

**Internship Report**  
**on**  
**Merchandising Activities in RMG Sector-**  
**A Study on Ananta Companies**



**Date of Submission: 5<sup>th</sup> January, 2020**

**Internship Report**  
**on**  
**Merchandising Activities in RMG Sector-**  
**A Study on Ananta Companies**

**Supervised by**  
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## Letter of Transmittal

5<sup>th</sup> January, 2020

To

Dr. Ahmed Fakhru Alam

Professor

Department of Business Administration

Faculty of Business and Entrepreneurship

Daffodil International University

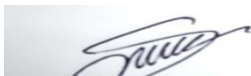
**Subject: Internship report on Merchandising Activities in RMG Sector-A Study on Ananta Companies.**

Dear Sir,

With profound respect and honor I would like to inform that, I have completed my Internship Report titled “Merchandising Activities in RMG Sector-A study on Ananta Companies”. This is a partial requirement to fulfill my Master of Business Administration degree.

My paper covers the objectives and scope of the study, methods of collecting information to prepare this paper, the limitations that I had in my preparations and I have attempted with whatever expertise I have, analyze activity and prepare possible recommendations and suggestions as to how it could have been improved. Under this paper I hope that you will find all the necessary information of my study into my findings and analyses. I express my sincere gratitude for your guidance and suggestions in preparing the report. I would be glad to answer any inquiries and offer clarifications if required.

Sincerely yours,



.....  
**Asif Rahman Sohel**

ID: 151-14-576

Program: MBA

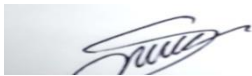
Major in Marketing

Department of Business Administration

Daffodil International University

## **Student Declaration**

I am Asif Rahman Sohel; hereby declare that the report of internship titled ‘Merchandising Activities in RMG Sector-A study on Ananta Companies’ is prepared by me after completion of three months works in Ananta Companies. I also would like to confirm that, the report is prepared exclusively for academic purpose not for any other purposes.



.....  
**Asif Rahman Sohel**

ID: 151-14-576

Program: MBA

Major in Marketing

Department of Business Administration

Daffodil International University

## **Certificate of Supervisor**

This is to certify that Asif Rahman Sohel, Student of MBA Program of Daffodil International University bearing Id: 151-14-576 has completed the internship report on “Merchandising Activities in the RMG Sector-A Study on Ananta Companies. In this regard he practically worked in Ananta Companies from March 01, 2019 to May 30, 2019 under my supervision and instruction. This report supports the topic title and fulfills the entire requirements. During the program he was sincere, proactive and attentive to his work and I wish him every success in life.

I hereby accept the report as the successful completion of the internship program.



.....  
**(Dr. Ahmed Fakhru Alam)**

Professor  
Department of Business Administration  
Faculty of Business and Entrepreneurship  
Daffodil International University

## **Acknowledgement**

A warm felicitation goes for me to acknowledge the people, who hold the desirability for encouraging, praising, assisting as well as believing me on the tasks of merchandising activities what I have worked through my internship period.

At First, I would like to thank almighty for giving me the opportunity to complete my internship. I also want to thank all the people, who have given their support and assistance and extremely grateful to all of them for the completion of the report successfully. Daffodil International University and Ananta Companies both provided me with enormous support and guidance for my internship program to be completed successfully. Preparing this report was exciting and hard work at the same time. It is for the first time that I have been able to gather real life experience by working on RMG market.

I would like to thank Mr. M Sajedul Karim, DMD of Ananta Companies and my reporting boss for his valuable time and constant guidelines and encouragement throughout the internship period.

I would also like to thank my honorable supervisor, Professor Dr. Ahmed Fakhrul Alam for his kind concern, valuable time, advice and constant guideline during my internship period to making this report. He was constantly supporting me with his inspiring personality. I will always be thankful for his extraordinary reinforcement. I would like to take the opportunity to thank Md. Ayub Nabi, General Manager, Merchandising, Ananta Companies for being my on-site supervisor & providing me time to time information, suggestion as well as procedures to work with my topic. I also want to thank Mr. Afzal Surya, Manager, Merchandising of Ananta Companies for being so cooperative in my work. I also thank Mr. Mozaharul Islam, Assistant Manager, Merchandising, Ananta Companies for creating a friendly environment & assist me with the information of my project. I want to thank my team leader, Ms. Sabina Yesmin, Merchandising for helping me to get accustomed with all the activities.

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 finally I would like to thank Ananta Companies for providing me with the opportunity to do my internship in the reputed group of organization.

## **Executive Summary**

The Readymade Garment (RMG) industry of Bangladesh has emerged as a competent garment producer in global garment business in recent times. This industry has successfully transformed Bangladesh into an export-oriented economy. The RMG industry also became the major foreign currency-earning sector with highest rates of absorption of industrial employment.

The Merchandising department is the most important part of the export oriented business. It increases the opportunity for entrepreneurship development in garment sector. Thus it helps the unemployed people as well as the government to remove unemployment problem and also play an important role in the economic development of the country.

This is a great chance for me to do my internship in Ananta Companies. This is a large factory with all the facilities to composite yarn. Here the production process runs from making yarn to fabric and from fabric to finished garment. In this age, Bangladesh is flourished with RMG sector where this division has its immense contribution.

I have worked there three months as requirement of the internship phase of MBA program under the Business administration. My topic is Merchandising Activities in RMG Sector-A Study on Ananta Companies. This Report is originated as a partial requirement of MBA program.

In order to achieve perfect merchandising, one must know about all the activities including purchase of fabrics, sewing, packing, transport, overhead etc and also about their costs, procedures, advantages and risk factors.

In the whole procedure of exporting garments to the retailer of abroad and to communicate with them, merchandisers have a great influence and responsibilities. When, the order is taken from buyer the duty comes to the floor of merchandisers and before going production they do almost everything to make the business smooth. So, the work starts with the order taking and making business relationship. Then sample making, planning, booking of every single material for samples and getting approval are all the key responsibilities of merchandisers. In case of production, sample goes in bulk so, the responsibilities become huge and it comes to the relation with operation also. I was selected for the buyer Bershka and this team is really supporting from any side I wanted their help. Bershka is full with new styles and different designs which push merchandisers to face huge stress and deal with lots of challenges.

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**Chapter: 1**  
**Introduction**

## **1.1 Introduction**

RMG (Ready Made Garment) is very important and helpful for our Bangladesh. Bangladesh has emerged as a key player in RMG (Ready Made Garment) sector since 1978. Textiles and clothing account for about 85% of total export earnings of Bangladesh. Out of which, 75% comes from the apparel sector which covers the major products of knit and woven shirts, blouses, trousers, skirts, shorts, jackets, sweaters, sports wears and many more casual and fashion items. The sector currently employs approximately 1.5+ million workers, mostly females from underprivileged social classes. I have completed this report on the basis of all the department of RMG sector such as Merchandising Department, Commercial Department, Production Department, Supply Chain Department, Human Resource Department, Compliance Department, MIS Department, and relevant organization like BGMEA, BKMEA, Export Promotion Buru, Yarn suppliers, Chittagong Port, Insurance Company, Shipping Company. So by completing this report I get overall idea about RMG sector, so its carry more value than any books.

Merchandising is an important work in garments sector. So that merchandiser job is essential for every garment. In this job the employer must have need hard working mind, convincing power, instant intelligence, powerful observation, patience etc. Without merchandiser no garments can run smoothly.

Without buyer no garments company can exists. For this reason buyer satisfaction is very important. Buyer means someone who buys the products from any organization. In garments sector buyer means foreign people who come to our country to buy products from our garments. At this time of giving order if buyer satisfied with the help of merchandiser then the buyer will come again. Buyers another condition is delivery the products in due time. Merchandiser take care this condition seriously. Because if buyers do not get products due time then they will not come again that garments. So merchandisers are handling and caring all kinds of work from taking order to delivery products to buyers and always wants to satisfy them because garments or garments sectors welfare depends on buyer's satisfaction.

I have chosen readymade garments industry to do my internship and the name of the company is Trouser world Bangladesh Ltd. It is a private limited company.

Readymade garments are fast growing export sector in Bangladesh. The overall impact of readymade garments export is certainly one of the most significant social and economic developments in contemporary Bangladesh. In order to simulate rapid of the country, particularly through industrialization, the government has adopted an open door policy to attract foreign investment in Bangladesh. As a result there are about 2500 export oriented readymade garments in Bangladesh.

## **1.2 Background of the study**

It's very imperative that all MBA students to engage in any institute for minimum three month as an internship to gain practical knowledge. After three month he or she has to submit

an internship Report. The report is the result of the assigned internship suggested by the guide teacher. The topic of my internship report is ‘Merchandising Activities in Garments Sector-A study on Ananta Companies’ I have completed my three month internship on Ananta Companies, House-2, Road-10, Sector-11, Uttara, Dhaka-1230.

### **1.3 Scope of the study**

Scope means how many uses for completing this report space. During my internship program I tried to gather as much as information as possible to illustrate a clear -cut image about the importance of the merchandising and marketing section for the export oriented garments and the value of the merchandiser for the garments industry.

By reading the report we will able to know clear image about the importance of the merchandising and marketing section for the export oriented garments and the responsibilities of a production coordinator.

The overall production process of a garment and about the machineries, accessories and the work forced that is required for a particular garment.

### **1.4 Objectives of the study**

#### **Main Objective:**

The main objective of the study was to determine the merchandising activities of the Garments sector of Bangladesh.

#### **Specific Objectives:**

1. To know the merchandising activities of Ananta Companies.
2. To analyze the merchandising activities of Ananta Companies.
3. To evaluate the merchandising activities of Ananta Companies.
4. To find out the problems in the merchandising activities of Ananta Companies.
5. To make some recommendations for improving the merchandising activities of Ananta Companies.

### **1.5 Methodology of the study**

Methodology defines how we go through all the processes of research and how I have proceeded on. Here includes the steps of conducting the report and the explanation of the sources of data.

This report has been prepared on the basis of experience gathered during the period of internship. For preparing the report, Data were collected from two sources, namely, Primary source and Secondary source as described below:

**Primary Data:** I have got the information from what I am seen in practical in my Internship period. What I did practically. What was done by me for achieving my objective Like, Face to face conversation with the executive of the organization, using a questioner form to know the financial situation of the employee in their practical life, another big opportunity was dealing with the customer, like, fabric and yarn marketing. This opportunity gives me huge idea about the RMG sector.

**Secondary Data:** Secondary data were collected from various documents like, annual report, and catalogue of the Ananta Companies Internet, etc.

## **1.6 Limitation of the study**

Limitation refers the obstacles I have to face for completing this report and what I could not cover for this limitation. During my internship I have faced some limitations to accomplish my report. I could not get much information from the Trouser World Bangladesh due to their lack of effectiveness. Some major points are listed below,

- Time constraint.
- Merchandiser doesn't have enough time to give the information elaborately.
- Lack of organizational chain of command.
- Due to high employee turnover rate and lack of good reporting practices in the factory, problems with collecting data have been faced.
- No other garment's data has been compared with TWB's data. There might be some discrepancies with other factories supply chain scenario.
- Due to long distance between the factory and university campus it was very difficult to communicate and meet with the supervisor.

**Chapter: 2**  
**Overview of Ananta Companies**

## **2.1 Introduction**

1992, Ananta started its voyage in limited extent at Elephant Road, Dhaka. “Ananta”, which means infinite or unlimited in Bengali, embraces the spirit of global trade. The company is dedicated to excellence in merchandising, product development, production, and logistics. We have earned a reputation throughout the global apparel industry as one of the foremost factories in Bangladesh for our commitment to quality, timely delivery, and total value. Through our extensive sourcing network, we have the ability to effectively procure the best materials. Our customers rely on us to deliver the best quality products and superb service which enable them to successfully compete in the emerging marketplace.

In 2005, Ananta shifted to Ashulia with broader aspects. The factories have wonderful landscapes with own power supply, open ground, dormitory, medical center, workshop, mosque, water supply and other modern facilities. The factory is well secured by boundary wall and a trained & equipped security team. Ananta has a wide range of product development capabilities. We utilize progressive tools such as CAD-CAM to meet specific price points and achieve quality. Our management team has an extensive understanding of the needs of companies in the West as well as production capabilities of firms in the East, making overseas sourcing easier.

Ananta focuses entirely on the clothing Industry. The plants have over 7000 modern machines for a total production capacity of between 2.4 million pcs of garments per month depending on items and style. Our 17000 employees of both production and management teams are dedicated to achieving clients’ production goals. We welcome all our prospective customers to visit and evaluate our firsthand factories.

Ananta is a 100% export oriented woven Ready Made Garment (RMG) unit. It is under the membership of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The main products are trousers, shirts, unlined jackets, overall, shorts of all type and school-wears.

## **2.2 Key Information**

- Year of inception: 1992
- No of companies: 6
- Total sewing line: 86
- Total production floor space: 9,00,000 ft
- Total workforce: 16,500 (Male female ratio: 32:68)

- Total sewing machines: 5000
- Manufacturing business: Readymade woven apparel, Leather goods
- Monthly production capacity: 2.5 million pcs of RMG
- Annual turnover: 120 million USD
- Lead time: 10-16 weeks

### **2.3 Business Units**

We have 4 cut to pack RMG production plants, 1 garments washing plant and 1 Leather goods factory. The sewing plants have over 5000 modern machines with total production capacity over 2.4 million pcs per month depending on the items and styling. Basically, we are woven garment manufacturer. We are proven and committed to achieving our clients' business motto.

Our sister concerns are:

- Ananta Garments Ltd., Ashulia.
- Ananta Sportswear Ltd., Ashulia.
- Ananta Jeanswear Ltd., Tongi.
- ABM Fashions Ltd., Konabari, Gazipur.
- Paradise Washing Plant Ltd., Tongi.
- Ananta Leather Collections Ltd., Ashulia.
- Ananta Overseas (Bimpex Limited Inc.), Texas,USA.

### **2.4 List of Major Machinery and Equipments**

- Fabric inspection machine-4 units
- Light box: Verivide CAC 60-2 units
- Fabric weighting equipment-1 unit
- SAF Q testing for snap apparatus
- Lock tunnel type metal detector-5 units
- APW-895 Welt pocket attaching machine-2 units
- MS 210, MS 215 Pocket designing machine-5 units
- Automatic Belt Loop Attachment-2 units
- Lockstitch bottom hemming machine-9 units
- Automatic velcro cutting and attaching machine-3 units
- YKK hook n bar attaching machine-7 units



- APW-895 Welt pocket attaching machine-2 units
- Automatic belt loop attachment machine-2 units
- Programmable automatic fly piece/J-stitch operation-1 unit
- Eyelet machine-10 units
- VI BE Mac pocket attaching machine-2 units
- VI BE Mac feed of the arm machine-7 units
- VI BE Mac Iron machine-1 unit
- VI BE Mac DND-2 units
- DND Angular-66 units
- LS-600 BA Fusing machine-4 units
- NS-54 Thread sucking machine-3 units
- MX-700 Band knife-1 unit
- Feed of the arm union special-13 units
- Feed of the arm (1261)-65 units

## **2.5 Corporate Social Responsibility**

### **CSR: Business & social welfare at a time**

In the recent years the Corporate Social Responsibility (CSR) has emerged as a leading initiative under taken by numerous corporations and enterprises in Bangladesh. The social responsibility of the corporate bodies especially the RMG sector has been focused by all stakeholders including buyers and the civil society members. Since its inception, the Ananta Garments Limited has been committed to creating a healthy & vibrant working environment for all employees. Ananta is amongst the first few companies in Bangladesh to implement innovative motivation, benefit, safety & training programs to make the workplace an enjoyable and a productive one. Besides devotion to work, a culture of enthusiastic participation in extracurricular activities is clearly evident throughout the company. These programs have generated a sense of goodwill towards fellow employees – in essence of promoting a sense of belonging to the Ananta Family.

Our CSR policy guides us to carry out our mission. CSR is the commitement of Ananta. It's our responsibility to our workers, neighbors by participating in various activities. Our CSR policy is an integrated part of our overall business policy. We have a separate HR, compliance and welfare team who monitor all facilities daily and submit their report to the

authorized persons. If any threat regarding health & safety issue is found, they take necessary action.

Employees at all levels are aware of the company's CSR policy and activities as we communicate with the workers by awareness meeting, PA systems, through mid label management meeting, daily production meeting, orientation of new recruits, monthly news bulletin etc. We have a separate budget for implementing the CSR activities. We measure the impact of our CSR activities through internal and external evaluation. Ananta believes in profit sharing with its workers for the wellbeing of the community. The company provides all employees with free medical, health, hygiene, emergency financial assistance and educational facilities. Safety programs and routine drills ensure that the facilities remain updated and employees are aware of risks and capable of dealing with emergencies.

CSR activities are carried out in collaboration with:

1. GIZ
2. Marrie Stopes Clinic
3. Mohila Adhidaptar (GOB)
4. BGMEA
5. CWCS
6. CWCH

To reduce occupational health & safety hazards we have taken necessary actions for workers like-awareness on company rules & regulations, abuse & harassment, grievance, drinking Potable water, machinery safety, use of safety equipments, electrical safety, conducting fire drill and evacuation drills etc. We monitor the working conditions in factories of our subcontractors. We carry out internal Audit in the subcontract factories; in that case we follow the buyer's approved factory for doing the subcontract.

We firmly believe in the success and sustainability in our business. We are fully committed and respectful to our business, social and environmental goals and obligations. We are equally committed to comply with all relevant laws applicable to our company. We are equally committed and respectful to all international instruments in this regard. We will communicate to all our employees about the importance of Environmental Management System (EMS) including waste management. We will Endeavour in improving continually in this regard. Our company's long term policy is to prevent the environmental pollution wherever practicable. We intend to work with business partners and the key stakeholders and share our knowledge, information and experience in combating environmental issues and make the world a better place to live in.

## **CSR policy of Ananta**

We commit ourselves to the vision of conducting our business in a socially responsible and sustainable way. Our overall vision and aim is to find the way of successfully balancing our economic activities with the necessary care for our natural environment as well as for human beings that are involved or affected by these economic activities.

We therefore submit ourselves and our business partners in addition to the standards we set for quality, business transactions and the protection of the environment, to the following social standards and requirements.

### **Social Standards**

In accordance with the ILO conventions, the UN Universal Declaration of Human Rights and the UN's conventions on children's rights and the elimination of all forms of discrimination against women, our social code of conduct aims to attain compliance with internationally accepted social and environmental standards. The following requirements are of particular importance:

#### **Legal Compliance**

Our policy is to comply with all applicable national laws and regulations, industry minimum standards, as well as to respect all relevant international instruments including ILO and UN conventions.

#### **Freedom of Association and the Right to Collective Bargaining**

The company recognizes and respects the right of workers for freedom of association and the right to collective bargaining. Workers who wish to lawfully and peacefully associate and organize have full liberty to do so within the company as per local laws and regulations.

#### **Prohibition of Discrimination: Equal Opportunity for all**

The company will ensure that there is no discrimination, direct or indirect, against any person on the ground of race, color, nationality, ethnic origin, religion, disability, age, sex, sexual orientation, marital status in any aspect of recruitment and selection.

#### **Compensation**

Wages paid for regular working hours, overtime hours and overtime differentials shall meet or exceed legal minimums and /or industry standards. Illegal or unauthorized deductions from wages shall not be made. The company is fully committed to a pay structure that rewards performance. The company is pledge bound to comply with all relevant regulations and/or local practices in respect of compensation, paid leaves, maternity benefits, as well as other financial benefits.

### **Working Hours**

Overtime hours are to be worked solely on the basis of workers' free will. The maximum allowable working hours in a week are 48 and the maximum allowable overtime hours in a week are 12. An employee is entitled to at least one free day following six consecutive days worked. The company will not allow any worker to work more than 60 (sixty) hours of work per week including overtime hours, but on an average not more than 56 (fifty six) hours of work per week in a given 12 months time period. The payment of overtime work will be made at premiere rates as per local laws.

### **Working Conditions**

Our company must treat all workers with respect and dignity and provide them with a safe and healthy environment and comply with all applicable laws and regulations regarding working conditions. The company shall not use corporal punishment or any other form of physical or psychological coercion.

### **Workplace health and safety**

A clear set of relation and procedures has been established and followed regarding the occupational health and safety. Our company is committed to implement and where reasonably practicable, continuously improve effective healthy standards, which should reflect best industry practice. We shall comply with the requirements of appropriate national and international regulations and CoC. Where no regularity control exists; the company must develop and impose its own standards. We shall ensure that potential health and safety risks associated with all the company's activities are assessed as early as is practicable in order to minimize adverse apex and to identify opportunities for improvement. We will motivate our subcontractors to promote social compliance management in their respective workplace.

### **Prohibition of child labor**

Child labor is forbidden as defined by the ILO and United Nations conventions and/or by National Law. No person irrespective of male or female gender who has not completed 14 years of age are not allowed to recruit and employ of any nature of job. The rights of young workers must be protected ion the company.

### **Prohibition of forced labor**

Our company shall not use any force labor whether in the form of prison labor, indentured labor, bonded labor or otherwise which is prohibited as per law of the land and/or international instruments.

**Environmental issues**

Our company is firmly committed to comply with all relevant/applicable environmental legislation of Bangladesh Govt. to ensure environmental protection in the process of using raw materials, manufacturing products and discharging wastages, the company shall follow the guidelines and standard methods of various aspects of the environmental conservation and rules of the concerned regulatory bodies.

**Management Practice**

Our company's social requirements as defined above shall be incorporated in our company policies. Employees shall be informed about the contents of our code. In order to meet all requirements as set forth in this code and in national Laws, the company shall establish required set of management functions. We would motivate our business partners to demonstrate compliance with this code and National Laws.

**Environmental Policy**

We firmly believe in the success and sustainability in our business. We are fully committed and respectful to our business, social and environmental goals and obligations. We are equally committed to comply with all relevant laws applicable to our company. We are equally committed and respectful to all international instruments in this regard. We will communicate to all our employees about the importance of Environmental Management System (EMS) including waste management. We will Endeavour in improving continually in this regard. Our company's long term policy is to prevent the environmental pollution wherever practicable. We intend to work with business partners and the key stakeholders and share our knowledge, information and experience in combating environmental issues and make the world a better place to live in.

## **Chapter: 3**

# **Theoretical Framework of Merchandising Activities**

### **3.1 Merchandising Activities**

#### **Merchandiser & Merchandising**

Merchandiser is a person who is actually making a bridge between buyer and seller. Merchandiser is a person who is involved in garments trade. And the work of a merchandiser is known as merchandising. The main role of a buying merchandiser is to collect buying export order (export L/C), produce the garments, export the buying and earn profit, to perform those functions successfully needs lot of knowledge, experience & tremendous effort for a merchandiser. The term merchandising is defined as follows:

The term merchandising related with trade.

Trade means buying & selling.

The person who is involved with trade, he/she is a merchandiser.

And the activities of a merchandiser are known as a merchandising.

### **3.2 Basic qualification of a Merchandiser**

If anyone want to be a merchandiser he or she must be have some qualifications. If we arrange this it will be like –

- Proper English speaking, writing and understanding
- Well and perfectly communication techniques.
- Good computer skills
- Accurate knowledge about the yarn, fabric, accessories. That means the raw materials.
- Know about dyeing, finishing, washing, printing, embroidery etc.
- Knowledge about the testing procedure of fabric
- Know about material and garments inspection system.
- Must know quality control system
- Well known the exporting and importing countries
- Know the duty rates
- Know about shipping, banking documents
- Know about the order procedure of international buyer
- Must know the factory profile
- Good knowledge about calculation
- Good personality
- Well behave

- Power of motivation
- Knowledge about the management system

### **3.3 Activities of a Merchandiser**

We can classify merchandiser into two classes. One junior and other is senior, junior merchandisers generally work in the factory, meanwhile senior merchandiser work on the head office and also communicates with the buyer.

Activities of Junior Merchandiser:

- Main task is "production monitoring"
- Collect "inventory report" from store
- Swatch making & getting approval from buyer
- Arrange preproduction meeting in order to prepare a schedule for smooth production
- Place order to different production unit
- Collect "Daily Production Report & Daily Quality Report"
- If any shortage in store, arrange locally.
- Arrange final inspection
- Arrange final inspection

### **3.4 Responsibilities of Senior Merchandiser**

1. Sample development
2. Price negotiation
3. Order confirmation
4. L/C opening
5. Opening summery
6. Sourcing
7. Material collection
8. Production planning
9. Production monitoring
10. Arrange final inspection



## **Chapter: 4**

# **Merchandising Activities in RMG Sector**

## 4.1 Internal and External Communication of Merchandiser

Merchandising is a process through which products are planned, developed, executed and presented to the buyer includes directing and overseeing the development of product line from start to Finish. Marketing and merchandising department: A team of merchandisers and markets work together under a profit controls head. Merchandisers handle the foreign buyers. The teams are making according to the buyers being handled.

Internal communications in merchandising Department are given below:

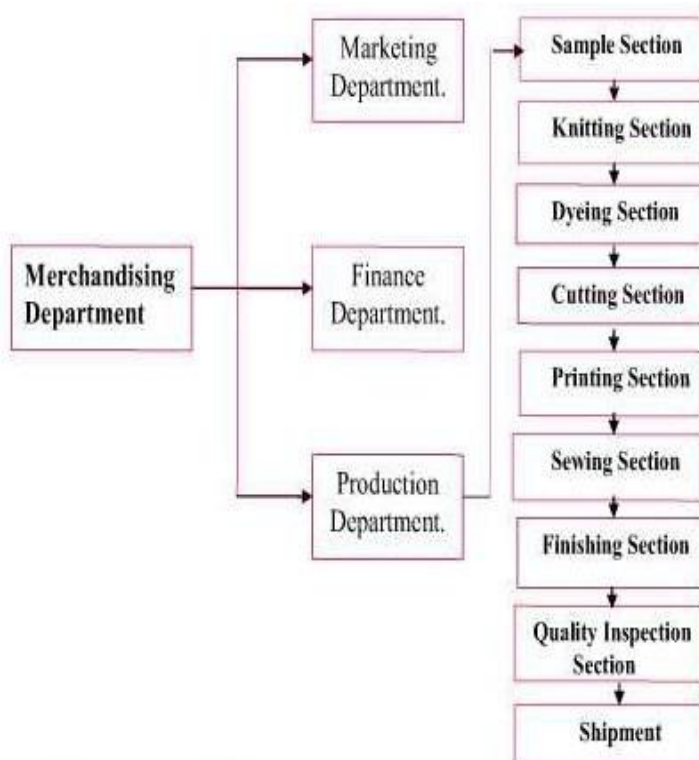
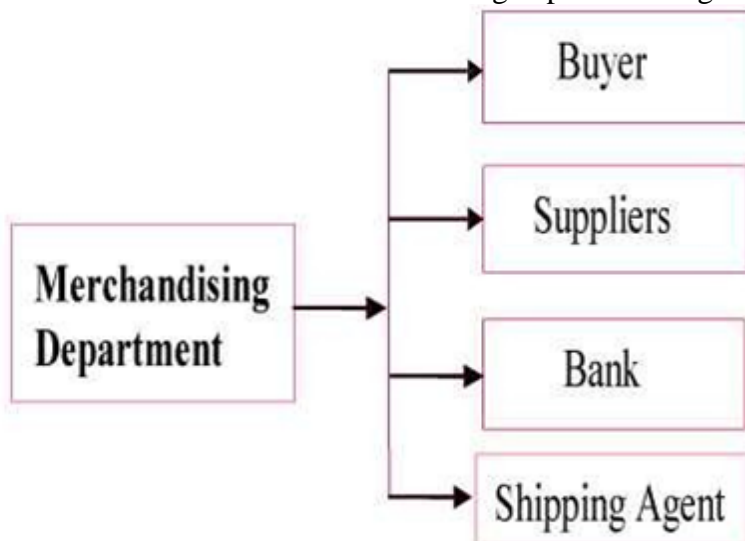


Figure: Internal Communication in Merchandising Department

External communication in merchandising department is given below:



There are two types of merchandising done in buying exports

1. Marketing merchandising
2. Product merchandising.

### **Marketing Merchandising**

Main function of market merchandising is

Product Development

Costing

Ordering

Marketing merchandising is to bring orders costly products development and it has direct contact with the buyer.

Product Merchandising

Product merchandising is done in the unit. This includes all the responsibilities from sourcing to finishing i.e. first sample onwards. The products merchandising work start and end till shipment.

Merchandiser's key responsibilities are as follows.

- Product Development
- Market and product Analysis
- Selling the concepts
- Hooking order
- Confirming Deliveries
- Costing
- Raw Material

## **4.2 Merchandising Email Format**

J. C. Penney Company, Inc.

Plano, Texas, U.S.

**Sub: Requesting For Business development.**

Sir,

We are pleased to introduce that buying merchandising is the well reputed & specific name in Apparel industry in Bangladesh since last one decade. Our company deals with many world famous buyers in the world like Wal-Mart, H&M, and Kmart etc. We are pleased attach brief company profile and list of product along with photograph for your understanding and knowledge about our company.

It will be highly appreciated. If let me know your feedback, so that we sent some sample to your judgment of quality and If we get the business then you also get the business for a long time.

So we are anxiously waiting for your feedback.

Thanking you,

**Asif Rahman Sohel**

Senior Merchandiser

Ananta Companies

Merchandising Department

Dhaka, Bangladesh

### **4.3 Fabric Consumption Calculation**

The quantity of fabric which is required to produce a garment is called consumption. How much fabric is required to produce a garment, we can determine it through marker planning and mathematical system. We can calculate and determine the consumption of fabric by the following two systems:

#### **Marker Planning System**

In the system mentioned here studying the range of size, following six pcs of six sizes can be sorted out from size range. As in XS, S, M, L, XL, XXL Besides these we can choose three pcs of three size or twelve pcs of twelve sizes for our convenience. It depends on our intelligence and the size range; thereafter paper pattern can be made by grading to the above garments as per measurement sheet. Having made the paper pattern it should have to lay each parts of the paper pattern on a marker paper of similar fabric width. After marking the paper pattern if we measure marker paper to length wise, we will find an aggregate consumption of six pcs of garment. If the aggregate is divided by six, we will find a consumption of one pc garment. As such we will find a consumption of one dozen garments from the above system calculations.

#### **Mathematical System**

Whatever is the fabric consumption of a garment or whatever quantity of fabric is required to produce a garment is measured by mathematical system □ Mathematical system is a system of rough estimation. Consumption of a sample garment or consumption as per measurement sheet is calculated mathematically by measuring the area of length and width of each parts of each pcs of garment.

### **Fabric Consumption Calculation of a Basic Shirt Back Part**

30.5" (Body Length) X 27.5" (1/2 Chest) / 36" X 44" (Fabric Wirth) 0.529 YDS 26"

(Yoke Length) X 7" (Yoke Width) X 2 (Double Part) / 36" X 44" 0.229 YDS

32" (Body Length) X 16.5" (1/2 Chest) X 2 (Double Part / 36" X 44" 0.666 YDS

Front Part

32" (Body Length) X 16.5" (1/2 Chest) X 2 (Double Part) / 36" X 44" 0.666 YDS

Sleeve

23.5" (Sleeve Length) X 25" (Arm Hole) X 2 (Double Part) 36" X 44" 0.741 YDS

12" (Cuff Length) X 3" (Cuff Width) X 4 (2 X2 Parts) / 36" X 44" 0.99 YDS Collar

21.5" (Collar Band Length) X 2" (Band Width) X 2 (Double Part) / 36" X 44" 0.067 YDS

21.5" (Collar Band Length) X 2" (Band Width) X 2 (Double) / 36" X 44" 0.054 YDS Pocket

8" (Pocket Length) X 6" (Pocket Width) / 36" X 44" 0.03 YDS Total Fabric

Consumption 2.406 YDS

### **Fabric Consumption Calculation of a the Finery Ltd T-Shirt**

Back Part

75 cm (length) x 50 cm (Chest width) 3750 scm Front Part

75 cm (Front length) x 50 cm (Front chest width) 3750 scm Sleeve

24 cm (Sleeve length) x 40 cm (Armhole width) x 2 (2 sleeves) 1920 scm Total Fabrics

Consumption 9420 scm

Let us make the 9420 scm into Meters than Kg:

9420 scm divided by 10000 scm( 100 x 100 = 10000 scm) 0.942 m Let us say 1 square meter fabric weight 140 gm

140 gm divided by 1000 0.14 kg

0.942 m fabric weight (0.942 x 0.14) 0.13188 kg 1 Pc Knit T Shirt Weight 0.13188 Kg

Therefore, 12 Pcs Knit T Shirt Weight (0.13188 X 12) 1.59 Kg

## **4.4 Consumption Sheet Preparation**

For buying business fabric consumption is very much important and also essential. When Buying get order inquiry from Buyer then fabric consumption is very much needed to make cost sheet and when order is confirm then fabric consumption need for give a booking to supplier for fabric. In time of costing if Merchandiser make a less consumption of fabric then actual need as a result factory has to pay the money for fabric so the percentages of profit is

less and sometime factory has to pay from their own pocket. The less consumption of fabric is very much responsible dos a loss of factory. As like this if consumption of fabric is more then need then also factory has to face a great loss. Also buyer loses their attraction or wish of giving the order.

On the other hand, after confirming the order with Buyer when garment give a order in fabric manufacturing factory in that they must have to be very much alert cause if they ordered less fabric then industry will short shipped the garment so as a result factory has to face a heavy loss and as well as Buyer can be unsatisfied and then they van also ask money against the short shipped and their loss. If factory order more fabric then need then extra fabric is stay in factory so factory has to face a loss here also. Factory has to face economic loss as well as it has to share the in-house place also. Sometimes for importing more fabric then need factory can have police case also.

For making a perfect and correct consumption merchandisers have to take care some important things. That are-

For a correct consumption of garments, merchandisers should have knowledge about the making of Garments. They have to know how to sewing each and every part of garments and how much extra fabric has to attach with the main measurement foe seam allowance.

Merchandiser has to keep a calculation for Garments sleeve hem, bottom hem, inner facing etc for extra fabric when they make consumption.

According to order if there is any matching required or any washing, dying, printing is required then extra fabric should include in consumption.

According to fabric width (like 44/45, 51/58) then it's essential when we make a consumption. We should take care of it when we give an order in fabric manufacturing company. The booking of fabric must be base on the fabric width.

Merchandiser also has to keep in head about the Shrinkage problem, so extra allowance is essential when factory make a pattern.

Fabric Consumption is to made according to as per Garments size ratio for per dozen. Sometimes fabrics have to cut in bays, so for that extra fabric is needed.

#### **4.5 Cost Calculation System**

During the fixation of price following notes are to be followed carefully:

- i. Cost of fabric Cost of accessories.
- ii. C. M (Cost of manufacturing)

- iii. Cost of transportation from factory to sea port or airport.
- iv. Clearing & forwarding cost
- v. Overhead Cost.
- vi. Commission/Profit.

## 4.6 Preparing a Cost Sheet

### Calculation of Material Consumed

The aim of preparing a cost sheet is to show the various types of costs incurred by the factory in the course of its operations. The cost sheet consists of particulars and amount columns. In the particular columns, you show the different kinds of expenses of the company. Calculating the materials consumed is the first step in preparing the cost sheet. The materials consumed is calculated by adding the purchased raw material cost and carriage inward to the opening stock of raw materials and then subtracting the closing stock of raw materials from this total.

Materials Consumed = (Opening stock of raw materials + purchase of raw material + carriage inward) - (closing stock of raw material).

Calculation of Prime Cost Prime cost is calculated by adding direct wages and direct expenses to the materials consumed total. Direct wages are the wages given to workers in the factory and direct expenses are the expenses incurred while making the finished goods.

Prime Cost = Materials consumed + direct wages + direct expenses.

### Calculation of Factory Cost

The next step in the cost sheet preparation is the calculation of factory cost. The factory cost is calculated by adding the factory overheads to the prime cost. The factory overheads are the expenses related to the factory and are in no way related to administration and marketing expenses. These factory overheads can include lighting costs, salaries for workers, machinery cost, rent for factory, insurance for factory, power costs, fuel cost etc. Overhead is actually the sum total of indirect material, indirect wages and indirect expenses.

Factory Cost = Prime cost + sum of all factory overheads.

Calculation of Cost of Production The cost of production can be calculated by adding the office and administration overheads to the factory cost. Now, the office and administration overheads are the salaries of managers, director's fees, office light expenses, stationery expenses, building maintenance expenses etc.

Cost of Production = Factory cost + office and administration overheads.

Once this cost of production is calculated, you need to add the opening stock of finished goods and then subtract the closing stock of finished goods before we calculate the cost of sales.

Calculation of Cost of Sales or Total Cost the total cost can be calculated by adding the selling and distribution overheads to the cost of production. These selling and distribution overheads are mainly the expenses on promotion and marketing related activities. These can include postage expenses, transportation expenses, advertising expenses, marketing expenses and carriage outward.

Total Cost = Cost of production + selling and distribution overheads.

Calculation of Total Sales The total sales can be calculated by adding the total cost and the net profit of the firm. This is the last part of the cost sheet.

Total Sales = Total cost + net profit.

This explanation on how to prepare a cost sheet gave us knowledge of all items of cost sheets and how they are used to calculate the total cost. Only monetary aspects are considered in the preparation of cost sheets. So try preparing the same yourself and test your accounting knowledge and skills. Good luck.

There are three methods for fixation of export prices which are as follows: FOB

C & F C I F FOB

FOB means 'free on board' i.e. exporter does not bear the cost of freight of ship or air. In this case, the exporter quotes the price by adding the fabric cost, accessories cost, cost of manufacture, overhead cost, his commission, C&F commission & cost of transportation from factory to port. It is buyer (importer) who himself bears the freight of ship or air.

C & F

C& F means Cost of Freight i.e. FOB (Cost) + Freight.

In the case ship or air freight is carried by the exporter while quoting price, the exporter quotes price a bit higher than FOB. The whole responsibility including the sending of goods to the selected port of the importer is shouldered by the exporter ship or air. Freight may vary from place to place and shippers to shippers.

C I F

C I F means Cost, insurance & Freight. In this case in addition to the bearing of freight the Cost of insurance is also borne by the exporter. The exporter, while quoting CIF price, quotes much higher than C & F value i.e. C & F + Insurance



The following example will clarify how to fix price of a particular commodity: Let us quote a price of one dozen long sleeve shirts:

#### **4.7 Sampling**

The samples decide the ability of an exporter. The buyer will access the exporter and his organization only by the samples. If the samples are of good quality and with reasonable price naturally the buyers will be forced to place the order. So it is essential that the samples should be innovative and with optimum quality. The purpose of sampling is not only to get bulk orders and also give some additional benefits to the exporters. By doing sampling the exporter can estimate the yarn consumption for developing the fabric, a clear idea on costing more over the manufacturing difficulties. Besides by doing sampling only the exporter can optimize the processing parameters for mass production, which helps to avoid all kind of bottlenecks. All these works are carried out by the sampling department, which is led by a sampling in charge.

##### **The Details Attached to the Buying Sample**

After the confirmation of order, each sample sent to the buyer has the following details attached to it, with the help of a tag. It contains the details pertaining to both, what the buyer has demanded and what supplement fabric/trim etc they have used (if applicable).

- Ref no.
- Color
- Fabric
- Composition
- Description
- Quantity
- Style no/ Size
- Store

There may be a separate sampling department in a company. But as the merchandiser is the person who is interacting with the buyers regarding samples and other requirements, this sampling department will work under the supervision of merchandising department. Also as the samples are to be made according to the buyers' price ranges and quality levels, merchandiser has to advise sampling department suitably.

We have to send many samples to buyers. They are

- Salesmen samples or promotional samples

- Proto samples or fit samples
- Counter samples or reference samples or approval samples
- Wash test samples
- Photo samples
- Fashion show samples
- Pre-production samples
- Production samples
- Shipment samples

## **4.8 Sampling Process**

The process of sample department varies from context to context, and the development process covers a wide range of diverse products from new fibers, fiber blends, new yarns, fabric structures ,finishes and surface effects and all types of made up products such as knitwear, hosiery, cut and sewn garments, household products, technical and medical products. There are different phases of sampling; the first phase covers the development of the initial concept or design idea through its approval by the customer and full review/risk analysis by the development and production teams. The second phase covers the process following acceptance of the first prototype sample and includes the functions of sourcing and ordering component, testing the product and carry out trails once the finalized sample specifications has been drawn up, the third and final phase commences. The phase includes a range of activities that are carried out before large scale or bulk production capacity outside the home producer/developers wherever this is applicable

### **Development samples or enquiry samples**

When we work with some buyers continuously, we will have to keep on sending samples to them very often. Whenever they have enquiries, buyer may need samples. Buyers may like to see the garments in a new fabric. For one enquiry, they may need samples in different fabrics to choose from. If they want to develop new style in new fabric, then also we will have to send these samples.

We may have to spend too much on these samples. But these samples are inevitably important to develop business. Sometimes, even the buyer is not so confident of some enquiries, if our samples are good and attractive at reasonable prices, they will bring orders to us.

Also we will have to send samples to the newly contacted buyers to show our workmanship, product range, quality standards and price level. These samples should be sent so that they would attract the buyers.

So it is better for a company to have a separate sampling department so that they can create new styles in new fabrics to impress the buyers.

### **Salesmen samples or promotional samples**

Some buyer needs these samples for getting the orders from their customers. If the buyer is having 7 salesmen in his office, then the buyer will ask us to make 7 samples in each style. The salesmen will book the orders from their customers, by showing these samples. Buyer will place the order to us accumulating the quantities.

If we have sent samples for 5 styles, sometimes, we may get orders for all 5 styles, 3 styles or 1 style. Sometimes, we may not get order for even a single style. Expected sales may not be possible, due to poor quality, unsuitable colors, improper measurements, un matched prints or embroidery, etc of salesmen samples. Or it may be due to local business recession or competition or unsuitable prices. Any way, we have to make these salesmen samples perfectly with sincere interest to get orders.

We might have spent more money, time, etc for making these samples. But as we don't get orders, we cannot blame the buyer. He too cannot help us in this regard. To avoid this embarrassing situation, it is better to discuss about the cost of these samples with the buyer before proceeding for sampling.

Normally the sampling will cost us approximately 3 to 5 times of the garment price. We cannot expect to get the full cost from the buyer. Of course these samples will help us for our business. Hence we can ask the buyer to accept 2 or 3 times of garment price as the sampling cost, for the styles which we don't get orders. Some genuine buyers will agree for this.

### **Photo samples or fit samples**

These samples are to be made after getting the order sheets. These samples are needed to check the measurements, style and fit. So they can be made in available similar fabrics but in the actual measurements and specifications.

Some buyers may need these samples if they want to print the photos of garments on photo in lays, packing box, hang tag, etc. These samples may be needed for local advertisement or buyer's promotional occasions.

In any case, the samples will be worn by the highly paid models. The buyers will arrange the photo shoot session, by spending huge money to the advertising agencies. So the buyers will

need these samples strictly on time. If they don't get samples on time, the buyers will have to pay more compensation to the advertising agencies and models.

Buyers will ask us to make the photo samples according to the intended model's body fit. So it is important to strictly adhere to these measurements. Buyer may ask these samples to send either from production or before starting production.

#### Wash test samples

If these samples are sent before starting production and if we get some remarks or comments on these samples, we can correct them in production. But some buyers will need us to send these samples from production before shipment. In this case, these samples may be considered as 'shipment samples'. If these samples are rejected due to some complaints, then we will not have any excuse and we will be in real trouble.

#### **Pre-production samples**

These samples are almost like approval samples. They have to be made in actual production fabric with actual bulk trims. They will represent that the production will be like these samples.

#### **Production samples**

These samples are to be sent before shipment to get the buyer's confirmation for shipment. Hence these samples are needed to be perfect in all manners. Buyer may check these samples for everything or anything. Sometimes, they may do wash test also. We should not get any remark or comment. We have to get only 'OK' from the buyer. Then only we can ship the goods and we can be sure of getting payment. So these samples are to be sent with more and more care.

#### **Shipment samples**

These samples are to be sent after shipment. They should be sent in actual packing with all labels, tags, etc. (Generally these samples will not be tested by buyer for anything. And even if we get some comments from buyers, we can save ourselves by saying that these samples were sent from the left over garments after the shipment; hence there might be some mistakes. If we expect any comments in these samples, it is better to inform the buyer during sending these samples).

#### **4.9 L/C Opening Procedures in Bank**

The importer after receiving the perform invoice from the exporter, by applying for the issue of a documentary credit, the importer request his bank to make a promise of payment to the supplier. Obviously, the bank will only agree to this request if it can rely on reimbursement by the applicant. As a rule accepted as the sole security for the credit particularly if they are not the short of commodity that can be traded on an organized market, such an arrangement would involve the bank in excessive risk outside its specialist field. The applicant must therefore have adequate funds in the bank account or a credit line sufficient to cover the required amount. Banks deal in documents and not in goods. Once the bank has issued the credits its obligation to pay is conditional on the presentation of the stipulated documents within the prescribed time limit. The applicant cannot prevent a bank from honoring the documents on the grounds that the beneficiary has not delivered goods on redder reissues as contracted.

The importer submit the following documents before opening of the L/C

- i. Tax Identification Number (TIN)
- ii. Valid Trade License
- iii. Import Registration Certificate (IRC)
- iv. The Bank will supply the following documents before opening of the L/C
- v. LCA form
- vi. IMP form
- vii. Necessary charge documents for documentation.

The above documents must be completed duly signed and filled in by the party according to the instruction of the banker.

#### **4.10 Costing**

Costing includes all the activities like purchase of raw materials and accessories. Knitting fabrics, processing and finishing of fabrics, sewing and packing of garments transport and conveyance, shipping, over heads, banking charges and commissions, etc. The method of making costing will vary from style to style. As there are many differentia styles in garments. It is not possible here to discuss about all the styles. Hence let us take some following styles as examples which are in regular use.

- Men's Basic T-Shirts
- Men's Printed Polo Shirts
- Ladies

- Men's Trouser.

To make the buying costing, we have to find out following things.

- Fabric consumption.
- Gross weight of other compliments of garment.
- Fabric consumption.
- Fabric cost per garment.
- Other charges (print, embroidery. etc.
- Cost of trims (labels, tags, badges. twill tapes, buttons, bows, etc.)

## 4.11 Marketing

“Marketing is a process of planning & executing the conception, pricing, promotion & distribution of goods, services and ideas to create exchanges with target group that satisfy customer & organization's objectives”

Marketing Concept:

The marketing concept holds that the key to achieving organizational goals consists in determining the needs & wants of target market & delivering the desired satisfactions more efficiently than competitors.

It can also be expressed in many other ways like

- Meeting needs profitably
  - Find wants & fill them
  - Love the customer, not product
  - To do all in power to pack the customer's dollar full of value, quality and satisfaction
- Export means to sell the products outside the boundaries of the country.

### Objectives of Marketing /Export Department

Following are the main objectives of export dept:

- Committed to generate export business all over the world with good quality products
- To provide better service to customers
- To achieve company objectives actively
- Establish & develop professional working environment in the Dept.
- Incline a sense of responsibility and timely initiative in staff members of Dept.
- Proper implementation of ISO 9002 standards

## **Approval**

CE gives the approval or may give other price to be offered. Contract review & check sheet Section in charge takes following steps before issuing a contract:

- ❖ Prepare contract review check sheet
- ❖ The requirements are adequately defined and involvement's of production areas.
- ❖ In house/outside have the capability to meet the order requirements.

After getting approval of costing and review of customer requirements, prices are quoted to customer for confirmation. After confirmation of prices by customer, sales contract is issued to the customer with complete detail of construction, width/size, price, quantity, delivery, payment terms etc. and the cloth order is sent to relevant department.

## **Purchase order**

Purchase indent folder are received from customer pertaining to different contract booked sectional in charge check and see any discrepancy of the contract if any is found, then it is come to the knowledge of the customers for amendment.

## **Grey demand**

Grey demand placed to the following department

- ❖ To export sales section for new order or revision
- ❖ To production planning and coordination (PPC) they are coordination between export and processing department.
- ❖ The stock management for updating stock position
- ❖ Inspection Grey cloth for issuance of Grey to processing

## **Strike off preparation & approval**

Customer sends their designs either as on art paper; as paper sketch or fabric cutting. From these cuttings the strike off is made.

## **Assortment**

Once customer is satisfied with strike off, the order quantity is assorted with design. Letter of credit L/C is established and after receipt of L/C these are checked with regard of ordered goods by the sectional in charge and discrepancies in L/C are noted and the customer is informed for amendment.

### **Dispatch of goods**

Dispatchable goods detail along with samples received from the folding department. Each section verifies the quantity of goods to be dispatched, they intimate to the S & D section to dispatch goods.

### **Shipment**

Shipment & dispatch is responsible for all documentation and shipment of goods by air and sea.

ISO department prepared management information system report. Customer complaints After receiving the goods if customer found any defect, he complains the same to the concerned department in charge. Sometimes they sent the defective sample for review.

## **4.12 Work Instruction for Final Quality Audit**

### **Purpose & Scope**

To ensure Quality & the Measurement of the final inspection garments meets required AQL Standard.

### **Responsibility**

QA Manager is responsible for the implementation of Final Quality Audit & verifies The Final Quality Audit Report. Final Auditor is responsible to carry out the Final Audit & Maintain the Final Quality Audit Report.

### **Procedure**

On daily basis the final audit of every style of packed garments is carried out by final audit. The Audit is conducted following 2.5 AQL Standard. During the Audit the final auditors inspect for measurement, assortment, color, packing and the no. of garments to be packed in the cartons etc. For measurement record will be kept in form Measurement Chart (QA/03/11)

### **Procedure for Calibration:**

#### **Purpose & Scope**

This procedure outlines Voyager Garments wide requirements of calibration. All inspection, measuring and the test equipment can affect the quality of the product.



## **Responsibilities**

Quality Control Manager / Production Manager are responsible for implementation of this procedure. Maintenance in charge is responsible for calibration of equipment and maintaining calibration records.

Master List of All Inspection Measuring & Testing Equipment:

Maintenance department will maintain a master list (MNT/3/006) of inspection, measuring & test equipment. This list will show the following information: -

- Identification Number of Equipment
- Name of Equipment
- Range Size of Equipment
- Least Count
- Accuracy Required
- Location of Equipment
- Calibration Frequency
- Calibration Done by Remarks

If any equipment becomes “Out of Order” then concerned department personnel will send the out of order equipment along with a description to maintenance department.

Maintenance department personnel will after verification declared the equipment as “Out of Order” and maintain the record in master list and properly dispose the equipment.

Calibration:

- External Calibration
- In-house Calibration
- External Calibration

Out-side calibration services agencies will be approved by production Manager / Quality control Manager. Before approval, it will ensure that calibration agency has appropriate traceable standard.

Maintenance department personnel will send the equipment to calibration agency in proper packages.

Upon receiving the equipment from calibration agency, maintenance department personnel will make sure that “Calibration Status Sticker” is pasted on equipment. This sticker shows the date of calibration and next due date.

Maintenance department personnel will also ensure that the calibration agency has sent a calibration certificate along with each equipment.

Maintenance department personnel will maintain records of these certificates.

### **In house Calibration:**

Maintenance department personnel will perform the in-house calibration in a controlled environment.

All the in-house calibration will be performed according to appropriate calibration procedures.

After performing calibration, Maintenance department personnel will affix the calibration status sticker, indicating the date of calibration, next due date and the signature of the person who performs the calibration. He will also maintain the record in calibration data card (MNT/3/007).

### **Calibration Scheduling:**

At the start of each month, maintenance department personnel will make a list of all those equipment's, which require calibration during that month.

The schedule of calibration is sent to all concerned departments/ functions.

On prescribed date, Maintenance department personnel will pick the equipment and make arrangement for their calibration.

### **Marketing Defect**

1. Shaded Parts:-All component parts not included in same section.
2. Pieces not Symmetrical:-Will not sew together without puckering or pleating.
3. Not Marked by Directional Lines:-Bias will not light together, causing twisting, puckering. Pleating and a general mismatching of component parts.
4. Skimpy marking:-Marker did not use outside perimeter of pattern. Pattern moved after partially marked to fit into space.
5. Notches and Punch Marks:-Left out not clearly marked or misplaced.
6. Marker Too Wide:-Parts will not catch in lay, causing skimpy garments or requiring results.
7. Marker Too Narrow:-Results In wasted material
8. Mismatched Plaids-Marker did not block component parts to match.
9. Misdirected Napping:-Patterns not marked in same direction and napped fabrics.

## **Marketing Inspection Factors which must be checked**

- It is necessary to check all the parts of buying pattern are in marker.
- In marker labeling or coding of pattern should be checked
- Pattern direction should be checked.
- The entire patterns are sated correctly.
- Pattern grain line is very important thing which must be considered during marker making.
- During marker making every pattern pieces dimension should be accurate.
- During marker making fabric length and width should be considered.
- Marker width
- Notches & drill marks
- Knife clearance
- Checks and stripes (mittering)

## **Cutting Defects**

1. Misplaced Piece Rate Tickets or Bundle Members:-Attached to, or marked on, wrong bundles, causing mixed sizes or land shades.
2. Drill Marks:-Drill marks misplaced, not perpendicular, omitted or wrong side drill used.
3. Opening Slits:-Cut under above to the side or at incorrect angle. Not cut through entire bundle or omitted.
4. Improper Cutting:-Not following marker lines, resulting in distorted parts. Letting knife lean causing top and bottom ply to be of different sizes.
5. Notches:-Misplaced, too deep, too shallow or omitted.
6. Oil Spots:-Equipment improperly oiled or cleaned.
7. Improper Knife Sharpening:-Causing ragged, frayed or fused edges on bundles.
8. Knife or Scissor Cut:-Piece damaged by over run in cutting previous piece.

Failure to follow the marker lines resulting in distorted garment parts. Top and bottom plies can be a different size if the straight knife is allowed to lean, or if a round knife is used on too high spread. Notches, which are misplaced, too deep, too shallow, angled, omitted, or wrong type to suit fabric .Drill marks, which are misplaced, wrong drill to suit fabric, omitted, not perpendicular through the spread. Frayed edges, scorched or fused edges, caused by a faulty knife, not sharp enough, or rotating at too high a speed. Knife cut. Garment part damaged by

careless use of knife, perhaps overrunning cutting previous piece. Marker incorrectly positioned on top of spread. Buying parts have bits missing at edge of lay. If too tight or too loose then buying parts are distorted. Slits opened inaccurately or omitted.

### **Defects in Buying**

For every industry or business, to get increased sales and better name amongst consumers and fellow companies it is important to maintain a level of quality. In the buying house quality control is practiced right from the initial stage of sourcing raw materials to the stage of final finished buying. For apparel industry product quality is calculated in terms of quality and standard of fibers, yarns, fabric construction, color fastness, surface designs and the final finished buying products. However quality expectations for export are related to the type of customer segments and the retail outlets. There are a number of factors on which quality fitness of buying house is based such as performance, reliability, durability, visual and perceived quality of the buying. Quality needs to be defined in terms of a particular framework of cost. The national regulatory quality certification and international quality Programs like ISO 9000 series lay down the broad quality parameters based on which companies maintain the export quality in the garment and apparel industry. Here some of main fabric properties that are taken into consideration for buying manufacturing for export basis:

- Right formation of the Overall look of the buying. Color Physical properties. Feel and fall of the buying. Presentation of the Finishing properties fastness of the garment final produced buying.
- Most large sewing inspection & necessary to check all the machine operators' important section.
- Some common faults and problems must be work. –Sewing considered –Pressing or Finishing –Assembly defects –Seaming defects
- Needle damage Stitching defects sewing inspection
- Wrong stitch density
- Seam pucker
- Thread breaks
- Skipped stitch
- Improperly formed stitch
- Staggered stitch

- Uneven stitch

There are certain quality related problems in garment manufacturing that should not be overlooked:

Sewing defects - Like open seams, wrong stitching techniques used, same color garment, but usage of different color threads on the garment, miss out of stitches in between, creasing of the garment, erroneous thread tension and raw edges are some sewing defects that could occur so should be taken care of.

### **Color Defects**

Color effects - Color defects that could occur are difference of the color of final produced garment to the sample shown, accessories used are of wrong color combination and mismatching of dye amongst the pieces.

### **Sizing Defects**

Sizing defects - Wrong gradation of sizes, difference in measurement of a garment part from other, for example- sleeves of XL size but body of L size. Such defects do not occur has to be seen too.

## **Chapter: 5**

# **Findings, Recommendations and Conclusion**

## **5.1 Findings of the study**

On the basis of analysis and practical experience of internship period the following findings are observed:

Ananta Companies has outstanding reputation in the global market for excellence. It is a composite factory where they have all the sectors of woven and knit item like spinning, knitting, dyeing, printing, embroidery, accessories, and garments production. So, this is huge in case of production and maintenance both. However, this huge organization is not facing profit due to many of reasons what I have observed from the internship period-

1. Supply chain or procurement department is not very strong in this company which causes that the merchandisers procure all the raw materials of garments that's why they feel more pressure to complete shipment and some time also over the shipment date then company should pay the extra money for air shipment. So when supply chain department procure all the raw materials then merchandiser can easily shipment the goods within leadtime.
2. Planning department of operation should be strong and the time management should be followed. Here, productivity is low due to less command of the authority towards the production. It should be increased for the higher productivity.
3. Quality assurance system should be modernized because quality is the top priority of all international buyers.
4. Working environment should be increased.
5. Pay scale is very poor which is needed to be increased because company will lose potential employees due to their policy.
6. Distribution of power should be well managed and transparency among the workers and the management should be followed.

In this report I examined the relationship between price, advertising and promotion, salary and merchandising performance of the Ananta Companies. Using regression models, we found a statistically significant relation between price, advertising and promotion, salary with merchandising performance which was consistent with expectations.

## 5.2 Recommendations

Generally I have given the concentration on merchandising activities of Ananta Companies. I would like to recommend the following areas that should be improved immediately to achieve the desired goals-

1. Instead of short-term relationship, Merchandisers need to develop long term relationship with the key parties – buyers, buying houses and suppliers etc.
2. Director should clearly share his mission with manager and all the staffs. Because a clear mission statement guides the employee to work independently and to achieve the organizational objectives,
3. As the industry is in a struggling position; it should frequently measure the annual growth rate through the growth share matrix, BCG (Boston Consulting Group approach) whether business is operating effectively or not.
4. Consultancy with garments expertise regarding the development strategies will be helpful to get more output.
5. Ananta Companies should identify their position based on the product life cycle and the position of competitors so that they take corrective action to compete & stay in the business.
6. Ananta Companies can establish their own design section and from there they can create unique and innovative products design for marketing. And in this purpose they can contract with professional fashion designer in Bangladesh and abroad to get the maximum results.
7. The industry can use internet as an efficient promotional tools for buyer awareness about their business. In this purpose they can develop their own website with detail information about their business.
8. It should allow its employees to participate in decision making process so that it will help to get more productivity & commitment to work.
9. The industry should establish a good salary structure & ensure the due time salary & wages.



### **5.3 Conclusion**

The aim of this report was build up a guideline, by which, one can make decision easily that how to do the Ananta Companies merchandising. A person can easily understand what kind of documents need for merchandising. In the paper I attach different type of documents live picture so that anyone can see the papers visually.

From our thesis that mean at the time of thesis work we learn apparel costing, quality, banking, and buyer negotiation. We learn how much fabric required 1 doz Buying. How much thread required for 1 doz buying sewing and costing calculation etc.

Bangladesh is a developing country .in this country unemployment problem is slightly overcoming by our Buying or apparel sector. A huge number of people are working in this sector. Initially, the situation of this sector is not so good but now a day this sector is earning a lot of foreign currency, around 80%-85% of our total economic growth which is making our economic sector very strong. And merchandisers are those people who are working here day to night in order to develop this sector. Merchandisers' goal is to collect order, execute, develop the best & supply the best.

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