of robotics for automation assembly line for garment making; high-speed sewing machines; new pressing and fusing techniques; computer-aided design; computer-aided manufacturing; and computer aided marketing. In practice these technologies are used individually or in combination with other technologies to achieve the desired economies of scale. (Yunus & Yamagata, 2012)

4.6 Political and Past incident

Political factor plays a very significant role in stable business for the RMG (Readymate Garments) sector of Bangladesh. The country faces political instability very often that strike, blockade and other violence of political parties hampers the smooth going of a merchandiser. Workers movement adds another distraction to this sector. Sometimes even dew to one factory other factory workers also burst in movant stopping all their production leaving the owner in loss and merchandisers to trouble. RMG industry has come out after the tragic building ‘Rana Plaza’ collapse in 2013 it is the biggest challenges. Our RMG industry would mark the building collaps with many thought end of the journey . Even orders in Bangladesh started decreasing. But now a days what we have seen is the new beginning of our garment industry. As a primary time in the history of global garment industry, every stakeholder has realized that ensuring security and health workers is a shared responsibility and this feeling has inspired governments, brands, buyers, suppliers, entrepreneurs. And workers to work hand in hand to ensure a safe and sustainable garment industry. Perhaps this is only example in the world business that brands and buyers who compete each other come together to create an industry safe,security and sustainable. The bad news for our industry that the incidence in 2016 has been the terrorist attack in Holey Artisan Bakery. The conduct of the attack was different from earlier single incidences where religious militants killed members of inferiority groups, two number of foreigners and a number of bloggers. 20 people were killed, 17 of them were foreigners during Holy artisan attacked. There was a be afraid that foreigners would stop coming to Bangladesh and the economy may suffer after the holey killing. This attack brought a big impact on the buyers. They were afraid of the security situation of the country and stopped coming that frequently to our country. Referring to that recent terrorist attacks, Mr Azim, an owner of a RMG factory laid force on increasing security so the foreign buyers feel safe while visiting Bangladesh for business. “If the security remains lax, buyers will not come, and we will lose work orders. If all these negative issues are addressed, we will be able to achieve 12% export growth and successfully reach \$50bn RMG export target by 2021,” (Azim.S. DhakaTribune.2016) The frequent terrorist attack on foreigners and non-Muslim residence of Bangladesh and various political movement including the transport worker movement and RMG worker movement had made changed an impact on the minds of the buyers for coming to Bangladesh. This made challenge in merchandising, as well as for the country’s economy.

4.7 Growth of RMG sector

Bangladesh garment industry has generated \$28.09bn exports in the fiscal year 2015-16 with a 10.21% growth from the previous year, according to Export Promotion Bureau data. (Ovi, 2016) “Even though profit margin declined, the manufacturers didn’t stop taking work orders. So I will give the credit to the manufacturers for seeing an even better export growth in the country’s garment sector,” Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association,” (Dhaka Tribune, 14.07.2016) Now there are in Bangladesh, both department politically and economically was strong in 2016. This has helped in gaining higher growth of gross domestic product that crossed 7 percent in fiscal year 2016. Industry played the main role in higher GDP followed by the services sector. Less petroleum prices in the global market helped inflation rates to stay low since Bangladesh spends a important amount on petroleum products. Export earnings increased at a higher rate than imports and export-GDP ratio increased in FY2016 while import-GDP ratio declined. Higher export of readymade garments contributed to this growth. Bangladesh is eyeing at earning USD 50 billion through RMG exports by 2021. (Khatun.F.D, 2017) (Khatun.F.D, 2017, January 2. Moving forward beyond 2017. The Daily Star) But then stability in Bangladesh, both economically and politically was strong in 2016. This has helped in achieving higher growth of gross domestic product that crossed 7 percent in fiscal year 2016. Low petroleum prices in the global market helped inflation rates to stay low since Bangladesh spends a important amount on petroleum products. Export earnings increased at a higher rate than imports and export-GDP ratio increased in FY2016 while import-GDP ratio declined. Higher export of readymade garments contributed to this growth. Bangladesh is seeing at earning USD 50 billion through RMG exports by 2021. Given the effective of the sector and the compliance measures being undertaken for the last two years following the Rana Plaza incident, the sector can meet the target easily. Surely, improved infrastructural facilities, technological up gradation, skills development will facilitate the growth process of the sector. (Khatun.F.D, 2017. However, Bangladesh could tackle the situation very well by strengthening the security in the country. Bangladesh's partners have not turned away either. The visit of the Chinese President and his commitment to invest in Bangladesh, the assurance of continued cooperation from Japan, the visit of the World Bank President despite World Bank's cancellation of funding the Padma Bridge construction on corruption allegations, and international events such as the one on migration in Dhaka are indication of confidence in Bangladesh's approach towards terrorism and commitment for growth and prosperity. (The Daily Star, 2017) Bangladesh earned over \$34bn from exports in the fiscal year 2015-16 which just ended, registering around 10% growth from the previous year. The figure also exceeded export target set for the year by \$743m. Experts believe technology will be the key enabler to help increase productivity in Bangladesh's labor intensive RMG sector. It would need to innovate to remain competitive as countries like Africa and Myanmar enter the RMG mix.

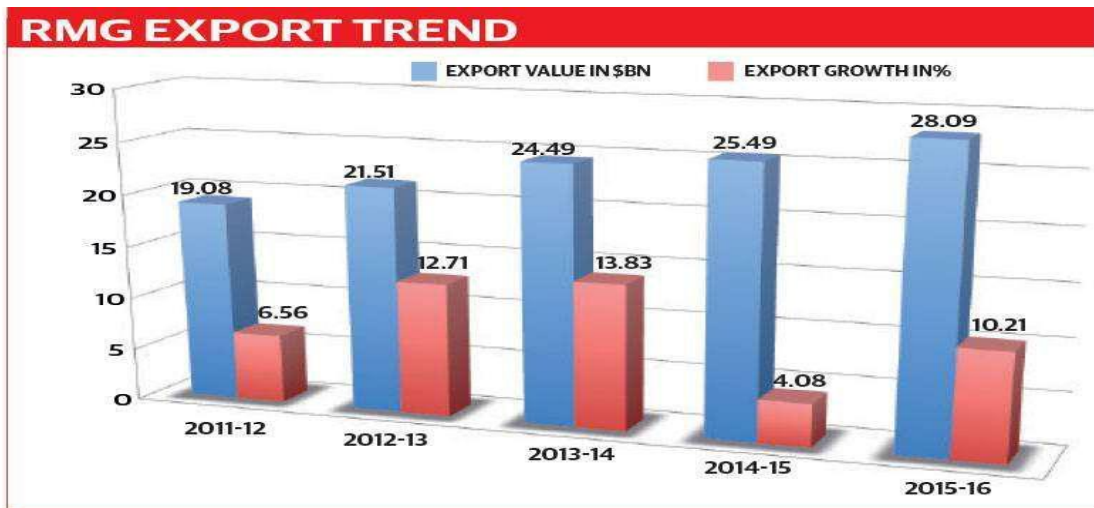


Figure 2: RMG Export Trend (Source: Dhaka Tribune, 14.07.2016)

4.8 Lack of electricity and Gas and Infrastructure

For all business stakeholders, infrastructure transport and utilities supply is the single largest issue hampering Bangladesh's industry. Buyers today are forced to carefully select the type of products to source from Bangladesh, since congested roads, limited inland transport alternatives, and the lack of a deep sea harbor add inefficiencies to garment lead time. With the aim to move toward sourcing more fashionable, shorter lead time items in Bangladesh, reliable and fast transport is becoming extremely important. The transport issues need to be solved quickly in order to avoid a collapse in the transport network as volumes continue to grow. (Ahammed, 2017)

Bangladesh is in a short of electricity. It is yet not capable of producing the amount of electricity that the country demand every day, so there is a big gap in the demand and supply chain. This is another problem of the insufficient infrastructure regarding RMG sector. Since the country is in an acute shortage of electricity and gas supply. So the garments industry doesn't get a interrupt free electricity supply. Because of frequent load shedding disruption in production occurred, the owners use generator for electricity. This sometime can be a gas run generator and many a times oil run generator. This problem also hampers production and increase production cost which is threatening in the competitive market for the merchandisers.

On the other hand the roads and high way are bad in Bangladesh. Communicating through road in different factories takes a long time. For example there are sewing factories of SIKDAR in Gazipur. All the processing before sewing is done at Nayrangonj factory and then sent there for sewing. But due to low infrastructure it takes almost one day for the truck to reach Gazipur and when they are done it again takes another day to carry back to Dhaka. So time factor challenge increases and lead time to complete the work decreases.

4.9 Possibilities in this sector

There are still challenges and it gorgeous prospects in spite of the epic growth of our RMG industry. For the millions of garment workers to ensure workplace security and better working condition one of the biggest challenges current faced by our RMG (Readymate Garments) Industry. Two main accidents, the Tazreen fire and the Rana Plaza collapse, have brought the issue of workplace security to the fore and led all stakeholders to act accordingly. The Bangladesh have been formed to improve this area such as Accord on Fire and Building Safety, the Alliance for Bangladesh Worker Safety and National Plan of action building and fire safety of Bangladesh's garment industry. All members of the BGMEA and BKMEA are working all-out to carry out the refining action plans suggested by the Accord, Alliance and National Plan of Action after inspections, even investing more amount of money. Moreover, the factories which were set up in an unplanned way and housed in risky buildings have started relocating to safer buildings so that worker feel safety. It is right decision a project has been taken to set up a well-planned garment industrial park beside the Dhaka-Chittagong Highway where the structurally weak garment factories will be able to relocate. However, all garment factories is a gigantic task and will take time to accomplish for ensuring workplace safety. We believe the government of Bangladesh, BGMEA and BKMEA, with the support of global brands and international development partners, will be able to ensure the safety of the RMG industry and maintain the motivation of socio-economic development in the country.

According to the study, the US-based fashion companies are expected to help their sourcing from Bangladesh in the next two years. McKinsey, a global management consulting firm, described Bangladesh as the next hot spot in apparel sourcing. The renowned garments forecasts annually export-value growth of 7-9% and our apparel export will double by 2019 and nearly triple by 2024 provided that we can successfully win a few challenges including developing infrastructure and skill workforce. (Hassan, 2014)

4.10 Limitation of the report

During my internship I have faced some limitations to accomplish my report. I could not get much information from The Finery Ltd. due to their limitations as well.

- Most of the organizations key personnel were too busy. So they did not give me enough time regarding this matter.
- Language scale of research was not possible due to time constraint.
- The Buyers are very busy.
- Most of the data are primary data that are difficult to collect.
- The Exporters are also busy with their duties and responsibilities.
- Data source are so limited.

Chapter 5

Findings and Recommendation

5.1 Findings

The findings of my internship for this report are, developing the product as sample is a difficult task. Little problem in knitting may hamper in the large production. Not being careful about color in dyeing may result in a big loss for the company. Yarn dyeing products are used for stripe and check print cloths mostly. The thread in the market also gets its color shades from Yarn dyeing. Meeting lead time and factors after not meeting lead time. Follow up is needed each and every time. Starting from the day of production to the day of delivery. Pricing is the most important thing of a duty of a merchandiser because his calculation and price will tell the company's profit and loss. The merchandisers have to give the maximum quality service with minimum price. There are language and cultural barriers among the merchandisers and the buyers. Cultural factors often hamper the production quantity. Lack of modern technology comparing to other developed nation. Modern machineries must be installed replacing the old once for more production. The infrastructure development in the country must be done by the government. Disturbances free electricity and gas must be provided to the RMG sector. The workers must be given maximum facility as the complains. Insuring safety and other facility must be given to make the workers happy. Because they are the main asset. Proper construction of the factory with the needed safety measures must be followed. Product should be delivered before the Lead time expires

5.2 Recommendation

I want to recommend the following area that should be improved immediately achieve the desired goal-

- Where Supply chain is not strong the important subject or department of the company while the company don't output the require product timely .so we should follow about supply chain. Where there supply chain is strong, the company will out put more product. It will helpful for merchandiser. So when supply chain department procure all the raw materials then merchandiser can easily shipment the goods within lead time.
- The international buyer giving more priority about the product quality. So the every company or garments should assured produce product modernize.
- The garment or company should increase Pay scale. Because it is very poor which is needed to be increased company will lose potential employees due to their policy.
- Instead of short-term relationship, Merchandisers need to develop long term relationship with the key parties – buyers, buying houses and suppliers etc.
- Power distribution is another important so the management have to right distribute to the right employee.
- Successful depends on the planning. There should the right decision with planning for output quality product

Conclusion

In terms of contribution is highly remarkable it reaches which was only c in first. This is a clear indication of the industry's contribution to the overall economy. It plays a vital role to promote the development of other key sectors of economy like banking, insurance, shipping, hotel, housing, transport etc. The sector has been able, to a great extent, to relieve the country from the burden of unemployment by creating employment opportunities for more than three million people. Bangladesh is known as a poor and over populated country stricken with a lot of problems. Carrying the label of made in Bangladesh is working to create a positive image of Bangladesh in the world. It has also proved that the heavy burden of population can be turned into an asset by using them as workforce. The industry is making strides in terms of environmental compliance to have a sustainable footing in the global apparel market. Many RMG factories at their own are adopting green technologies and practices. They are using cleaner technologies and producing garments in a caring and responsible way that preserves the environment for future generations. Already a number of RMG factories achieved LEED certification from US Green Building Council (USGBC) for their green practices. GLOBALLY, 2016 has been an unprecedented year. Brexit, Trump, rise of populism, refugee crisis and terrorism will continue to define the political and economic scenario of the world in 2017. Inside the country, a number of positive and challenging developments will shape the dynamics of Bangladesh's going in 2017. As higher economies are still fighting to recover from slow growth. The proper guidance of complains and other rules and regulation will bring proper guidance to this industry as Bangladesh's major economic support will have to come from within the country from this section.

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Appendix

Pantone: The Company is best known about Pantone Matching System (PMS) that its required, a proprietary color space used in a variety of industries, primarily printing, though sometimes in the manufacture of colored paint, fabric, and plastics.

Hard Winding: Transferring the yarn from paper cone to Plastic come before dyeing.

Soft Winding: Re transferring of the yarn into paper cone after dyeing.

Pattern: A hard paper shaped with the piece if cloths that are to be cut before stitching. It is a premeasured board used for marking on the cloths.