

# **MERCHENDISING ACTIVITIES OF INTERSTOFF APPAREL LIMITED (IAL): AN EVALUATION**





**Daffodil**  
*International*  
**University**

## **Merchandising activities of Interstoff apparel Limited: An Evaluation**

### **Prepared For:**

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### **Prepared By:**

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Major in Marketing.  
Daffodil International University.

**Submission Date: Dec 29, 2022**

## **Letter of Transmittal**

28th Dec 2022

Mr. Mohammad Shibli Shahriar

Associate Professor

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University.

Subject: Internship report on “Merchandising Activities of Interstoff Apparel Limited: An Evaluation”.

Dear Sir,

With great pleasure, here I submit my internship report on “Merchandising activities of IAL that you have selected & assigned as a compulsory requirement of MBA Program. I have tried my best to find out the original scenario with full of effectiveness & efficiency.

I have learned a lot and gained valuable experience & knowledge while collecting information for the project. It was a great opportunity for me to work on this real-life work to actualize my theoretical knowledge.

I think, this report completion would not be possible without your guidance and this report will meet your expectation, if you come across any question or quarries regarding these cases, it will be my pleasure to clarify your questions.

Sincerely,

Md.Nazmul Islam

ID No:121-14-676

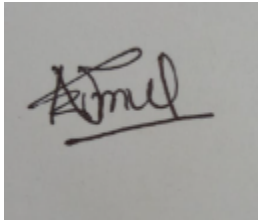
MBA, Daffodil International University.

## Student Declaration

I hereby declare that, Internship report titled " Merchandising Activities of Interstoff Apparel Limited: An Evaluation " submitted to Daffodil International University is a real work fully completed by myself under the supervision of Mr. Mohammad Shibli Shahriar, Associate Professor, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University, & submitted in partial fulfillment of the requirements for the completion of MBA program.

I confirm that the report is only prepared for my academic requirement not for any other purpose.

Sincerely,

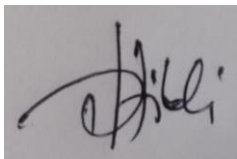
A square box containing a handwritten signature in black ink. The signature appears to be 'Md. Nazmul Islam' written in a cursive style.

Md.Nazmul Islam  
ID No:121-14-676  
MBA, Daffodil International University.

## Latter of Acceptance

This is to notify that Md. Nazmul Islam is a student of MBA program, ID No :121-14-676, under the Department of Business and Administration. He has successfully completed his internship program entitled "Merchandising Activities of Interstoff Apparel Limited: An Evaluation" under my supervision as the partial fulfillment for the award of MBA Program.

He has done her job according to my supervision and guidance. He has tried his best to do this successfully. I think this program will help him in future to build up future career.



.....  
Mr. Mohammad Shibli Shahriar  
Associate Professor  
Department of Business Administration  
Faculty of Business & Entrepreneurship  
Daffodil International University.

## ACKNOWLEDGEMENT

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

First of all, I would like give a big thank to Mr. Mohammad Shibli Shahriar, Associate Professor, Daffodil International University, Faculty of Business and Entrepreneurship, who helped me, assisted me and guided me to complete this report successfully. He was constantly supporting me with his inspiring personality.

I would like to thank Mr. Thushara Bandara, Divisional General Manager, Merchandising & Marketing, Interstoff Apparel Limited for being my on-site supervisor & provided me time to time information, suggestion as well as procedures to work with my topic.

Finally, I will show my gratitude to all the Management & Production Management Staffs who have helped me during the internship period.

## Executive Summary

Internship report is a mandatory requisite of completing MBA program, this research report helps to connect academic gained knowledge to the practical job experience. The report entitled "Merchandising activities of Interstoff apparel Limited: An evaluation" helps me a lot to observe and connect my university gained knowledge in daily merchandising work at IAL.

Interstoff Apparels Limited, starting its business from a very small factory of only 62 machines in the year of 2000, reached now to a remarkable position and belongs the most trustworthy and a respectful name amongst all knitwear manufacturers in Bangladesh for its manufacturing operations, product workmanship, disciplined work environment with a contributory workforce of more than 14000 people and exporting approximate 170M Pcs garment each year to difference corner of the globe.

Among all other departments, merchandising department is the core department of any garment organization. This department works as a breeze between ultimate buyer and factory. Business largely depends on their efficient communication. In the whole process of shipment, merchandising activities starts from collecting order from buyer to arrange all approval, follow up payment and production, offer final inspection, and collect buyer approval for shipment.

Making the right samples, booked related trims and accessories and getting production samples approval are the key responsibility of merchandising.

Also ensuring on-time payment from buyer and delivering correct product and make company profit is major objective of merchandising.

This company has highly professional merchandising team, international design team and efficient production team, all work together to achieve the yearly target, which is set by BOD.

This report will give reader a clear insight of total company profile, its merchandising activities, problems & recommendation.

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# **Chapter-One**

## **Introduction**

## 1.1 Introduction

RMG sector is the largest section of our country which earn maximum revenue. Since the late 1970s, this industry started developing in Bangladesh primarily as an export-oriented industry now its became 2nd largest exporting county in world. We are now making any types of woven, knitted and sweater product and exporting to UK, Middle East, USA and EU market.

To source the buyer from outside market, merchandising plays a vital part, and the people to do this job called merchandiser. Merchandising is a process of satisfying buyer need and requirement, securing company maximum profit and by delivering product timely.

This report will explain details merchandising procedure, drawbacks and try to identify the best possible solution.

## 1.2 Background of the Study

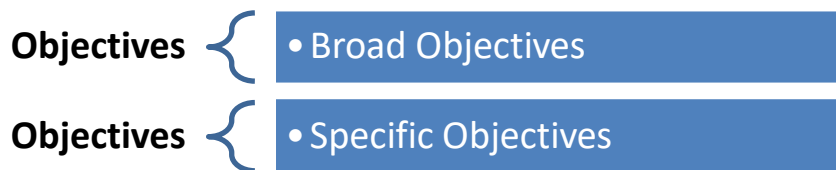
The primary aim to clearly understand the merchandising activities and its activities on RMG company. Another reason to complete last three-credit of MBA Program.

This study also helps to know the working activities & mechanism of merchandising and help to take decisions to improve merchandising activities.

Finally, when I shall submit this report to university, any new students can get proper data about the procedure and can be benefited.

### 1.3 Objectives of the Study

Objective means the purpose of this report.  
Here objectives can be classified in two ways.



- **Broad Objectives.**

Broad objective of this research work paper is to identify and evaluate the merchandising activities of merchandising in Interstoff Apparel Limited.

- **Specific Objectives.**

- To identify the merchandising procedure of the IAL.
- To figure out merchandising problems of IAL.
- To recommend suggestions to overcome the merchandising.

### 1.4 Method of the Study

Methodology is a system of methods used in a particular area to complete my assigned report. This report was compiled using both primary and secondary data sources of information.

*Primary data:*

- Three months work experience & Conversation with random employees was my essential asset to gather data for this report.

*Secondary Data*

- I have collected this data from different sources like, company profile, websites, catalog ETC.

## 1.5 Limitation of the Study

Limitation faced for completing this report are as below.

1. Time limitation.
2. Merchandiser doesn't have enough time to give the information elaborately.
3. Short time work experience in difference teams within merchandising department which create barrier to collect actual information.
4. Lack of organizing chain of command.
5. Merchandising data are confidential, which is not disclose to new intern.

# **CHAPTER -TWO**

## **Introduction to Organization**

## 2.1 History & Evolution

Interstoff Apparels Limited, starting its business from a very small factory of only 62 machines in the year of 2000, reached now to a remarkable position and belongs the most trustworthy and a respectful name amongst all knitwear manufacturers in Bangladesh for its manufacturing operations, product workmanship, disciplined work environment with a contributory workforce of more than 14000 people.

## 2.2 Interstoff Setup

**Interstoff Apparels Ltd** : Fully vertical fabric, garments, printing and laundry unit.

**South East Textile (Pvt.) Ltd**: Fully vertical fabric, garments, printing, embroidery and laundry unit.

**Interstoff Clothing Ltd.** : Knit Garment Sewing Unit.

**Interstoff Knitting Ltd.** : Knitting unit for the group.

**Anam Clothing Ltd.** : Specialist hand and machine embroidery unit.

**NSN Printing** : Specialist placement print unit.

## 2.3 Capacity at a glance

**TEXTILES:** 33 million meters of circular knit fabric (110,000 meter/day)

**EMBROIDERY:** 11 million panels (40,000/day)

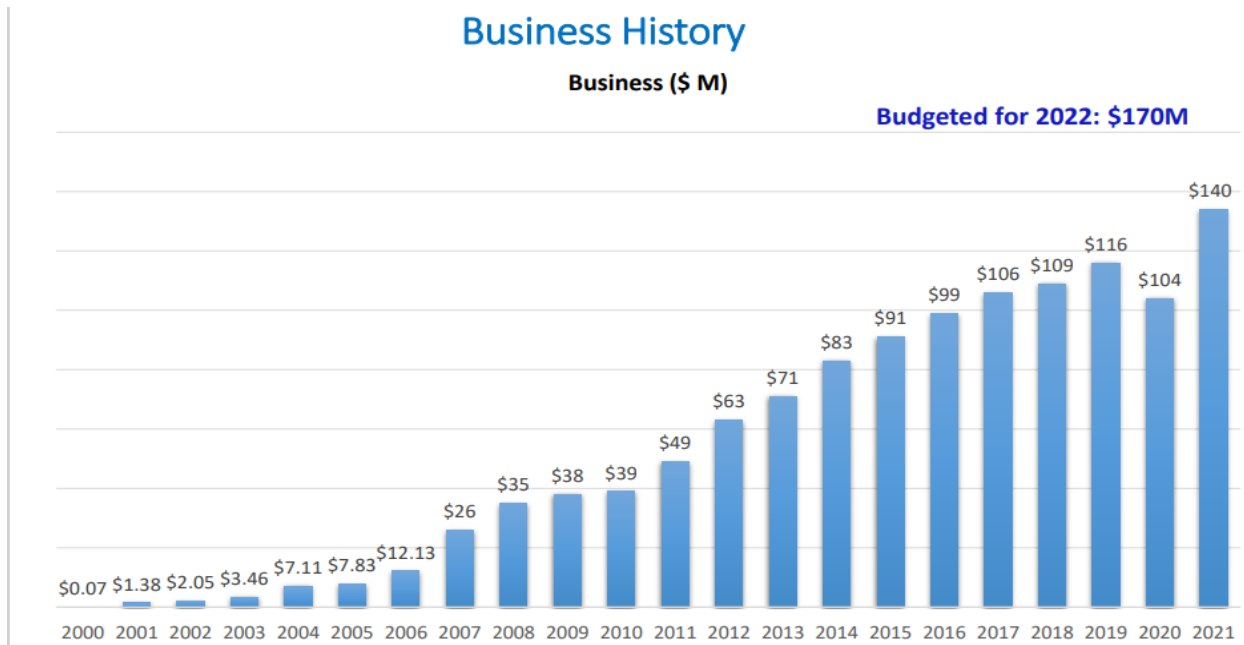
**GARMENTS:** 76 million units (6.5 million/month)

**LAUNDRY:** 12 million units (40,000/day)

**PLACEMENT PRINT** :2.6 million panels (85,000/day)

**SAMPLING:** 800 units/day

## 2.4 Business History



## 2.5 Interstaff Customers

M&S  
EST. 1884

H&M

TESCO

Sainsbury's  
live well for less

MANGO

ck  
Calvin Klein

TOMMY  
HILFINGER

DKNY

RIVER ISLAND

Target

Mark's

OSHKOSH  
B'gosh

F/I/D

IKKS

COTTON:ON

stella  
stanley

## 2.6 Mission

**To our customers:** Total satisfaction through providing on-time delivery of quality products & services.

**To our Employees:** Good work environment & compliance with national & international rules.

**To our Society:** Creation of a Better Tomorrow

## 2.7 Vision

- Gain market leadership in high value-added apparel in UK, EU & CANADA.
- Use “Innovation, Ontime shipment” as prime drivers, rather than Cheap product & cheap labor.
- Dominate these markets in high quality.

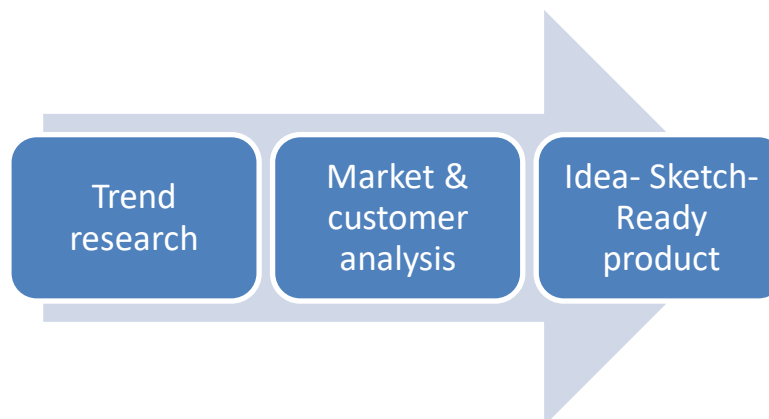
## 2.8 Products

- Men, Ladies, Active Wear, Sleepwear, Kids, School wear, ETC

## 2.9 Design & Development

IAL design and development team is made to establish Interstoff as an internationally respected name among the knitwear manufacturers.

### Team Focus





## 2.10 Corporate Social Responsibility

# Interstoff funding monthly basis to run a school where 300 underprivileged students are getting their education (80% of them are girls)

# Contributing through BASS for education and other expenses (up to graduate level) of 14 children whose family were victimized in Rana Plaza incident.

# Provide sanitary napkin for female workers under a project named "Hallo" collaboration with CARE and GSK.

# Subsidized hepatitis vaccination for the workers.

# Blood grouping and blood donation camp in the factory premises.

# We have started education program for Illiterate workers and last year 150 workers been provided with this program.

# From 2013 we have started giving excellent education achievement award to employee's meritorious children who score GPA 5.

# One Ultrasound checkup bill amount paid to female workers during their pregnancy

# **Chapter-Three**

## **Merchandising concept**

### 3.1 Duties/Responsibilities of a Merchandiser

Garments merchandising is the process of purchasing raw materials and trims to produce complete garments in response to a specific purchase order of garments and exporting them under the same purchase order within the specified time frame while maintaining the quality level required by the buyer.

#### **Merchandiser:**

Merchandiser is key player, who plays vital role in between buyer and seller in terms of negotiation and delivering services. Merchandiser should have following qualities “MERCHANDISER, Following will be the elaboration of each work of merchandising.

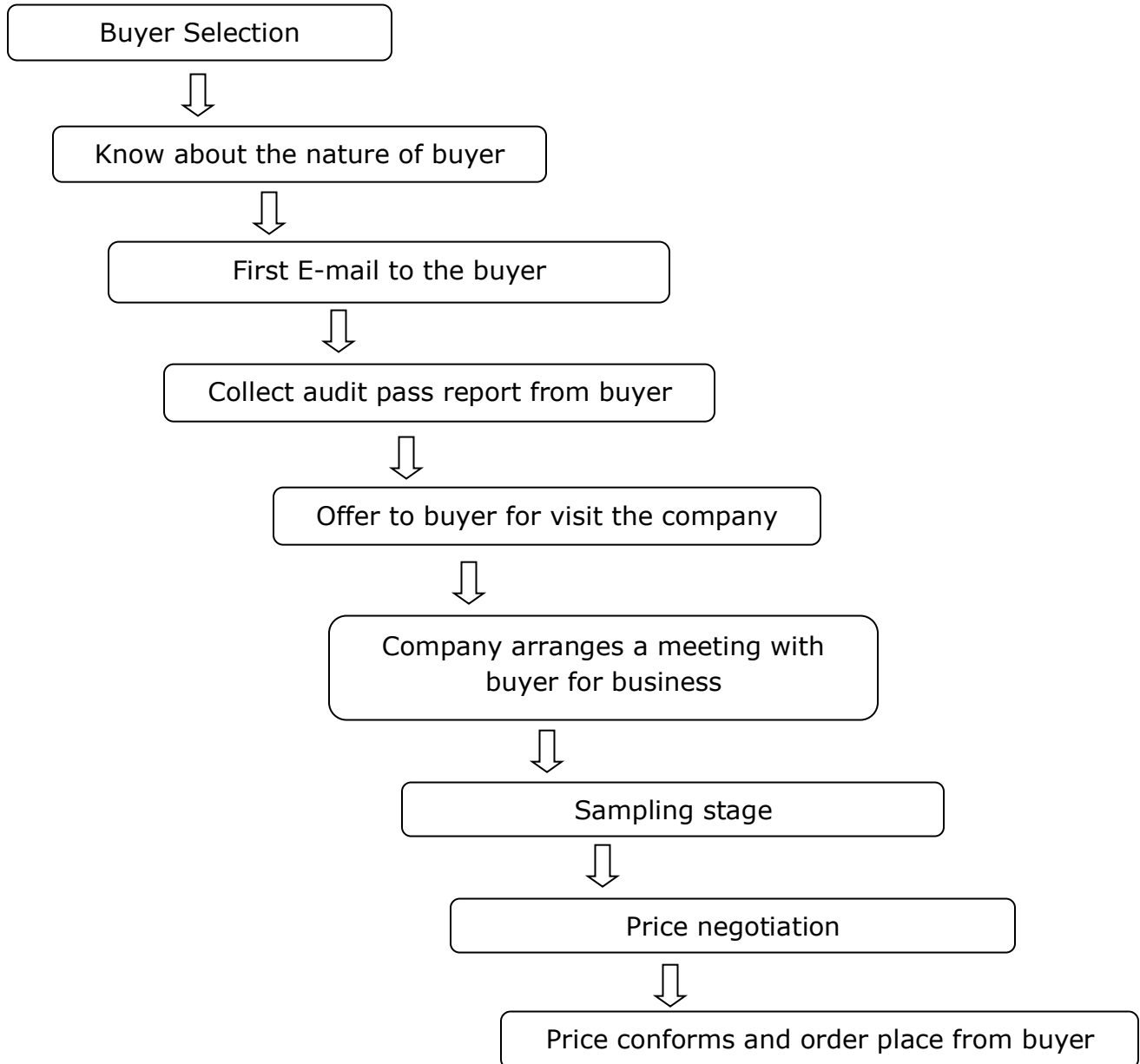
- **M- Strong Managerial** capacity.
- **E- Efficient** in communication.
- **R- Ability to take the Responsibility.**
- **C- Commitment** consistency.
- **H- Should be Honest** in profession.
- **A- Positive Attitude.**
- **N- Never** argument.
- **D- Devoted** to his Job.
- **I- Should be Informed** about his all orders.
- **S- Sincere** in his duties.
- **E-Always Enthusiastic.**
- **R- Regular** in e-mail communication.

**The core responsibilities of a smart Merchandiser involves in four stages.**

1. Sourcing for future orders/Buyers
2. New Order
3. Confirmed Order
4. Running Order

### 3.2 Procedure for Business Development

Main responsibilities of merchandising is to source new and potential buyer for company profitability. To do the job, merchandising team has to follow below steps efficiently.



### 3.3 First mail to new business venture

Any new business development seller has to communicate with potential buyer. Email is the strongest and simple way of communication. When seller try to communicate first time with buyer, he has to highlight below point clearly, so that buyer can know details about the company, its product and take purchase decision accordingly.

- Introduce yourself and organization.
- Sharing Information regarding company's existing products base and area of expertise.
- Capacity and efficiency allocation.
- Existing buyer base with territory.
- Attachment of updated company profile.
- Offer world better service & delivery performance toward potential customer.

## Sample of first email

Dear Mr.X,

Good morning! Allow me to Introduce Interstoff!

The "Interstoff Apparels Limited" in Bangladesh which is fully Vertical Knit Manufacturer with capacity of 6 million pieces a month across 175 production lines with the turnover of US\$ 175 million apart from the woven & sweater business.

I would like to provide more information about our company as bellow and objective is to seek for new business opportunities, start and grow, together the Brand.

Highly appreciate your assistance to start business with Interstoff.

#### **1.Textiles: 33 million meters of circular knit fabric (110,000 meter/day)**

#### **2. Vertically integrated knit fabric unit**

**Capacity:** 25,000 kg/day

**Fiber:** Cotton, Organic Cotton, Viscose, Modal, Tencel, Cotton-Viscose, Cotton-Modal, Cotton-Tencel, CVC, CVC Siro, PC, CPV, Neppy, Injected, Space dyed etc.

#### **3. Fabric Manufacturing Unit**

**Flat Knits:** Collar & Cuffs - Plain, Ripple, Scallop, Tipping, Plaited etc.

**Lab:** In house testing lab, accredited by M&S, H&M, Next, Tesco and Sainsbury's.

**Certification:** Oeko-tex 100 certified Fabric unit

#### **4. Laundry**

**Dye Process :** • Pigment Dye • Reactive Dye • Pop Dye • Sulfur Dye • Dip Dye • Tie Dye

**Wash Process :** • Acid Wash • Rubber-ball Wash • Silicon- Enzyme wash • Heavy Enzyme Wash • Burn out wash • Towel Bleach • Ink Spray • Aqua wash • Bleach wash

#### **4.In house print facility with 78000 panels per day.**

#### **5.In house Embroidery Facility to support all clothing concerns in the group.**

#### **6.Product Types**

Women's, Men's & Kids wear covering bellow Categories.

T- Shirt, Polo Shirt, Sweatshirts, Hoody, Fashion Dresses, Knitted Jogger, Knitted jacket, Active wear, School wear, Sleepwear, Light weight woven Pajamas etc

Interstoff is well reputed Company in Bangladesh who caters to major Brands in EU.

I really appreciate if you could consider us to start Knit Business as we can offer you competitive prices, Lead times and Best quality.

Kindly refer to attached company profile for more details.

Apart from all the regular certification we also have **FAMA for Disney product!** So for any Licensor even for Disney, we got it covered here.

Many Thanks & looking forward to hear from you!

Best Regards,

[Md.Nazmul Islam](#) | Divisional Sr.Merchandiser- Merchandising & Marketing

**Interstoff Apparels Limited** | Chandora, Kaliakoir, Gazipur, Bangladesh

Phone : Direct : (+88 06822) 521 19-26; Ext-151 |

### 3.4 Marketing/Buying sample making guidelines for Customer

Samples are essential for collecting new orders and seeking proper attention from buyer. Without right quality, styling & workmanship sample, it's not possible to grow business with new buyer.

So samples should be of a higher standard than bulk garment Production. Therefore, when we give a quality sample to the buyer, we must ensure following guidelines:

Step 1: Use combed yarn (Correct Yarn)

Step 2: Properly dyeing the fabric.

Step 3: Make pattern correctly.

Step 4: Hand Stitching to be proper.

Step 5: Use correct and required accessories.

Step 6: Re-check measurement & quality.

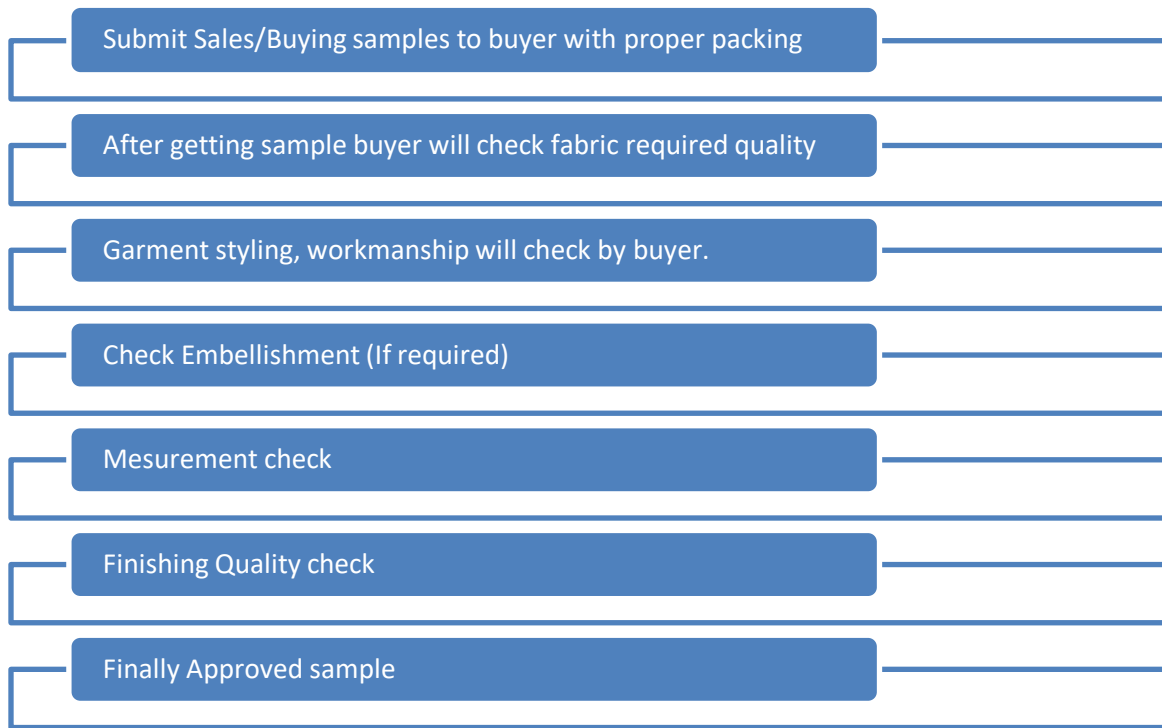
Step 7: Finishing & Pack properly.

Step 8: Send sample with forwarding letter & measurement sheet.

### 3.5 Approval procedure of sales samples

Sample is made when price is confirmed and orders are placed. Buyer held a meeting with its customer and records their response on order quantity per color, size etc. and finally place order to their vendor. Sales sample basically use catalogue buyer.

Process chart in chronological order.





### 3.6 Cost sheet & consumption sheet preparation

Costing is another major task for merchandising activities. Without proper and effective costing its not possible to make profit from the order. To calculate cost, merchandising team need to have the clear idea of all below items actual cost. Before confirming a garment FOB, merchandising need to consider below cost correctly.

1. Total required yarn costing.
2. Knitting costing of order.
3. Dyeing costing.
4. Fabric costing.
5. Cost of making garment.
6. Trim cost per garments
7. Print, Embroidery cost.
8. Inspection, test and commercial cost
9. Shipping charge.
10. Buying commission (if necessary)

#### Dummy Cost sheet:

Order Head Details			
Line	Order No.	Material Code	Quantity
1	400-4000-100-0000000000	Material Code	100000
2	400-4000-100-0000000000	Material Code	100000
Total Quantity			200000

A Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

B Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

C Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

D Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

E Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

F Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

G Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

H Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

I Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

J Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

K Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

L Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

M Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

N Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

O Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

P Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

Q Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

R Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

S Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

T Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

U Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

V Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

W Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

X Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

Y Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

Z Description of Order			
Order No.	Order Date	Order Qty	Order Value
400-4000-100-0000000000	2023-10-10	200000	10000000

### 3.7 Master L/C checking procedure & important items should be Check/Included in Master L/C

A Master L/C is a payment security, offering high quality payment security to a business transaction for both parties. The seller will receive payment for his goods if he meets all conditions prescribed by the letter of credit. Without Master L/C, manufacturer cannot open B2B LC for fabric, trims (Of his order), Also shipment not possible without master LC.

Merchandising task is to check below points from received master LC.

- ❖ Types of L/C.
- ❖ LC number
- ❖ Issue date.
- ❖ Expiry date.
- ❖ Applicant and beneficiary address.
- ❖ Issuing bank details.
- ❖ Payment value & currency.
- ❖ Port of loading and discharge.
- ❖ Goods description, Packing way and shipment tolerance. ETC.

### 3.8 Price negotiation procedure with different suppliers

Arrange meeting with different suppliers (Fabric+ Accessories)  
Collect Competitive price from different suppliers  
Select Competitive price  
Argument with selected suppliers to settle the price  
Price Win situation with supplier  
Fixed Price  
Place Order to supplier

### 3.9 Merchandising activities on production

After getting an order from the buyer, the merchandiser must set details time and action plan (TNA) with all concern parties to develop & ensure a production plan. Here below PLAN need to confirm at the time of order confirmation to secure the agreed shipment schedule.

- ❖ Confirmed date of yarn receiving.
- ❖ Confirmed date of knitting start and close.
- ❖ Confirmed date of fabric dyeing start and close.
- ❖ Confirmed date of PCD (planned cut date)
- ❖ Confirmed date of embellishment start & Close. (If required)
- ❖ Confirmed date of Sweing start and close.
- ❖ Confirmed date of finishing start and close.
- ❖ Confirmed date of inspection offered.
- ❖ Confirmed date of shipment.

#### Dummy of production plan

Dept.	IAL no	Stroke	TTL Quantity in Pcs	File Handover date	Buyer PP Meeting date	Cutting start date	Embellishment status	Sew start date	Sew close date	Finishing start date	Possible inspection date	Actual Ex- factory date	Actual Production lead time	Remarks
T86	IAL-MnS-T86-681/23	4641C	7040	21-Nov	29-Nov-22	1-Dec-22	N/A	7-Dec	15-Dec	9-Dec	18-Dec-22	18-Dec-22	27	Shirt/Btm

Following things need to collect clear approval before going to bulk production.

- Approval PP Samples of all colors with actual trims and accessories.
- Size wise Order sheet with total quantity.
- Spec sheet covering all sizes.
- Fabric quantity approval from buyer.
- Trims card approval from buyer.
- Packing list and packing guideline approval.
- Carton & poly measurement confirmation.

### 3.10 Quality check to ensure quality product

The primary objective of quality checking is to ensure the product we are delivering to customer is meeting their expectation or not. Customer will be happy only when, they receive the right quality product from seller, which boost their sales and create possibility to get more business for manufacturer.

For apparel manufacturer product quality is calculated in terms of quality of fibers, yarns, fabric construction, color fastness, surface designs and the final finished garment products.

Quality can be confirmed by following way,

1. Understanding the customers' quality requirements
2. Organizing & training to quality control department
3. Ensuring proper flow of quality requirements to the QC department
4. Ensuring proper flow of quality requirements to the Production Department.
5. Establishing quality check plans, parameters, inspection systems, frequency, sampling techniques, etc.

Way to satisfy apparel buyer are as below

1. Delivering correct product.
2. Correct quality.
3. Right timing.

### 3.11 Preparation of packing list FOR final inspection

There are many kinds of packing system used in Apparel Industry. Some packing name given below:

1. Flat packing (Solid & Assorted)
2. Standard packing /Box Packing (Solid & Assorted)
3. Hanger packing.

Packing list contains, name of the styles, color wise size & quantity details, number of carton, gross & net weight, Buyer & Shipper address, PO number et

## INVITATION TO THIRD PARTY FOR FINAL INSPECTION

After completing production of particular styles within agreed time, merchandising department offer final inspection to buyer for checking goods randomly from the bulk lot. Goods can be shipped only, when buyer gives green signal to its quality, styling and workmanship. If goods pass in random checking as per international standard, manufacturer ship the apparel. Manufacturer has to offer inspection to buyer in formal way,

Dummy of formal inspection offer:

Dear All

Please be informed that PP meeting for the below styles will be held on tomorrow (29-Nov) at 11.00 A.M. So, request to all concern to attend the meeting on time.

**All department manager & merchandiser account holder must be attend the meeting with necessary document.**

Meeting place: Planning meeting room.

Buyer	Dept	IAL	Style	Risk category status
M&S	T-86	681/23	4641C	Medium

Best Regards,

**Md.Nazmul Hasan** | Unit Sr. Executive- Garments Planning  
**Interstoff Apparels Limited** | Chandora, Kaliakoir, Gazipur, Bangladesh  
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### 3.12 Delivering merchandise to the buyer

#### **Reservation to forwarder:**

Forwarder booking is another important work of merchandising activities, depending on buyer/Forwarder requirement, merchandising department booked forwarder after completing final inspection and based on actual packing list or 7-15 days prior to shipment based on tentative PL.

Here details carton numbers, quantity of goods, shipment date, gross & net weight, total CBM need to informed to air/Sea forwarder based on situation to keep the space of cargo on that specified date of shipment.

#### **Export Documentation:**

Manufactured need to submit a bunch of export documents at the time of goods shipment. In apparel industries total shipment procedure is completed by C&F agent. In export documents listed items need to present:

- Shipping bill of entry
- Export L/C
- Packing List.
- Commercial Invoice.
- UD.
- VBF-9A. From to be supplied by the C&F agent
- Export Permission form (EXP).

# **Chapter-Four**

## **Findings, Recommendations & Conclusion**

## 4.1 Major Findings

Findings that will be described below is based on my personal experience, I am facing in daily work. At the time of working in merchandising department, I come across lots of people and have to communicate with internal department. Major finding I can recap for Interstoff are,

- Fabric supply chain: Fabric is the main raw materials for apparel manufactured. Interstoff has own fabric production unit, but its not sufficient to cover the total orders, it has to outsourced fabrics from other fabric supplier from home and abroad. Sometime outsource fabric team cannot ensure on time imported fabric delivery resulted, production plan missed and impact on TNA.
- Sampling mistake: Due to lack of educated sample technician, cannot get faster samples submission from sample section, sometime wrong samples submitted to buyer without proper acknowledgement of buyer comments. Its break the trust of ultimate buyer.
- Lack of R&D: Although Interstoff has working to hire foreign designer to meet the UK and USA market demand, Its still a challenge to identify the market demand with recent fashion trend.
- Poor production team performance: Performance of production team is another crucial part, on time delivery of right quality goods depends of their performance. In interstoff, management policy is to book factory more than actual capacity, resulted, production team get minimum production time of any styles, which leads to wrong production some time, below standard goods.
- Merchandising team main focus to marketing in UK market, which is riskier.
- Shortage of merchandising manpower: Due to shortage of manpower sometimes, it's difficult to give fast service at right time to customer.
- IAL merchandising has to offer higher product FOB to buyer due to management policy, which is not realistic compared to another factory in same industry.



## 4.2 Recommendation

This research paper is prepared based on merchandising activities of IAL. Refer to below research my recommendation given as below.

- Interstoff should develop its outsource fabric department to support the merchandising as fabric is main row materials.
- Sample section should modernize with machinery & educated people, so that sample mistake can minimized, IAL should hire expert from abroad to minimize the mistake in zero tolerance label.
- IAL should invest and develop on R&D and design team.
- Administrative cost should minimize, so that merchandising team can offer competitive price to buyer and secure more orders for company profitability.
- Merchandising team should focus on sourcing business from global market not only UK & USA market.
- Management should take care of merchandising team and hire some experts so that they can minimize the employees turn over rate and secure more business.

### 4.3 Conclusion

Readymade garments business is the largest source of export earning of Bangladesh. Large number of people working in this sector and earning more than 75-80% of our total foreign earning, which helps to grow the economy bigger and stronger. Here merchandisers are the management staff, who working closely with buyer and ensuring business to the company and country as a whole.

This industry brings so many possibilities for the people of Bangladesh. Though it has all the facilities, working environment, labor, skill and many other supporting variables but this sector did not develop in our country expectedly.

It's a great pleasure for me to work in merchandising team of IAL, which helps me a lot to learn, give me change to observe and develop my knowledge and communication skill.

This report also shows merchandising activities is a vital part to secure the business and make the company profitable, Still IAL has some drawbacks in merchandising and there is scope to develop.

In this report I have tried to give details, how the merchandising activities operate in garment from initial price negotiation to final shipment to ultimate customer, also identified major problem which is barrier for effective merchandising and finally recommended some guidelines on improvement.

# References

- [https://en.wikipedia.org/wiki/Textile\\_industry\\_in\\_Bangladesh](https://en.wikipedia.org/wiki/Textile_industry_in_Bangladesh)
- <http://merchandiser24.blogspot.com/2010/09/sapparel->
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