INTERNSHIP REPORT ON MERCHANDISING IN GARMENTS INDUSTRY



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Letter of Transmittal

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<u>Subject: Internship report on merchandising department in garments industry.</u>

Dear Madam,

With great pleasure, here I submit my internship report on "Merchandising in Garments Iindustry (BEXIMCO GROUP)" that you have approved & assigned as a compulsory requirement of BUS-400 course. I have tried my level best to bring out the original scenario of BEXIMCO with full of effectiveness & efficiency.

I have really learned a lot and have gained valuable experience and knowledge while collecting information for the report. It was certainly a great opportunity for me to work on this real life project to actualize my theoretical knowledge of this course in the practical arena and some more which is out of this course.

I hope that this project paper has been to your expectation, if you come across any question or quarries regarding these cases, it will be my pleasure to clarify your questions.

Sincerely,		

Ishrat Zaman

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BRAC BUSINESS SCHOOL

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. First of all I would like to take the opportunity to thank Sharmin Shabnam Rahman, Senior Lecturer, BRAC Business School, BRAC University & my internship supervisor for providing me guidelines, help in assisting my report. She was constantly supporting me with his inspiring personality. I will always be always thankful for his extraordinary reinforcement.

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I also want to thank Mr. Afzal Surya, Manager, Merchandising of BEXIMCO Textile and Apparel Division for being so cooperative in my work. I also thank Mr. Mozaharul Islam, Assistant Manager, Merchandising (Bershka), BEXIMCO Textille and Apparel Division for creating a friendly environment & assist me with the information of my project.

I want to thank my team leader, Ms. Sabina Yesmin, Merchandising (Bershka) for helping me to get accustomed with all the activities.

Finally I will show my gratitude to all the Management & Non-Management Staffs who have helped me during the internship period and the entire persons who somehow have impact on me in completing my whole report.

Executive Summary

BEXIMCO is one of the largest groups in Bangldesh and highest GDP contributor. Here, this is a great chance for me to do my internship in one of its concern organization BEXIMCO Textile Division. 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.

As a large textile industry BEXIMCO has large numbers of employees but the productivity is getting slow day by day. So, it is a matter of concern that why this huge industry is doing stagnant profit. 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. Here, these all procedures are tried to be written as the team tried their best to help in preparing this report.

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CHAPTER ONE-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.

I preferred this attachment in BEXIMCO Group, which is a 100% export oriented composite knit industry. For continuing the study of internship in the BEXIMCO Group we almost worked all the sections of this company and tried to find out the activities, planning and many other things as well. In context, we have discussed about these things deliberately to let you know about.

Objectives:

Objective means the purpose of this report. The objectives of this report are as follows:

- Its documents for future.
- To know detail about RMG sector.
- Information gathers about commercial.
- Getting idea about shipping procedure.
- Concept develops about spinning, knitting.

- Comparison between class room learning and practical learning.
- Knowledge gather about RMG sector related other organization.
- To achieve new idea about knit garments manufacturing process.
- To know about the management and technical process of apparel industry.
- To know the management Procedure in Garments Industry.
- To mark a comment over the whole Internship Report.
- To mark out the important part of Internship Report.
- To focus on the valuable part of Internship Report.
- To have skill labor for quality product.
- To study the present market composition for the Bangladeshi garment product about Market diversification.
- To analyze the recent labor unrest in the garment industry of Bangladesh.
- Opportunity of behavioral theory practice in our garments sector.
- Regularly behavioral theory practice in garments industry.
- Identifying the trade agreements that might affect the export growth.
- To do a merchandising practice in the factory.
- Identify the additional services that the existing companies are going to avail.
- To relate the use of groupware and collaborative systems with future trends in managers' roles and responsibilities.
- To identify merchandising and total production system.
- To find the current scenario of backward supply chain status of Beximco Group.
- To find the ways of improving the backward linkage of the supply chain for Beximco Apparels Ltd.

Methodology:

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.

- Factory
- Different organization.
- Books
- Discussion
- Internet
- Class lecture
- Library
- Annual report
- To collect information what I am seeing in practical in My Internship Program.
- To collect information what I did in practical what was done by me for my practical knowledge.
- To make a comment over the project we have to understand the whole project.

Scopes:

Scope means how many uses for completing this report space. The scopes are given bellow-

- Factory
- Buying House
- Discussion
- Internet
- Some of our senior brothers can help us.
- I can collect information various books and relevant paper what related with apparel industry.

Limitations:

Limitation refers the obstacles I have to face for completing this report and what I could not cover for this limitation.

- Time constraint
- Merchandiser doesn't have enough time to give the information elaborately.
- Short time visit in different work stations
- Lack of organizing chain of command
- Lack of instruction book, and any change. They are following traditional business.
- I may have to suffer for lack of supply chain management.
- No other garment's data has been compared with Bextex's data. There might be some discrepancies with other factories' supply chain scenario
- Due to high employee turnover rate and lack of good reporting practices in the factory,
 problems with collecting data have been faced.

CHAPTER TWO-Introduction to Organization

2.1COMPANY PROFILE:

BEXIMCO Group is one of the largest private sector industrial conglomerates in Bangladesh engaged in diverse business areas. BEXIMCO comprises of five publicly listed companies and sixteen private companies. Where, pharmaceuticals and textile section are the biggest one.

BEXIMCO covers one of South Asia's largest vertically integrated textile and garment companies. The Textile division is a fully integrated manufacturer of cotton and polyester blended garments for men, women and children, both for domestic and export markets. BEXIMCO is also the largest exporter of pharmaceuticals in Bangladesh with a presence in 45 countries. The Pharmaceuticals division manufactures and sells generic pharmaceutical formulation products, active pharmaceutical ingredients (API) and intravenous (IV) fluids. The Group is also the largest ceramics exporter and has an investment in GMG Airlines, the largest private commercial airline in Bangladesh and in Unique Hotels & Resorts, which owns the Westin Hotel in Bangladesh.

Corporate logo:



Bangladesh Export Import Company (BEXIMCO) maintains this logo from the initial stage of its business. They have a mission of taking Bangladesh to the world. So, with this logo BEXIMCO has taken its identity towards the people of the world

2.2History of BEXIMCO:

Since independence Bangladesh has come a long way, and the BEXIMCO Group of Companies is honored to have had a role in the development of its parent nation. The Group has worked with a simple philosophy; identify an important need and then do everything possible to successfully satiate that need, in a manner which best facilitates the well being of the nation. As a result BEXIMCO has focused on those industries which give Bangladesh a competitive advantage in the global market place in many cases creating the industries for the first time in the region. Throughout its four and a half decade journey the Group has been one of the leading innovators in the country. Presently BEXIMCO Group comprises twenty one companies of which five are listed with the Dhaka Stock Exchange employing over 35,000 personnel and is the largest private sector industrial conglomerate in the nation. . In the course of its growth, it has created industrial and management capabilities that will serve the country for generations to come. It was the first local conglomerate to embrace an international corporate structure which is the foundation of its BEXIMCO's industrial businesses include jute, textiles, basic chemicals, success. pharmaceuticals, and ceramics. BEXIMCO's non-industrial undertakings are focused on real estate and construction, engineering, media, information technology, trading and financial services. It is the creation and expansion of businesses critical to Bangladesh development, businesses, which are developed and run by Bangladeshis, businesses that develop technologies and practices specific to the needs of the country, which is the defining characteristic of the BEXIMCO story.

Today the BEXIMCO Group ("BEXIMCO" or the "Group") is the largest private sector group in Bangladesh. BEXIMCO was founded in the 1970's by two brothers – Ahmed Sohail Fasiur Rahman and Ahmed Salman Fazlur Rahman. Since the early days, the Group has evolved from being primarily a commodities trading company to a leading, diversified group with a presence in industry sectors that account for nearly 75% of Bangladesh's GDP. BEXIMCO's corporate mission is "Taking Bangladesh to the world".

State-of-the-art manufacturing plants located in the vicinity of Dhaka provide the Group with a highly cost effective manufacturing base. A majority of its plants are in the BEXIMCO Industrial Park, a vertically integrated self-contained facility. This facility provides ready access to captive power generation, water purification, liquid nitrogen, waste water treatment and other key

infrastructure. The Group's global clients include some of the world's best known brands including BT, BASF, Chevron, Calvin Klein, H&M, JC Penney, Macys, Zara, UNICEF, Royal Doulton and Villeroy & Boch.

2.2BEXIMCO Textile Division:

The BEXIMCO Textile Division is a truly integrated undertaking. The Textile Division has the capability to offer a complete product range for the export and domestic textile markets. The goal of the Textile Division is to become the preferred partner for sourcing high quality fabrics and clothing from Bangladesh. With highly advanced technology and an emphasis on developing local human resources, the Textile Division has the potential to make an important contribution to the nation's growing readymade garments export sector.

The rationale behind the existing structure and future expansion of the Textile Division is to capture value-added at each stage of the textile manufacturing process. Despite Bangladesh's lack of indigenous cotton production capability, BEXIMCO has leveraged Bangladesh's labor cost advantage and export competitiveness to the maximum.

BEXIMCO Textile Division consisting of 7 industries having the capability to offer a complete product range for the export and domestic textile markets. The Textile Section of BEXIMCO Group is given below:

2.2.1 BEXIMCO Group Textile:

- ➤ Bextex Ltd.
- ➤ BEXIMCO Fashions Ltd.
- ➤ BEXIMCO Apparels Ltd.
- > International Knitwear & Apparels Ltd.
- ➤ Crescent Fashions Ltd.
- ➤ Essess Fashions Ltd.

Here, **BEXIMCO Textiles Ltd** (BTL) is the most modern composite million the region. BTL has an installed capacity of 288 high-speed air-jet looms in its weaving section and a high-tech dyeing and finishing section with a capacity of 100,000 yards of finished fabric per day.

BEXIMCO Knitting Ltd is a state of the art composite knit fabric production mill, which serves the growing needs of high-quality knit garments exporters in Bangladesh.

BEXIMCO Denims Ltd was set up to capitalize on Bangladesh's growing volume of high-value-added niche garments.

BEXIMCO Apparels Ltd is another 100% export oriented garments factory of the Beximco Textiles Division. It specializes in women's tops and men's shirts.

BEXIMCO Fashions Ltd is a100% export oriented garments factory is located in the Dhaka Export Processing Zone at Savar.

Padma Textile Mills Ltd cotton and polyester blended yarn-spinning mill, with 122,000 spindles is one of the largest spinning mills of the country.

BEXIMCO Group Jute

- New Dacca Industries Ltd.
- Sonali Ansh Ltd.

BEXIMCO Group BEXIMCO Group Synthetics

Beximco Synthetics Ltd.

BEXIMCO Synthetics Ltd is a polyester filament yarn and drawn textured yarn (DTY) production unit located near the BEXIMCO Industrial Park.

Location:

State-of-the-art manufacturing plants located in the vicinity of Dhaka provide the Group with a highly cost effective manufacturing base. A majority of its plants are in the BEXIMCO Industrial

Park, a vertically integrated self-contained facility. This facility provides ready access to captive power generation, water purification, liquid nitrogen, waste water treatment and other key infrastructure. This place has an ample space for every work stations with all independent facilities.



BEXIMCO Group Contact Information:

For Investment Information

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E-mail: csd@beximco.net

For Business Opportunities

Corporate Business Department

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Fax: +880-2-8613470

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For Employment Opportunities

BEXIMCO is constantly in the process of recruiting and retaining a qualified professional workforce that reflects the wealthy diversity of the community it operates in. BEXIMCO provides equal employment opportunities based on merit to all persons, regardless of color, race, religion and sex.

Corporate Human Resource Department

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Website http://www.beximco.com/

MAJOR CUSTOMER:

USA & CANADA:

- American Eagle
- Wal-Mart
- Target Corp.
- Sears/K-mart
- Kohl's
- Oxford USA
- Berne Apparel
- Richlu Canada
- YM Canada
- J.C. Penny

- Dickies
- Charming Shop
- Macy
- Regatta

Europe:

- ➤ H & M
- > C & A
- > River Island
- Bershka
- > Zara
- ➤ Pull & Bear

BEXIMCO Textile Division consisting of 7 industries having the capability to offer a complete product range for the export and domestic textile markets. BEXIMCO Textile and Apparels Ltd. (the "Company") was incorporated in Bangladesh as a Public Limited Company with limited liability on 8 March 1994 and commenced commercial operation in 1995 and also went into the public issue of shares and debentures in the same year. The shares of the Company are listed in the Dhaka and Chittagong Stock Exchanges of Bangladesh. This is the largest textile mill in South Asian region.

Here, in industrial park, Bextex Ltd. is the most modern composite mill in the region. Bextex Ltd. has an installed capacity of 288 high-speed air-jet looms in its weaving section and a high-tech dyeing and finishing section with a capacity of 100,000 yards of finished fabric per day.

BEXIMCO Knitting Ltd. has a state of the art composite knit fabric production mill, which serves the growing needs of high-quality knit garments exporters in Bangladesh. The project was set up as a state of the art knit fabric knitting, dyeing and finishing facility. During the year the Company produced and sold high quality of knit fabrics and bringing forth all the latest in hard and soft technologies in knitting, dyeing and finishing of knit fabric. The mill section also consisted with cotton and polyester blended yarn-spinning mill, with 122,000 spindles is one of the largest spinning mills of the country. The mill was set up to feed the country's export oriented industries.

Mission:

BEXTEX Ltd. is a full service vendor with strong vertically integrated production facilities as well as creative & analytical capabilities which clearly set us apart from most other South Asian vendors.

Vision:

- Gain market leadership in high value added apparel in USA & Europe.
- Use "Innovation" & "Speed" as prime drivers, rather than cotton & cheap labor
- Dominate these markets in high quality:
 - a. Men's, Women's, Children
 - **b.** Shirts (Dress & Casual)
 - c. Tops (formal & casual), Skirts, Jackets
 - d. Jeans & Casual non denim bottoms
 - e. Knitted tops & bottoms

2.3Products:

- Yarn products which are different in counts, types, fibers. These products are ranged from the knit counts of 60-120. Products are included with Lyocell, Tencel, Modal, Rayon, Viscose etc.
- Fabric products which are consisted with different types of dyed fabric and finishing.
 According to buyer's requirements various designs are produced here. Twills are mostly used fabric here.
- Knit products which are based on cotton and lycra basically. These products are stretchable and used to produce very basic styles. Jersey, Polo pique, Back pique, Herringbone, Crepe, Auto Stripe, Rib, Jacquard are mainly ordered products here.
- Denim products which are heavy fabric with different enzyme wash. So, these products are hugely ordered by the customers throughout the year. Here, black, blue, colored, over dyed, bull, stretched denim products are produced.

- Special yarn products are produced according to the buyer's requirements. These
 products are produced in case of fancy styles with multi counts and other special
 attributes.
- Unique wrinkle free products are generally special products. These products can be produced but it depends on the order quantity and feasibility.

2.3.1 Sections for production:

- Administration department
- Merchandising Section
- Development Section (Labarotories)
- Commercial & Compliance Section
- Planning Section
- Sample Section

- Cutting, Sewing and Q.C Section
- Finishing section
- Mechanical & Electrical section

2.3.2Production:

BEXIMCO Textile and Apparels Ltd. is a fully vertical unit from Yarn Spinning to Apparel Manufacturing, Printing, Washing and Packaging and they have different sections for all of these.

Equipment Details of Sewing Sections:

Name Of The Machine	Machine Qty
Plain Machine :	286
Plain Machine (Auto):	28
Over Lock (6 Thread):	3
Over Lock (5 Thread):	53
Over Lock (3 Thread):	6
Two Needle Machine:	47
Bar tacking Machine (Computerized):	21
Feed Of The Arm:	22
Chain Machine:	8
Kansai Special :	16
Kansai Machine (Pkt Facing Attach):	2
Kansai Machine (Loop Machine):	6
Button Hole Machine :	2
Button Stitch Machine :	4
Snap Button Machine	22
Eyelet Machine :	3
Zigzag Machine	2
Stone Attached Machine	2
Loop Cutter Machine	2
Thread Sucking Machine	2
Ironing	30
Auto Stapling Machine :	2

Metal Detector:	1
Gas Boiler :	2
Generator:	1
Cutting Machine :	8
Thread Re-coning Machine	1
Thread Sucking Machine:	2
Cutting Table	3
Numbering Machine :	1
Vacuums Table :	30
Compressor	4
Total:	
G/TTL	614

Total Employee Summary:

BEXIMCO Textile in total a huge part of organization with a large number of employees. This is a combination of Blue collar and White collar employees with different responsibilities. This total division contains several sections like Design studio, Textile Head office, Lab units, Factories, Plants etc. so, overall there is 45,00employees for whole textile section where more than 1200 work as Management stuffs.

Over the years, BEXIMCO has developed in-house design capabilities with teams based in Bangladesh and Spain. Furthermore it has partnered with some of the world's renowned design institutes, including Fashion Institute of Technology, Parsons, London School of Fashions, NIFT and NID, for access to talented designers. The Group has built strong working relationships with its core clients through a continuous dialogue. The Group's technology partners include Invista, Huntsman, CHT, Rudof and Clariant. Key clients include American Eagle, Arcadia Group,

Calvin Klein, H&M, JC Penney, Macy's, Tommy Hilfiger, Warnaco and Zara. The Group is planning to expand the textiles business through capacity additions. Post expansion, the annual capacity of knit fabric is expected to increase to 80 million lbs from 11 million lbs currently and the annual capacity of apparel knits is expected to reach 145 million pieces from 20 million pieces currently.

The Group is also present in retail apparel through "Yellow", which represents a youthful brand sold through BEXIMCO owned outlets. Yellow is a design driven brand that celebrates creative and original thinking to highlight a lighthearted and optimistic view of life through a superior quality product. Yellow captures a modern interpretation of fashion and relaxed attitude expresses a comfortable and confident quality. The adventurous spirit of the line is built from BEXIMCO Group's heritage in innovation and living a life full of passion that is open to discovery. Yellow is inspired by its customers; Unconventional yet high-quality.

2.4 Services

Service is related with the product delivery. BEXIMCO produces products for the clients of outer Bangladesh. So, here BEXIMCO represents Bangladesh with their quality and capabilities. The manufacturing part is very much related with these services. Here it includes the marketing, planning, designing, procurement departments. These departments are the pre procedure or, aligned with the procedures of operations. The direct manufacturing part does not stand alone without the support of these departments.

Speed to Market Opportunities

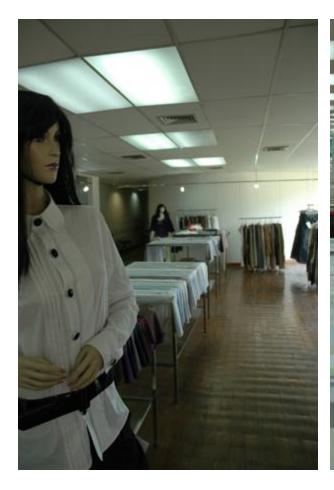
- Supply chain model based on a relationship of trust and simple, short procedures
- Marketing model based on affordable, quick change fashion.
- Clear projection or commitment and firm booking of capacity.
- Maximize design, product development capability of manufacturer, in collaborative

design process.

- On-spot placement of order after reviewing of designs.
- Focused product development. Higher adoption rate from collection.
- Vertical facility enabling quick responses, which allow us to produce from Yarn to Garment in fifty days and repeated orders in thirty days, leading to reduced markdowns.

2.4.1Design Studio - Mission

To provide design and product development support from fiber to garments to leading retailers and brands using integrated manufacturing resources, powerful CAD tools, technology collaboration with major suppliers (like CIBA, DuPont etc.) and interface with fashion forward customers, rapidly develop and bring trendy, innovative differentiated products to our strategic partners every season. The Design Studio works to produce entire collections with Inditex including women's and men's clothing, woven and knit tops, casual and denim bottoms and jackets. They have now introduced a catalogue which will highlight our concept of complete new looks, products and fabric swatches and we will be sending one of these to all our key customers almost every eight weeks.





Resources employed to fulfill the mission

- 25 highly qualified designers who travel the world visiting fairs, interfacing with the designers of fashion forward customers and competitive buying from well known fashion outlets
- 150 people working in sewing room dedicated to design team
- Dedicated yarn dyeing, warping and washing facilities for design team
- Cooperman advanced German networked CAD system

2.4.2 BEXIMCO Denim

BEXIMCO Denim is the part of Bextex Ltd. Bextex Ltd. is the most modern composite mill in the region. Bextex Ltd. has an installed capacity of 288 high-speed air-jet looms in its weaving section and a high-tech dyeing and finishing section with a capacity of 100,000 yards of finished

fabric per day. Bextex Ltd. produces specialized finishes of denim cloth for export in finished as well as cloth only form.

2.4.3 **IKAL**

International Knitwear and Apparels Limited (IKAL) a member of BEXIMCO Group started its commercial production during July 1997. IKAL is a 100% export oriented garment industry, located at BEXIMCO Industrial Park, Sarabo, Kashimpur, Gazipur. International Knitwear and Apparels Limited produces about 5 million pcs of high quality knit garments (tops & bottoms) for prominent brands and retails in USA, Canada & Europe. International Knitwear and Apparels Limited is managed by a group of professionals including expatriates and aims at producing high quality knit garments through an effective quality control system right from sourcing of fabric to end product. The number of employees at the beginning of year 2009 is 821.



BEXIMCO, a large company in Bangladesh that owns everything and in that large company is BEXTEX limited, a Textiles manufacturing company. 2.5 grueling hours away from Dhaka is this big compound where all these factories/sweatshops are, which basically makes around 1/6 of the world's clothing. We are talking 4 million garments, woven knit per month. So, BEXIMCO is the sector with huge capacities of production.

It is a vertically integrated company, which means that a garment is made from scratch here, which has factories for all the steps - spinning, dyeing, weaving, knitting, finishing, washing, printing, embroidery etc. which is such a great opportunity for us, because most vertically integrated textiles mills do not exist in the western world, due to labor costs, which is the biggest reason textiles is booming here in Bangladesh.

Laborers earn around 6000-8000 Taka a month, which is around \$80-100 per month for working 10 hours a day for around 50cents. We might question the morality of sweatshops but when you see beggars on the street and skinny stick people that sell fruits and vegetables, you understand that working in a factory is a very viable option in the most

densely populated city in the world. That enables the company to hire 24,000 workers that work in 10 hour shifts (and the factories operate 24 hours). In addition to the low labor costs, the Bangladeshi government has huge support for the textiles industry and makes it easy for them, which attracts a lot of foreign money. Another contribution is Bangladesh's proximity to cotton farms, in India, USA (ok maybe a bit far), Turkey, and Egypt. (BEXTEX only mainly deals with cotton and cotton blends). BEXTEX has stable contracts with brands such as Zara, Bershka (produces half million garments per month for them) and JC Penny. Other brand names such as Polo Ralph Lauren, Calvin Klein, Levis, Timbaland, Ecko, etc. etc. have seasonal contracts with the company.

China is still the world's leading garment manufacturing country, (and Bangladesh the second) but many high up guys in suits told that Bangladesh has a chance to beat the Chinese because China is slowly rising labor costs. And of course USA and Europe are the biggest buyers.

BEXIMCO textile is unique because it is a fully vertically-integrated production. Many Bangladeshi factories end up purchasing their fabric abroad and just assemble the garments here to advantage of the low labor costs. BEXIMCO, on the other hand, starts with just cotton, and does all their own spinning, dying, weaving, and garment assembly.





And here we have some People Sewing.



The impressive part of the visit was that, apart from the final garment assembly, the process was highly automated and high-tech. The factories generally had very few people working in them, since only one or two people had to work with each machine to make sure the fabric fed through smoothly.

Garment assembly is another story because it is huge line production process. And, people just want that he/she can see it in the finishing line. Each lady (and the few men) sat at their machine and did one task, again and again. There was a pocket lady, who only did pockets and also Collar Lady who finishes the collar. Lots of people with minute jobs could not begin to be identified. But none ever did see an entire shirt – just bits and pieces, with each person focused on their one particular step in the assembly process. On the plus side, the room was well lit and well ventilated, and the workers get free room and board.

In the photos, the process is well described. Those distressed jeans that sell for a small fortune are also made at there. This is a matter of astonish that these are "hand-distressed" – using grinders and other household tools. People would have thought the process





And here it is discovered that that worn-in look comes from, well, spray-paint.





Final product

2.4.4 BEXIMCO Partners with Major Retailers & International Brands

















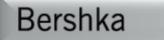




























2.5 Commitment to the Environment:

BEXIMCO is very committed to preserve a healthy and pollution-free environment. It has a very efficient waste collection and disposal system. In order to reduce air pollution by exhaust of gas from engine-generators, it maintains a costly plant that uses the exhaust gas to generate steam for chilling unit. Above measures not only help keep the water & air free from pollution but also help save cost of water treatment & air conditioning. Your company uses only AZO-free dyes and is dedicated to ensure a healthy and eco-friendly environment.

2.6 Other Facilities:

BEXIMCO Textile is situated in the industrial park so, it is facilitated with employees' transport, lunch facilities and also for workers of factories it has day care centre and also prayer rooms for both men and women.

Managerial staffs have their different canteen of lunch and other facilities. Numbers of foreign managers work here so, they have residence facilities also.

About Health & safety

Name of the section	Health & Safety	
Doctor	1 Personal	
Nurse	2 Personals	
Fire Fighter	100 Persons	
Fire Drill	Once every month	
First Aid Box	13 Pcs	
Fire extinguisher	62 Pcs	
Smoke Detector	08 Pcs	
Water hose pipe	04 Pcs	
Medicine Support	100%	

Note: on any emergency employees are communicated with loud speakers.

2.7Social Compliance - Code of Conduct

BEXIMCO Textile & Apparel Limited is a responsible apparel producer and embodies, both in spirit and practice, internationally established codes of social accountability and ethical business practices. It recognizes and respects cultural differences and employs individuals solely on the basis of their qualification for the job. We identify and work with suppliers and buyers who as individuals and in the conduct of their business abide by local laws and have ethical standards compatible to it.

The bases of the various parameters that comprise the code of conduct are drawn from the following:

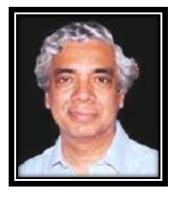
- Ethical Trading Initiative
- Global Sourcing Principles of Key Customers
- ILO Conventions
- Local Legislation

2.8Management body

BEXIMCO Group is the largest private sector industrial conglomerate in Bangladesh engaged in diverse business areas. BEXIMCO comprises of five publicly listed companies and sixteen private companies. The Group turnover in 2008 was BDT 18.5 billion. BEXIMCO employs 50,000 people and has 230,000 shareholders. BEXIMCO's shares constitute 4.84% of the market capitalization of DSE.

So, BEXIMCO is well positioned to capitalize on strong growth across industries in both the domestic and global markets. Each Group company is managed by an independent, professional team with significant depth of experience. Management teams have established a clear strategic plan that will further strengthen the overall platform. BEXIMCO intends to leverage its market position and global scale, further diversify operations into highly profitable sectors, capitalize on the domestic growth opportunity and selectively pursue international opportunities going forward.

Board of Directors:



A S F Rahman

Chairman, BEXIMCO Group

A S F Rahman is Chairman of the BEXIMCO Group, the largest private sector industrial group in Bangladesh. During the past 45 years A S F Rahman has played the leading role with his brother, Salman F Rahman, in building up the Group's industrial and service activities. He has presided over an expansion and deepening of the Group's interests, leading the flagship investments in textiles. The Group has been on the cutting edge of new technology and innovation in Bangladesh with an emphasis on Total Quality Management and international standards of corporate governance. With the Group's exemplary performance in exports A S F Rahman has been awarded Presidents' Export Trophy on several occasions. In addition to accomplishments as Chairman of the Group, he has been active in continuously developing strategies targeting social welfare and poverty alleviation across the country.



Salman F Rahman

Deputy Chairman, BEXIMCO Group Mr. Salman F Rahman, the Deputy Chairman of the BEXIMCO Group, has been one of the driving forces in the emergence of the Group as the largest industrial entity operating in the private sector in Bangladesh today. He is one of the advisors of Honorable Prime Minister of Bangladesh also. For the past four and a half decades he has been working closely with his brother, pioneering and expanding operations in a varied number of sectors particularly pharmaceuticals, ceramics, media and property development. But

aside from his role as the Deputy Chairman of the group Salman F Rahman has had an ever increasing role in expanding the corporate climate and enhancing the role of corporate governance in the nation. His service to the business community is exhibited by his terms of Presidency of The Metropolitan Chamber of Commerce and Industry, Bangladesh Aushad Shilpa Samity, Bangladesh Textile Mills Association, The Federation of Bangladesh Chambers of Commerce and Industry and the SAARC Chambers of Commerce and industry. He is also the founder and chairman of the Bangladesh Enterprise Institute, a leading think tank on economic and social policy. He has also applied this tireless dynamism for social welfare and is an active philanthropist extraordinarily active in supporting and working with poverty alleviation and human rights groups. One of the main corporate facets which the BEXIMCO Group brought into the business environment of Bangladesh is its emphasis on Corporate Social Responsibility and an active involvement in regional and national activities. Mr. Rahman is also the Chairman of the Abahani Krira Chakra a leading sporting club.

Board and Management



Board of Directors:

- ♣ Mr. A S F Rahman, Chairman & Managing Director
- ♣ Mr. Salman F Rahman, Vice Chairman
- ♣ Mr. Iqbal Ahmed, Director
- ♣ Mr. M A Qasem, Director
- ♣ Mr. O K Chowdhury, Director
- ♣ Mr. A B S Rahman, Director
- ♣ Dr. Abdul Alim Khan, Director
- ♣ Mr. Md. Asad Ullah, Company Secretary

Key Officers:

- Mr. O K Chowdhury, Director
- ♣ Mr. Md. Luthfor Rahman, Chief Financial Officer
- ♣ Mr. Azahar Uddin Ahmed, FCA, Head of Internal Audit

Auditors:

M/s. M. J. Abedin & Co.

M/s. Wellers, Registered Auditors, Accountants

Legal Advisers:

M/s. Huq & Co.

Bankers:

IFIC Bank LTd. Dhanmondi Branch, Dhaka-1205

Sonali Bank, Local Office, Motijheel C/A, Dhaka-1000

Registered Office:

Bell Tower

House No.17, Road No.2, Dhanmondi R/A, Dhaka-1205.

2.9 Corporate Governance:

The maintenance of effective corporate governance remains a key priority of the Board of Bangladesh Export Import Company Limited. Recognizing the importance of it, the board and other senior management remained committed to high standards of corporate governance. To exercise clarity about directors' responsibilities towards the shareholders, corporate governance must be dynamic and remain focused to the business objectives of the Company and create a culture of openness and accountability. Keeping this in mind, clear structure and accountabilities supported by well understood policies and procedures to guide the activities of Company, management, both in its day-today business and in the areas associated with internal control have been instituted.

Internal Financial Control:

The Directors are responsible for the Company's system of internal financial control. Although no system of internal control can provide absolute assurance against material misstatement and loss, the Company's system is designed to provide the directors with reasonable assurance that

problems are timely identified and dealt with appropriately. Key procedures to provide effective internal financial control can be described in following heads:

Management structure:

The Company is operating through a well defined management structure headed by chief executive officers (CEO) under whom there are executive directors, general managers for various departments and according to hierarchy, various deputy general managers, senior and mid level management staffs. The CEO and the executive directors, general managers meet at regular intervals represented also by finance, marketing and personnel heads.

Budgeting:

There is comprehensive management reporting disciplines which involve the preparation of annual budgets by all operating departments. Executive management reviews the budgets and actual results are reported against the budget and revised forecasts are prepared at regular intervals.

Asset management:

The Company has sound asset management policy, which reasonably assures the safeguarding of assets against unauthorized use or disposition. The Company also follows proper records and policy regarding capital expenditures.

Functional reporting:

In pursuance with keeping the reliability of financial information used within the business or for publication, the management has identified some key areas which are subject to monthly reporting to the chairman of the board. These include monthly treasury operations and financial statements. Other areas are also given emphasis by reviewing on a quarterly basis. These include information for strategy, environmental and insurance matters.

2.10 Statement of Directors, Responsibilities for Preparation & Presentation of the Financial Statements:

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the directors and the auditors in relation to the financial statements. The Companies Act, 1994 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit for the year to that date. In preparing those financial statements, the directors:

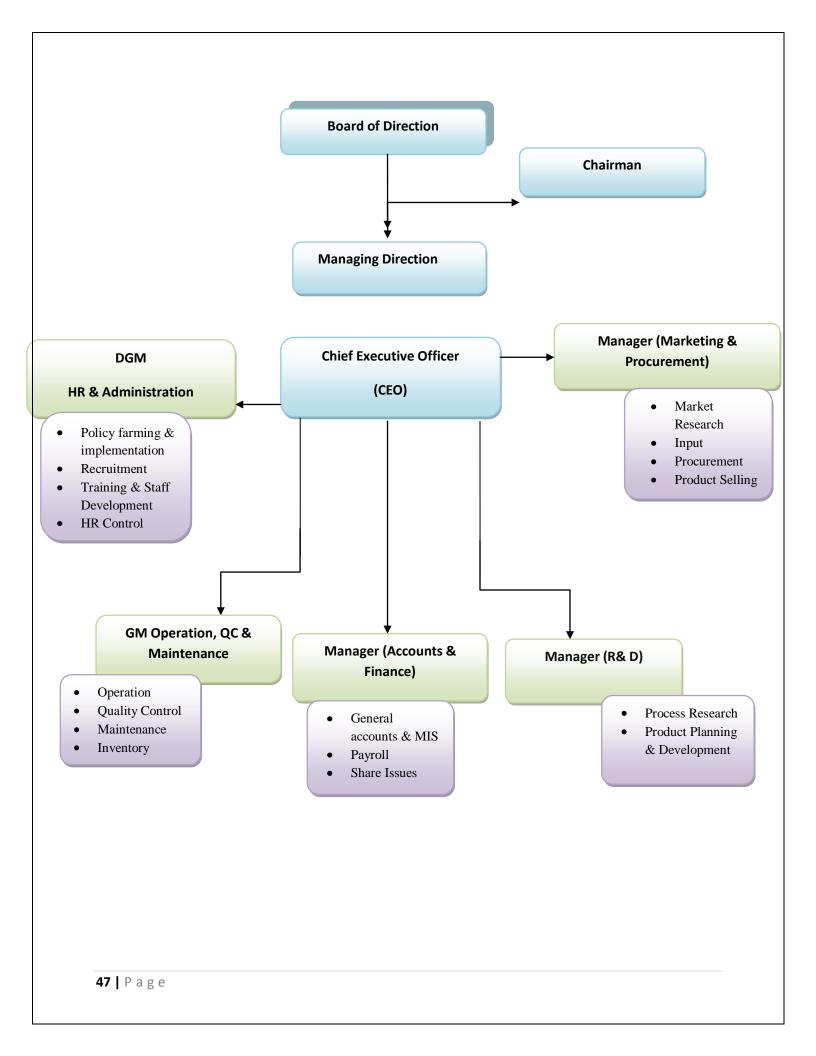
- ❖ Select suitable accounting policies and then apply them in a consistent manner.
- ❖ Make reasonable and prudent judgments and estimates where necessary.
- State whether all applicable accounting standards have been followed, subject to any material departures.
- ❖ Disclosed and explained in the notes to the financial statements
- ❖ Take such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- ❖ Ensure that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company.
- ❖ Ensure that the financial statements comply with disclosure requirements of the Companies Act, 1994 and the Securities and Exchange Rules, 1987.

❖ Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

2.11 Company wise organogram

Organizational chart of BEXIMCO:

Organizational chart bearing vital importance for a company, often represented by a schematic diagram. The organizational chart of BEXIMCO Ltd. is given below:



2.11Corporate strategy

The Council provides a wide range of specific services (Education, Planning, Social Work, Cleansing etc) but there are also a number of issues which require a corporate approach. These include such regular matters as Equalities, Best Value, Public Performance Reporting, the Citizen Panel and strategic issues like Asylum Seekers and Refugees.

Generally speaking the Chief Executive, as principal policy advisor to the Council, has responsibility for providing a corporate policy and strategic lead to the Council. Sometimes individual services are requested to take the lead on relevant issues. The Council's Social Work Service is building a partnership with the local health board in response to the Government's Joint Futures initiative for example.

The Corporate Policy Unit within the Chief Executive's Department has the lead responsibility for several key policy areas; develops relevant strategies to handle significant policy issues and supports both senior elected members and the Council's Corporate Management Team.

2.12Motivational techniques and training

Motivation is the psychological feature that arouses an organism to action toward a desired goal and brings out, controls, and sustains certain goal directed behaviors. If the textile and apparel sub sector industries in Bangladesh are to achieve World Class Manufacturing Standards then the problems of collision and low productivity which the consultants have highlighted need to be addressed by structured training programs relevant to each level of company employee.

Mostly no training provision is introduced in garment manufacturing and textile industries. (Training and Vocational Education) All of the companies generally recognize the importance of skilled sewing machine operators and training in other skills particularly cutting and pressing. The training of the operators takes place on the production line and they are taught basic skills on one type of machine only. There was no structured programmed that would include training on a number of different machines, the achievement of the appropriate quality standards and output

targets. Similarly those individuals carrying out the training had, themselves, not been trained in the instruction techniques.

Even, in case of management body training is necessary for better working environment and productivity. There is a belief that anyone will start learning by working himself so most employees come out of nowhere and then start learning gradually so the frequency of mistakes is higher. The consultants find few companies using a formal recruitment policy or the formal testing of potential employees during the selection process.

2.13Human Resource Management

Human Resource Department:

The team of Human Resources and Compliance department in BEXIMCO consisting of highly qualified and vastly experienced personnel having appropriate training from both home and abroad made the department absolutely equipped with all necessary policies, guidelines, Standard Operating Procedures (SOPs), Job Descriptions, training materials, Code of Conducts that the continuous development of human resources is also taking place simultaneously throughout each and every section of the company. The company, as invests for recruiting and retaining the qualified human resources, similarly spends a considerable amount of money and efforts after developing the skill levels and efficiencies of the human resources by arranging regular training courses and programs for the employees. A separate training section is also working with necessary logistics and accommodation for providing necessary training for both the workers and officers, which has already earned an envious reputation among the competitors and made us a different among others in regard to the methods and techniques of developing the human resources which contributes in achieving the market share and leadership in the industry. The tangible and intangible benefits and facilities provided to the employees of BEXIMCO including the working conditions, physical infrastructures, accommodations and dormitories, arrangements for leisure and amusements etc. in the BEXIMCO Industrial Park made the

company a completely different type of employer acknowledging which the employees are also devoting their whole hearted and sincere efforts for each and every step of the production starting from sorting of cotton up to the shipping of the RMGs.

- The transparency of management and the broad and open accessibility of employees enable both the parties to maintain a harmonious relationship and to reciprocally remain besides and make them feel a part of the team for the improvements of production in quality and quantity for the ultimate development of the company as well as the division which also increases the aptness of the employee in their work. The Human Resources Department of BEXIMCO disseminates the achievements, recognitions, events &happenings within the company through publishing of Textalk, a monthly newsletter of the company. The Textalk ensures the communications between all concerned including the buyers community that has tremendously been acknowledged as the Spokesperson of the company. BEXIMCO Ltd. gives some facilities for their employees,
- Dormitories for the work force and Residential Buildings for the management staff
 provide housing for the employees and BEXIMCO is the first of our kind in Bangladesh
 to provide accommodation facilities for their employees. There a production and
 accommodation facility includes full time supply of safe drinking water, adequate
 lighting and ventilation facilities.
- Free meals, free transportation, 24-hour medical center, on-site sports and recreational facilities encourage the motivated team to serve our customers full heartedly.
- ETI codes according to the Local Law (Bangladesh) are very well practiced in their manufacturing facilities.
- **❖** Freedom of Association
- **Safe Working Conditions**

- **❖** No Child Labor
- **❖** No bonded Labor
- Reasonable Working Hours
- **❖** No Discrimination

2.14General Management Training Manual or Workers Training Manual

Management Techniques

Management techniques are those management concepts or strategies, which are followed to run an organization efficiently and profitably. Management techniques, whether pertaining to employees, the customers of the organization or the partners, in case of partnerships, should be chosen only after evaluating the needs of all three. An example of a management technique pertaining to employees is the use of incentives, so as to motivate them, or to provide them with training in order to update their skills. Management techniques pertaining to customers are usually aimed at keeping them happy and satisfied, so that they keep on coming back. An example of this could be the various discount offers that are given to the customers on special occasions, such as Christmas. Whatever management techniques are chosen by organizations, the main thing to consider is that they should fulfill the needs of the organization and also, of the employees, customers and the partners.

According to business experts, the most effective techniques are those that are a mix of all the styles. The management styles that are followed should depend upon the situation that an organization is facing. In the fast changing business environment, it will neither be practical nor profitable, to stick to only one style. That is why the management gurus, when giving management tips, always insist that only the organizations that evolve their management techniques, according to the ever changing corporate culture, will survive to see the future.

There is a need to encourage local individuals to become involved in this aspect of the industry and to provide structured training programs. The consultants identified the following areas of textile and apparel specific training that needs to be addressed in order to assist the industry maintains its international competitive advantage.

- Supervisory management training
- Operator instructor training
- Operator flexibility training
- Recruitment / selection training
- Technical / mechanic training
- Training of Industrial Engineers

2.15 System development procedure

BEXIMCO believes in sustainable development and gives highest priority to preservation of nature and ecological balance. The entire industry site is harmoniously integrated with the surrounding landscape and the native eco system of the area has been delicately preserved. BEXIMCO have Biological Treatment and Energy Conservation Program. State-of-the-art technology has been used in the effluent treatment plant in their dye house for biological treatment of waste. BEXIMCO also uses comprehensive energy conservation program. This feeds back all recyclable energy into our various systems, especially for our air-conditioning purpose. Their investment in this program has made us energy efficient and environmentally conscious entity.

2.16CSR (Corporate Social Responsibility) procedure

Corporate social responsibility (CSR), also known as corporate responsibility, corporate citizenship, responsible business, sustainable responsible business (SRB), or corporate social performance, is a form of corporate self-regulation integrated into a business model. Ideally, CSR policy would function as a built-in, self-regulating mechanism whereby business would monitor and ensure its adherence to law, ethical standards, and international norms. Business would embrace responsibility for the impact of their activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. Furthermore, business would proactively promote the public interest by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of legality. Essentially, CSR is the deliberate inclusion of public interest into corporate decision-making, and the honoring of a triple bottom line: People, Planet, and Profit.

The practice of CSR is subject to much debate and criticism. But, here in case of BEXIMCO as a long established company it has some responsibilities of its own and in case of textile as it deals with the poor and the large folk groups of our country their earnest responsibility is to maintain these activities for helping the society not for the marketing promotion.

Social awareness and education

The role among corporate stakeholders to work collectively to pressure corporations is changing. Shareholders and investors themselves, through socially responsible investing are exerting pressure on corporations to behave responsibly. Non-governmental organizations are also taking an increasing role, leveraging the power of the media and the Internet to increase their scrutiny and collective activism around corporate behavior.

Crises and their consequences

Often it takes a crisis to sudden attention to CSR. One of the most active stands against environmental management is the Savar incident. Thousands of people died because of this

calamity. Here, BEXIMCO took very great step by supporting the workers and help them with medicines.

Stakeholder priorities

Increasingly, corporations are motivated to become more socially responsible because their most important stakeholders expect them to understand and address the social and community issues that are relevant to them. Understanding what causes are important to employees is usually the first priority because of the many interrelated business benefits that can be derived from increased employee engagement (i.e. more loyalty, improved recruitment, increased retention, higher productivity, and so on).

Globalization and market forces

As corporations pursue growth through globalization, they have encountered new challenges that impose limits to their growth and potential profits. Government regulations, tariffs, environmental restrictions and varying standards of what constitutes labor exploitation are problems that can cost organizations millions of dollars. Some view ethical issues as simply a costly hindrance. Some companies use CSR methodologies as a strategic tactic to gain public support for their presence in global markets, helping them sustain a competitive advantage by using their social contributions to provide a subconscious level of advertising.

CSR Initiatives

BEXIMCO has helped the Savar victims on the prior basis of that accident. The pharmaceuticals site ran to the place to help the victims with medicine and also the textile sector raise funds to help the wounded.



- Charity contributions through the Gono Sahajjo Songstha (GSS) for the educational sector for the unprivileged
- ♣ They have Sponsored organizations include "Proyash", a specialized institute that works for the holistic development of children with special educational needs.
- ♣ Free drugs during natural calamities and distribution of clothing during winter
- 4 As part of BEXIMCO Group's focus on society development, Fazlur Rahman Foundation has established a project called "FRF Diagnostic Centre". The project provides health screening services for BEXIMCO Pharmaceuticals and BEXIMCO Antibiotics Industries employees.
- **♣** Sponsoring events and national sport stars and teams
- Official sponsor of the Bangladesh National Cricket team for the ICC Cricket World Cup
 2011
- ♣ Official sponsor of the FIFA friendly match between Argentina and Nigeria held in September, 2011

CHAPTER THREE-MERCHANDISING DEPARTMENT

RMG sector of Bangladesh is gaining ground in the world market at breakneck speed, but still not flourished at the fullest extent. Although the resources are available abundant with a powerful foundation of fabric and spanning sector to support. The key factors behind this are low technological development, lower output, cut throat competition, high raw material cost, inadequate infrastructure, traditional productivity, unfavorable regularity policies, and globalization in fact. However, there a fair list of the producers, suppliers, and exporters that are fully acknowledge with regularity policies and formalities, international marketing policies and procedures. The only concern is in executing their productivity initiatives, and meeting with order deadlines.

Garments merchandising means the work to buy raw material and accessories to produce garments (Merchandise) against a particular work order of garment and have to export these under the same work order within time schedule, maintaining required quality level of buyer.

The Merchandising is the important activities, term and section of a garment that is not possible to run and deliver successfully. The term "merchandising" is well known to the persons specially involved in garments trade. The term merchandising has been derived from the term merchandise. Merchandise means good that are bought & sold.

Merchandising

Merchandising is a business on marketing activities responsible for ensuring a products description both quality and quantity. Merchandising means total responsibility of a Merchandiser.

Merchandiser

Duty of merchandiser describes himself like this-

- A man who collects order from customer sourcing raw materials production on time with quality and maintains lead time.
- Garments merchandising means buying raw materials & accessories, producing garments, maintaining required quality level and exporting the garments within scheduled time.

If anybody has to be designated as Merchandiser then the word itself demands some qualities from that individual, now let us see what all are the hidden meanings there in the word "MERCHANDISER".

- M- Should have good Managerial capacity.
- **E- Efficient** in both English written and spoken.
- **R-** Having high sense of **Responsibility**.
- **C-** Always keep **commitment**.
- H- Leads Honest life.
- A- Attitude should always be positive in resolving any problem.
- **N- Never** does any argue with buyers and seniors.
- **D-** Fully **Devoted** to his service.
- **I-** Always well **Informed** about his all orders.
- **S- Sincere** in office and daily works.
- **E- Enthusiastic** in nature.
- **R- Regular** in e-mail correspondence.

Most importance things for a Merchandiser is

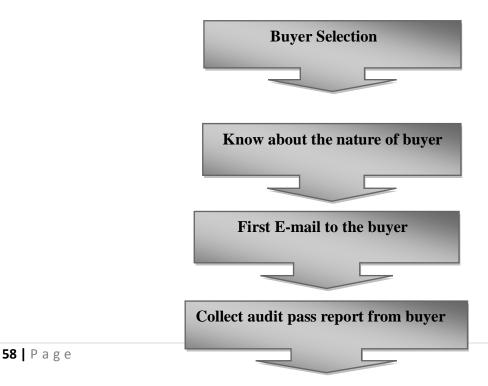
- Communication.
- Planning
- Production Follow Up

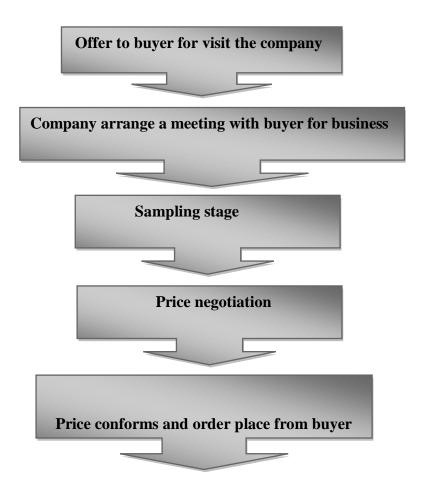
The responsibilities of a smart Merchandiser are handling order at four stages.

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

3.1Business Development Procedure:

Apparel industry must be developed with the trend of market otherwise they cannot extend their business. To collect new buyer and business with them a company must follow the procedure of business development. Buyers have been chosen by two ways. Firstly, Buyer chooses the supplier and the second one sometimes, BEXIMCO want to work with a particular buyer and then contact with them according to that. The BEXIMCO GROUP follow the procedure of business development, this are given below-





3.1.1 First email to buyer for business development

For new business development sellers have to communicate with buyer. Email is the easiest and swift way of communication so when seller will contract first time with buyer by email at that time have to mention some important information about company. Which kind of things should be include here this are-

- ❖ Information about you and your company.
- Products information about your company.

A Capacity and productivity.

❖ Which buyer work with you.

❖ Attachment a beautiful sample photograph.

Wearing for feedback.

This kind of information should be included in this email. On the other hand this email will be minimum word and maximum communication.

Sample of first email

Dear Sir,

I am X, SR Merchandiser of The BEXIMCO GROUP. We are the manufacturer & exporter of readymade garments in Bangladesh.

"The BEXIMCO GROUP" began its journey into the garments sector in 1998 as garments in Bangladesh. Since then the organization being run by highly qualified, experienced and professional management and stuff along with Sophisticated Machineries, Latest Technology, Skilled Workmanship, Substantial Marketing and Proper Discipline. We are ready and able to give you 100% quality, best price and service. We believe it is possible to us to enter into the marathon of global market.

At present our knitting, garments & printing factory is and dyeing factory is Ibrahim knitex which are the sister concern of the BEXIMCO INTERNATIONAL KNITWEAR & APPARELS LTD.

All the factories are 100% export oriented. Our previous practice is the best quality of products and on time delivery. We are always committed to the buyers.

Our Products:

T-shirt, Polo shirt, Tank top, Shorts, Trouser, Jacket (Cotton, Polyester, CVC, France terry, Waffle, etc.) and many more. We also produce all kinds of Woven & Sweater item.

Please send us your current inquiry for sampling & costing.

Your kind co-operation would be highly appreciated.

Thanks & Best Regards

 \mathbf{X}

BEXIMCO TEXTILE & APPARELS LTD

Feed -back from buyer in response to first email

Dear X,

I am pleased about your company, so I want to make a business with you. So you should send some original sample include with FOB price.

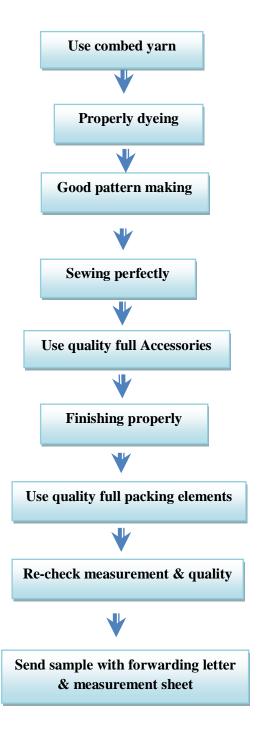
Best regards,

Y

This is happened in case of choosing buyer by BEXIMCO itself but mostly the buyer choose the supplier and in that case they send a product pack first and then supplier send the product according to their requirement.

3.1.2 Sending quality samples to new buyer for better understanding of workmanship of factory

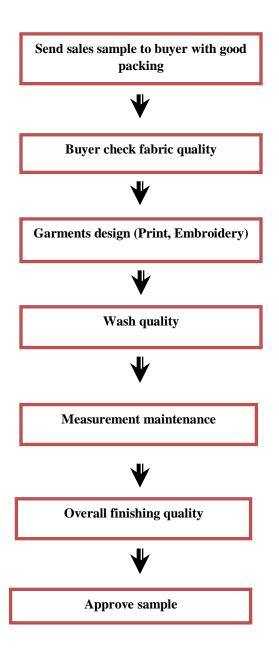
Samples play a vital role to get new order. Without quality sample suppliers can not develop a new business, so sample should be better quality before bulk production. For that reason when we send quality sample to the buyer we have to follow something, those are:



If merchandisers follow this process to make quality sample and send as like this way, then buyer will be satisfied and get clear idea about workmanship of factory.

3.1.3 Approval procedure of sales samples

Sample is made when price is confirmed and orders are placed, usually is M size in all color combinations of expected order. 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.



3.1.4Cost sheet & consumption sheet preparation

Garment Costing: In order to achieve perfect garment costing, one must know about all the activities including purchase of fabrics, sewing, packing, transport, overheads, etc.

Table: The freight charges for the Men's Basic T-shirt. Price of garment estimation is given					
Particulars	Light colors	Medium colors	Dark colors		
34's combed yarn	Tk.135.00	Tk.135.00	Tk.135.00		
Fabric cost per garment	Tk.38.06	Tk.40.13	Tk.44.27		
Cost of Trims	Tk.0.85	Tk.0.85	Tk.0.85		
CMT Charges	Tk.11.00	Tk.11.00	Tk.11.00		
Cost of accessories	Tk.1.35	Tk.1.35	Tk.1.35		
Rejection of garments	Tk.1.50	Tk.1.50	Tk.1.50		
(commonly 3%)					
Cost of Garment	Tk.52.76	Tk.54.83	Tk.58.97		
Local Transport	Tk.1.00	Tk.1.00	Tk.1.00		
Profit@15% appro.	Tk.7.90	Tk.8.20	Tk.8.90		
Commission/ pc	Tk.2.00	Tk.2.00	Tk.2.00		
Price of Garment	Tk.63.66	Tk.66.03	Tk.70.87		

Shipping Charges:

For men's basic T-shirt, the delivery terms in the buyer enquiry as 'FOB'. So sea freight charges are not added. But the local transport with the cost of garment has to be added. Finally, we have to convert the Indian rupee value to USD or Euro.

Cost sheet & consumption sheet preparation

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

- 1. Cost of fabrics/Dzn. garments.
- 2. Cost of Accessories/Dzn.garments.
- 3. C.M (Cost of Manufacturing) /Dzn. Garments.
- 4. Cost of embellishment (if any) likes print, embroidery, etc
- 5. Commercial cost.6. Commission (if any)

Fabrics Price

Knit fabric price is the sum of the below factors-

- 1. Yarn price per kg (approx \$6.40)
- 2. Fabric price per yard (approx \$0.15)
- 3. Dyeing price per kg (approx \$1.5)
- 4. Finishing price per kg (approx \$0.50)

Thus the fabric price per kg comes (\$6.40+\$0.15+\$1.5+\$0.50)=\$8.55

Fabrics consumption for a European T-Shirt is 3.00 kgs per dozon. So fabrics price per dozon is (3.00 * 8.55) = \$25.65

Trimming Price

Trims cover all the trims used in the garments except the basic fabric. There are hundreds of items used to manufacture the garments, proper selection of trims and its quality are very important for styling, otherwise the garment maybe rejected or returned by the customers. As our assignment is based on basic T-Shirt, normally care label, main label, size label, sewing thread, poly bag, price ticket, carton, tag pin, gum tape, etc trim are used in a basic T-Shirt. Like, normally the trim cost per dozen comes approx. \$2.00 for basic T-Shirt.

CM calculation

CM means cost of cutting to making. It includes the cost of cutting, cost of sewing and the cost of packing. It also includes the overhead cost of the plant and the profit margin. Like, Generally CM per dozen of a basic T-Shirt is \$5.00

Other embellishment calculation

Other embellishment means print, embroidery, patch etc that makes any garment more attractive for customer as here I described about the cost of Harriet shirt where other prints, appliqués and embroideries are not available so, any embellishment cost is not calculated her.

Commercial cost

Commercial cost includes LC commission, UD commission, EXP commission, Documentation cost, Goods send to forwarder cost, etc.

Final garments cost & order confirmation.

Now the final garments cost per dozen is the sum of fabrics cost, trimming cost, CM cost,

other embellishment cost & commercial cost. So as example if a basic style is taken- the

garments price per dozen comes (\$25.65+\$2.00+\$5.00+\$1.00)=\$33.65 T-Shirt per piece

is (\$33.65/12)= \$2.81 Thus we make manufacturing price & negotiate this price with Buyer.

After negotiate price with buyer we receive order confirmation & L/C from buyer to execute the

order.

(The costing sheet of Harriet is attached at Appendix)

Shipping Charges:

For men's basic T-shirt, the delivery terms in the buyer enquiry as 'FOB'. So sea freight charges

are not added. But the local transport with the cost of garment has to be added. Finally, we have

to convert the Indian rupee value to USD or Euro.

Consumption Preparation:

Fabric consumption

The garments manufactured in many sizes to fit for everybody. Generally they are in sizes Small

(S), Medium (M), Large (L), Extra large (XL) and Double Extra Large (XXL). The quantity ratio

or assortment can be any one of the following approximate ratio.

S: M: L: XL: XXL - 1:2:2:2:1

S: M: L: XL: XXL - 1:2:1:2:1

S: M: L: XL: XXL - 1:2:3:2:2

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As the price is the same for all these sizes of garments, the author have taken the centre size large (L) for average calculation. Generally, the quantity of L size will be higher or equal to the quantity of each of other sizes.

Men's Basic T-shirt

Description: Men's Basic T-shirt-short sleeves- 100% Cotton 140 GSM Single jersey - 1 x 1 ribs at neck - solid dyed - light, medium and dark colours in equal ratio.

Sizes: S, M, L, XL, XXL Ratio: 1: 2: 2: 2: 1

Export carton: 7 ply -120 GSM virgin corrugated - sea worthy. Cartons are to be strapped with 2 nylon straps.

Measurements in cm: (Finished garment)

Size: L

Chest - 60 cm

Length - 78 cm

Sleeve length - 24 cm

Neck rib width - 3 cm Hem - 3 cm

Patterns are generally made with the seam allowance and cutting allowance. Generally, 12 cm is added with the total of body length and sleeve length.

That is.

Fabric consumption = (Body length + Sleeve length + allowance) * (Chest + allowance) * 2 * GSM

10000

$$= \underbrace{(70 + 24 + 12) * (60 + 3) * 2 * 140}_{10000}$$

= 187 grams

Body & Sleeves: 187 grams

Neck rib: 10 grams (approximately)

Gross weight: 197 grams Therefore, the fabric consumption per garment is 197 grams.

Gross weight & net Weight:

The above weight is the gross weight of fabric. It means the weight of the fabric bits cut in tubular form without taking shapes is called gross weight. This is the consumed fabric for the particular garment. Hence costing is to be made as per this gross weight. The weight of the cut pieces after taking the shape according to the pattern is called net weight of fabric.

Fabric cost per kg (in Rs) (all charges approximately):

Cost of fabric per kg is calculated and given in

Particulars	Light colours	Medium colours	Dark colours
34's combed yarn	Tk.135.00	Tk.135.00	Tk.135.00
Knitting charge	Tk.8.00	Tk.8.00	Tk.8.00
Dyeing charge	Tk.35.00	Tk.45.00	Tk.55.00
Compacting charge	Tk.6.00	Tk.6.00	Tk.6.00
Fabric wastage @ 5%	Tk.9.20	Tk.9.70	Tk.10.70
Fabric cost per kg	Tk.193.20	Tk.203.70	Tk.224.70
Fabric consumption per garment	197 gms	197 gms	197 gms
Fabric cost per garment	Tk.38.06	Tk.40.13	Tk.44.27

Cost of Trims:

The accessories which are attached to the garments are called Trims. Now the author have taken Men's Basic T-shirts, as example. Let us see what are the trims required for this style.

Labels: Woven main label (2.5 cm width x 7 cm length): Tk 0.35

Polyester printed wash care label: Single colour print: Tk 0.10

Hang tag: Tk 0.40

So the total cost of trims is Tk 0.85 per garment.

Cost of accessories:

Polybags: Normal - Tk 0.30 per garment

Master Polybag: Tk 2 per master polybags to contain 8 garments - Tk 0.25 per garment.

Export carton: Normal: Tk. 40 per carton to contain 48 garments - Tk 0.80 per garment.

So the total cost of accessories is Tk 1.35 per garment.

Consumption calculation of fabrics, Accessories & cartoons

Fabric consumption calculation:

Body length = 73cm.

Chest = 60cm.

Sleeve length = 22cm

GSM = 220

2(B.L+S.L) * Chest * GSM

$$= 2(73+22) * 60 * 220$$

100 100 1000

$$= 190 * 60 * 220$$

100 100 1000

$$= 0.250 \text{ kg/pes *}12$$

$$= 3.0096 \text{ kg/DZ} + 0.30$$

$$= 3.3096 \text{ kg/DZ}$$

Carton consumption

$$Length = 60cm$$

Width =
$$40cm$$

$$Height = 40c$$

10000

10000

= <u>17325</u>

1000

1.7325 sqm

Poly

$$W = 10$$
"

Thickness = .08mm

$$75000$$
 = Pcs on 1 Lbs

L*W*THICKNESS

12*10*.08

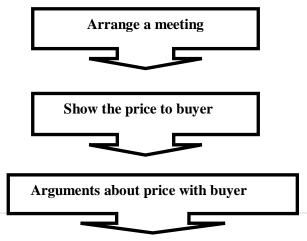
= 75000

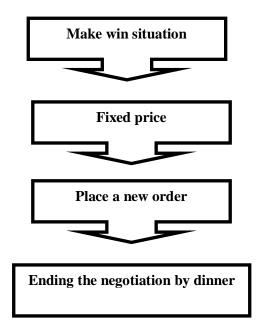
960

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= 78.125 Pcs on 1 lb

3.1.5Negotiation (price) process & ending of negotiation





3.2Finishing product

Fabric booking

After receiving order confirmation from buyer merchandisers chase buyer to provide PO sheet (purchase order) which includes color & size wise break down of the total quantity.

Then they will go for denim/knit or the necessary fabrics booking. In case of knit, yarn is the first element of knit fabric. So to make fabric they have to book suitable yarn from home or abroad. To import yarn from abroad it need approx 44/45 days and to buyer yarn from Bangladesh it need approx 20/30 days. After receive yarn we go for fabrics knitting and then coloring of the fabrics. After dyed fabrics is ready to make garments. In case of denim the process is same but some cases it fluctuates in terms of price and place.

Trim booking

After getting trim information from Buyer they have to develop the same to get approval. Then they book trims from respective supplier to get cheaper price to minimize the cost. And, for shipment process they need to store every trim in-house so that production can not get hampered.

The all processes go parallel when an order is confirmed. When the size set sample is confirmed, the processing of production starts.

3.2.1 PI sheet & its items

In foreign trade transaction, a proforma invoice is a document that states a commitment from the seller to reserve some goods to be sold to a certain person, the buyer. the buyer places an order and if the seller agrees, it extend a proforma invoice and agrees to all the terms specified in it, the goods are send and the proforma is replaced by a commercial invoice. The POI sheet depends on the demand of buyer.

What are the items will include in this sheet are-

Top part:

- Name and address of seller
- Invoice number and date.
- Buyer name and address.

Body/middle part:

- Product description.
- Unit price.
- Total price.

Bottom part:

- Shipment date.
- Shipment terms FOB or C&F.
- Country of origin.
- Terms of payment, at sight or 120 days.
- Others special terms.

3.2.2 Master L/C checking procedure & important items should be included in Master L/C

A documentary Master L/C is an orderly payment security instrument offering high quality payment security to a business transaction for both parties the seller and buyer. The seller will receive payment for his goods if he meets all conditions prescribed by the letter of credit. Without M L/C opening the order won't be confirmed. So its carry more value than other documents in export and import business.

M L/C Check list items and those items must be included in this L/C.

- Types of L/C.
- Issue date.
- Expiry date.
- Issuing bank details.

- Advising bank details.
- Seller name and address.
- Total amount.
- Currency of payment.
- Tolerance (2-5% plus or minus)
- Port of loading.
- Description of goods.
- Shipping terms (FOB/ C&F)
- List of documents required.

Master L/C confirmation procedure

M.L/C must be declared by UCP version

Check important items

Comfirm M/L/C By E-mail

3.2.3 E-mail to suppliers for samples of yarn, fabrics & different types of accessories for buyer approval

Dear Mr. X,

I got an order from Spanish buyer. Its order no. # TW0832 and order quantity is 50000 Pcs. So I need yarn, Sewing thread and accessories within 15 days. Please see the attach file.

- Combed yarn.
- Sewing thread.
- Accessories.

Best regards,

Mr. Y

Sr. Merchandiser

BEXIMCO FASHION LTD.

Buyer approval procedure of fabrics, color & accessories

Fabric and accessories approval from the buyer is very important. According to the buyer color wise you have to outsourcing of the fabric. After collection of the fabric lap dip is done and show the fabric on the swatch submission card for better understanding of the buyer.

After getting buyer's confirmation about order it is important because to maintain the quality they expected it should be fulfilled and as new buyer it should be well concerned.

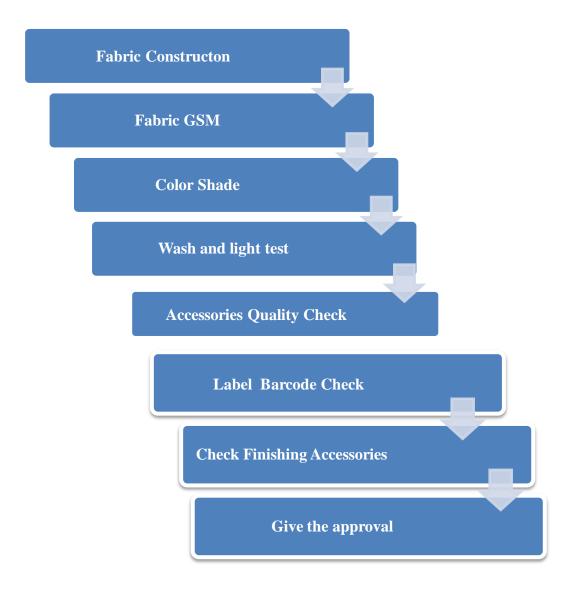


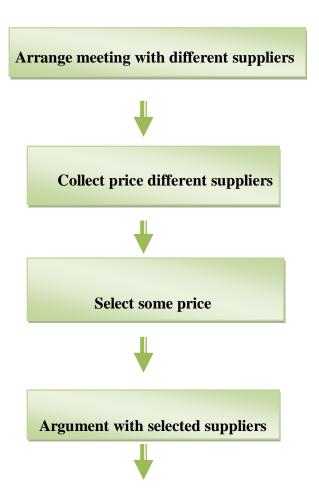
Fig: Buyer approval procedure

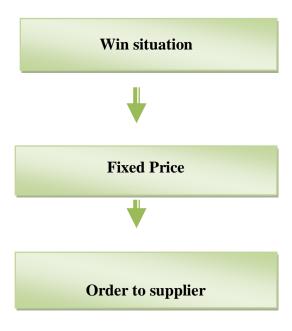
Procedure of receiving of price quotations for fabrics & accessories

Pricing is very important factors for any kind of business. After discussion with the supplier price is fixed. For fixing the price some points are followed such as-

- Low price.
- Quality of the goods.
- Sampling.

3.2.4 Price negotiation procedure with different suppliers





3.2.5 Organizing meeting for price negotiation with different suppliers

As we will discuss, when making contract award decisions the buyer considers each supplier's qualifications as well as the contract terms they offer (e.g., price). A supplier's qualifications are generally considered exogenous, for example, a supplier's reputation is based on historical performance and is not alterable in the short term. Contract terms, on the other hand, can be "negotiable" between the buyer and supplier. In a negotiation the buyer attempts induce favorable terms from suppliers, and likewise the suppliers attempt to induce favorable terms from the buyer. There are many different possible negotiation processes. This section overviews a few canonical negotiation processes, but a detailed discussion is reserved for Articles in 3.3 and 3.5 of this encyclopedia. For convenience we adopt the viewpoint of a buyer when discussing negotiations.

Central buyer working with vendors and manufacturers will agree on the retail price, color, size, style and assortment of staple types of merchandise as well as the terms of shipping.

- The merchandise is illustrated and described adequately in catalog to be given to store manager.
- The central buyer is responsible for prearranging the minimum amount of goods to be purchased by the entire chain, keeping the store catalog up to date, adding new items, canceling old items.
- The store manager has complete authority for the composition of the stock and orders can be placed directly with the vendors concerned.

3.2.5 Writing to suppliers for price negotiation meeting

- Square
- YKK
- The Beximco Packaging Ltd.
- Alana Packaging Ltd.
- Famous Embroidery Ltd.
- Fahim Plastic Ltd.
- Bengal Plastic Ltd.

Writing agenda for price negotiation meeting

- Quality for Product
- Quantity of Product.
- In Time Delivery.
- Machine capacity

- Factory capacity.
- Man Power.

3.2.6 Writing minutes after price negotiation meeting with suppliers required price confirmation from suppliers

Price negotiation is the most important part of merchandising and marketing. Order confirmation depends on how cleverly and logically one can negotiate price with buyer. Competitive price is the key element of price negotiation. To make competitive price first of we have to know about the product that buyer want to buy from us. Then we will calculate the raw material price, manufacturing cost and shipping terms of the product.

e.g-Knit fabric price is the sum of the below factors:

- 1. Yarn price per kg (approx \$6.40)
- 2. Knitting price per kg (approx \$0.15)
- 3. Dyeing price per kg (approx \$1.5)
- 4. Finishing price per kg (approx \$0.50)

Thus the fabric price per kg comes (\$6.40+\$0.15+\$1.5+\$0.50) = \$8.55Fabrics consumption for a European T-Shirt is 3.00 kgs per dozen. So fabrics price per dozen is (3.00 * 8.55) = \$25.65.

Dynamic Update:

To handle multiple Gantt charts, the software should be able to change plans, i.e. change dates during progress of the order. It should show the planned and actual dates of activities; calculate deviation, if any, and raise an alarm by a change in color or by sending an automatic e-mail.

Another feature that helps in scheduling and optimizing the buffers is start/end lag times. Start lag times allow the succeeding task to be scheduled earlier than what the preceding task would normally allow, while end lag times force the succeeding task to be scheduled later than the predecessor would normally allow. In other words, if a task of two days is to be completed in a given time of three days, then there is a choice of working on the first two days and relaxing on the third day (lead-time) or, taking a break on day one (lag time) and then completing the task on the second and third day. To make certain that the job is done at the right time, start lag times are generally given to a task. However, it might not be always appropriate as it gives rise to a higher inventory, leading to high inventory carrying cost.

3.3 Presentation of comparative statement (CS) related with different suppliers for fabrics & accessories

- Confirming order placing for fabric and accessories and check for Back-to-Back L. /C.
 Opening and delivery date.
- Arranging for printing embroidery or any Art-work or motif and washing.
- Following up order for advising, understanding, and confirming.
- Confirming Counter sample / Shipment sample receiving from supplier.

3.3.1 Preparation of data bank, of suppliers for different items Preparation of data bank for different items:

- Revocable L/C
- Irrevocable L/C
- Confirmed L/C
- Confirmed & irrevocable L/C
- Transferable L/C
- Back to Back L/C
- Red Clause L/C
- Sight L/C
- Usance L/C
- Revolving L/C

Order for materials is placed to supplier through a negotiated instrument or through a back to back L/C. This instrument must comprise comprehensive specifications of fabrics & other materials. In a similar way, detailed specifications should be provided to the supplier of any materials in the contract or L/C. This ensures right quality of good in appropriate quantity to be sourced on time.

Preparation of supplier for different items:

- 1. Sample approved by buyer,
- 2. Fabric construction
- 3. Fiber content & yarn count
- 4. Type of looms (shuttle loom, open end, combed, carded, etc.)
- 5. Fabric Width
- 6. Types of looms (shuttle loom, shuttleless looms) in which fabric should be produced
- 7. Type of dye to be used
- 8. Standard of color fastness

- 9. Piece length size: Piece length with no seam (such as, 80% of rolls should be more than 50 meters long with no seam)
- 10. Fabric finish: Type & level of fabric finish as specified by buyer
- 11. Packing: Typing of fabric packing should be specified such as, rolled on tube and each roll in an untearable poly and poly bags to be packed in 3 ply cartons.
- 12. Labeling & Marking

3.3.2 Booking or requisition to supply chain department for different items along with approval from buyers

All businesses including fashion industries and retail buyers do have a supply chain. This supply chain feeds necessary inputs to the buyers or fashion industry. Supply chain from the perspective of garments industry I different. They require specific items, such as piece goods, trims and accessories for each export order.

List of items that are sourced:

Sourcing Organization	Type of goods	Details
Buyer	Garment	
Vendor/Manufacturer	Fabric	Finished fabric, grey stock
	Trims	Zipper, button, velcro, Crochet etc
	Labels	Main label, size label, care label etc
	Accessories	Back board, neck board, poly, etc

Purchasing provides the features you need to satisfy the following basic requisition needs. Merchandiser should be able to:

- Create, edit, and review requisition information online. He should also be able to enter suggested supplier information, delivery instructions, multiple accounting distributions, and notes to buyers, approvers, and receivers.
- Review the current status and action history of requisitions. He should always know who
 approves requisitions and whether they are in the approval, purchasing, receiving, or
 delivery stage.
- Route requisitions according to your approval structure. Merchandiser should also be able to set authorization limits by amount, charge account, item category, and location.
- Review and approve requisitions that need approval. You should also be able to see the full requisition detail and review the action history before approving a requisition.
- Print requisitions (with status Approved, Cancelled, Rejected, In Process, Pre-Approved, and Returned) for off-line review and approval.
- Import requisitions from other systems such as material or distributions requirement planning applications
- Perform online funds checking before creating requisitions. You should always know how your planned expenses compare to your budget.
- Automatically source requisitions from outstanding blanket purchase agreements, contract purchase agreements, or quotations you have made with suppliers
- Support flexible pricing rules
- Create requisitions quickly and easily for commonly purchased items
- Create internal requisitions that are sourced from your inventory by means of internal sales orders
- Provide attachments as notes on requisition headers and lines
- Assign requisition lines to buyers and review buyer assignments for requisition lines
- Forward all requisitions awaiting approval from one approver to an alternate approver.
 Within your security and approval constraints, you should be able to reroute requisitions from one approver to another whenever you want.
- Record suggested foreign currency information for each requisition line

3.4 Insurance of P.O to suppliers for fabrics & accessories

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=CIF. Normally we can add 1-2% insurance charge with CIF price.

After receiving order confirmation from buyer merchandisers chase buyer to provide us PO sheet (purchase order) which includes color & size wise break down of the total quantity. Then we will go for knit fabric booking. Yarn is the first element of knit fabric. So to make fabric we have to book suitable yarn from home or abroad. To import yarn from abroad it need approx 44/45 days and buyer yarn from Bangladesh it need approx 20/30 days. After receive yarn we go for fabrics knitting and then coloring of the fabrics. After dyed fabrics is ready to make garments.

Items should be included in P.O.

Those items are included in P.O. This are:

- Order quantity.
- Product description.
- Size breakdown.
- Supplier bank address.
- Buyer details.
- Country of origin.
- Payment terms.
- Carton marks.
- Fabric construction.
- Care label instruction.
- Port of loading

3.5 P.I collection procedure from suppliers & checking of P.I

After getting P.O from garment industry than supplier issue a P.I to merchandiser. This P.I is sent by e-mail or DSL to the merchandiser. As like this way collect P.I from supplier.

<u>Production monitoring system with suppliers for smooth delivery of fabrics & accessories</u>

This system dictates small quantity of production of a large range of products. As an example, a workshop may produce a variety of products like nuts, bolts, screws, shafts, gears, etc but each item in a limited quantity.

The following production systems are in use in the apparel industry.

Sl.	Production System	Division of labor	Transfer System	Transfer Method
1.	Synchro System	As per process	Piece by piece	Manual
2.	Bundle System	As per process	By bundles	Manual
3.	Unit Synchro System	According to process & group	By lots	Manual
4.	Hanger System	According to process	By pieces	Hanger/ conveyor
5.	U-Shaped Layout	According to process	By pieces	Manual
6.	QR Layout	According to process	By pieces	Manual/ conveyor

1. Sourcing fabric, accessories and trims (buttons, labels, thread etc.)

- 2. Storage of fabric, accessories and trims needed for production.
- 3. Other than this the store looks after issuing material for outsourcing.
- 4. Raising purchase orders for materials needed in production/sampling.
- 5. Arrange timely delivery from suppliers, to avoid production delay.
- 6. Fabric/Accessories checking is done with supervision from the store, as rejected goods are returned to the supplier.
- 7. If any garments or production process has been outsourced, goods after entered factory premises, are checked for shortages, damage etc before issuing to production/finishing.

Good fabric is the key to successful production, minimizing rejections and ensuring smooth production runs. Fabrics are tested for color fastness standards and fabric strength. Bangladesh has a versatile and wide range of fabrics and finishes. A separate booklet of fabric swatches can be made available, offering insight into the range of fabrics available. We have good fabric sourcing in the country. All testing methods confirm to ISO, Bsen & AATCC if Buyer require.

Production Monitoring System:

Material Order

No: Buyer Code: PO(s) Block order:

Style No.(s)	Pattern Avg . Gross Avg .	Fabric Require ment	Technical Specia l	Delivery Date Requ ired	Remarks

1. Buttons	
2. Zipper	
3. Elastic	
4. Lace	
5	
6	
7	
8	
9	
10	
	Authorized Signatory

Technical Detail

Style No(s)

Qty

3.6 Daily production report from suppliers to match with factory production planning

As soon as order plan is ready, it is communicated to the Factory manager/ Production Manager/ Manager Production Planning. Factory management in consultation with right people and appropriate departments allocates the orders to the relevant floor and production lines. This is necessary in production planning for each floor and for each production line.

Some plans show daily production plan. A sample of a Factory Production Plan overview is shown below for reference. Daily production report from suppliers to match with factory production planning:

Trim/Accessories

3.7 QC management system for monitoring of suppliers production

Quality management is the aspect of the overall management function that determines and implements the quality policy. Quality assurance covers all the process within a company that contributes to the production of quality products. The inspection is carried out by representatives of the current production and the result record on control chart. The aim of garment inspection is to visually inspect articles at random from a delivery in order to verify their general conformity and appearance with instruction/description and/or sample received.

Quality Control System is followed by all concerned in the company from piece goods inspection to the final statistical audit.

Piece goods quality control: On receipt of fabrics in the ware house, at least 10% are inspection as per "4 Points" system/10 Points system/2.5 Point system/6.0 Point system. The most commonly used systems are-

4 Points system as per below -

SIZE OF DEFECT PENALTY

3 Inches or less 1 Point

Over 3, under 6 Inches 2 Point

Over 6, under 9 Inches 3 Point

Over 9 Inches 4 Point

A maximum of 4 points are changed in one linea

Equipment All inspection, measuring and test equipment requires effective maintenance and calibration. Purchased Materials and Services the quality system must be capable of controlling the standards of materials and services supplied by third party suppliers. Your purchasing documents must clearly define any desired standards or specification requirements. All incoming goods from third party suppliers must be inspected and tested as appropriate and records maintained. Manufacturing Control In-work inspection should be conducted during manufacture on all characteristics, which cannot be left until final inspection to prevent subsequent substandard products. This type of inspection to be effective must act as a process control.

Work Instructions/Workmanship is the supplier must establish satisfactory written standards and representative samples or workmanship which must equate to standards and specifications laid down in Data Sheets, Make-up Specifications and Sealed Samples. These standards must provide an objective base on which decisions are made by skilled personnel.

These are the procedures done step by step by a merchandiser. However, in case of practical sample sending and production sending the steps start from below-

3.8 Preparation of production files for production starting

- Approval Sample
- Order sheet
- Measurement sheet
- Assortment
- Fabric quantity
- Packing list
- Carton measurement

3.8.1 Sending procedure of pre-production samples approved by buyers, production file & pattern to in charge of factory

- Collect approved sample, production file and approved pattern from buyer.
- Merchandiser arrange meeting with production manager.
- Give clear idea about approved sample, production file and approved pattern.
- Than handover these items to PM.

3.8.2 Preparation & conducting of pre production meeting in factory required for production planning in factory Pre-production meeting in factory:

Pre-production meeting – once pre-production (PP) sample is approved (also called sealer sample) and most of the trims are sourced, merchants or production planning department conduct pre-production meeting with production team, quality team and sourcing team. All important comments, procedures to be followed, dos and don'ts are discussed. Scheduling of PCD (planned cut date) and shipment date is announced to all teams.

Production plans, Material planning and line planning – to start production on time and ship the order on time planning is must. Planning is needed for material sourcing, production capacity, line planning. Scheduling of jobs and responsibility is defined at this stage.

This meeting should be conducted directly after the merchandise manager approves the concept for development. The purpose of the meeting is to review the preliminary product and package specifications and to ensure that the supplier is aware of the companies' quality and product development procedures. The meeting should be of a technical nature. Therefore, the supplier should bring to the meeting the appropriate representation from their staff. Expect to discuss the manufacturing process in detail and address any potential manufacturing concerns or limitations

in regard to manufacturing the particular item being discussed. In this meeting, the supplier should be provided an initial specification file with details of the garment that is to be manufactured. The supplier should be requested within a short period of time to formally acknowledge their understanding of the requirements. It is a good idea to obtain this in writing.

3.8.3 Trims card preparation

Submission of Trims

Before apparel production begins, it is critical that the buyer approves all components that will comprise the finished product. Some buyers will require review of all trims and others will require the approval of major trim components only. For example, some buyers will want to see examples of the actual sewing thread. However, others may not require viewing the thread. It is important to understand what the buying company wishes to review prior to production. Experienced fashion merchants will require that you submit trim submissions on an appropriate form. This allows both the supplier and the purchaser to maintain well organized records

Trims are those items that are fixed with a garment and form part and parcel of that garment. Thus buttons, zipper, laces are this category of items. Some authors define trims as materials that can decorate and ornament a garment. Examples include lace, embroidery, appliqué, screen printing, heat transfers, sequins, etc. On the other hand, accessories are items that are not part and parcel of the garment but are required for finishing or marketing of garments. Back board, neck board, hang tag, price ticket, poly bags, cartons are examples o f accessories. Accessories are thrown away by the end user after a garment is bought and taken home.

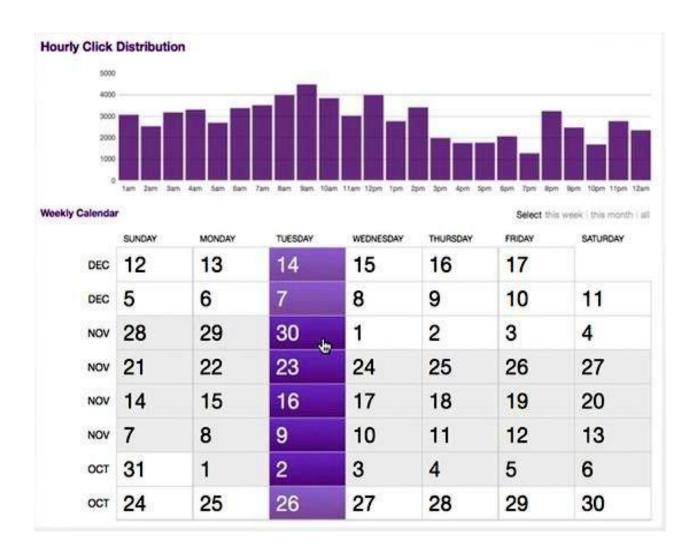
- . Here are a few examples of items that may need to be submitted for review.
 - Lab dips, strike offs (screen printed swatches), reeling of yarn in all colors.
 - Production fabric, knitwear etc. Most often required in a large enough size to containing full pattern repeat.
 - Care labels & main labels

- Clothing Components: Buttons, lace, zippers, interlinings, shoulder pads, elastics, hangers, hangtags, price tickets, etc.
- Packaging: ASN labels, chip board, jet clips, tissue paper, polybags, etc.

In addition to trimming, you will most likely be required to submit Fit Samples, pre-production garment samples, testing samples, TOP Samples (Top of Production Samples), etc. You may also be required to submit documents during this phase such as flammability documents etc.

3.9 Hourly daily & monthly production report (Attached in next page)

		HOURLY F	PRODUCTIO	ON DEFECT	ANALYSIS	AND CORE	RECTION	N REPO	RT		
							30				
FACTORY							1	DATE			
ORDER NO.								001169356			
STYLE NO.								DESC	RIPTION		
WORKING HOURS/ DEFECT DESC.	1	2	3	4	5	6	7	8	9	10	TOTAL
FABRIC DEFECTS			8	9).	.8					5	93.
SHADING VARIATION											
MAIN LABEL ATT.											
CHECKER SIGN				8	30	3					8
PASSED PCS											
DEFECTS/PCS				3)	\$						3
PRODUCTION PER HOUR											
SUPERVISOR SIGN	i i					25					
INSPECTED				FLOOP	RINCHARG	E			INSPE	CTOR SIG	N



3.10 Improvement of productivity through work study procedure

- BPT (Basic Pitch Time): Total standard time: No of operator
- UCL (Upper Control Limit): Basic pitch time : .85
- LCL (Lower Control Limit): 2×BPT-UCL
- Organization Efficiency: BPT÷ Highest bottleneck time×100
- Productivity: Per hour production ÷ Total operator
- Production Target: (No of operator×3600) ×85% ÷ Total standard time
- Actual production: 3600÷Height bottleneck time

Quality check to ensure quality product

In the garment industry quality control is practiced right from the initial stage of sourcing raw materials to the stage of final finished garment. For textile and 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 garment products. However quality expectations for export are related to the type of customer segments and the retail outlets.

Here it follows:

- 1. Understanding the customers' quality requirements
- 2. Organizing & training 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 plans, parameters, inspection systems, frequency, sampling techniques, etc.
- 6. Inspection, testing, measurements as per plan
- 7. Record deviations
- 8. Feed back to Production Department

3.10.1 Pre-production:

- Auditing inward fabric and trims and ensuring only quality goods are accepted.
- Involvement in product development and sampling stage and take care of quality aspects of samples.
- Ensure that no faulty fabric is sent for cutting. If minor fault are present in the fabric, defects should be marked on the fabric and same thing must be communicated to cutting department.
- Preparing audit report of the fabric and trims quality.
- Conducting pre-production meeting before production start.

3.10.2 Production:

- Perform in line inspection and end-of-line inspection in sewing floor.
- Perform inline inspection, pre-final audit and final inspection in finishing department.
- Audit of the packed goods prior to offering shipment to buyer QA.
- Responsible for analysis quality reports and prepare improvement plan.
- Ensuring the right quality of the outward garment by conducting quality audits in manufacturing process.

3.11 Preparation of shipping samples & sending to buyer through proper packing & documentation

Shipping: The procedure of transporting an item, usually through the email. Shipment is a very basic, common way of getting an item from one place to another, or from one person to another. This process can be done physically or by transporting commodities or cargo by land, air, and sea.

Shipping sample is prepared before shipment but it is send to buyer when final inspection is completed. This is an important sample to buyer that's why sample department take extra care to make it. It is send to buyer by air for going early.

Sending Procedure of Shipping Sample:

- Making according to the measurement sheet.
- Quality check.
- Ironing.
- Labeling.
- Poly bagging.
- Forwarding letter.
- Measurement sheet.
- Finally re-check.
- Send to buyer by courier

3.11.1 Preparation of packing list after final inspection

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

- 1. Flat packing
- 2. Standard packing
- 3. Hanger packing

The back side of the packing some specifications are included for attracting the buyer. In the store room is used 'VIM' card in these vim card some information is included such as buyer no, order no, style no, fabric qty.

In the packaging section while packing the apparel industry follow these assortments

- 1. Assort color assort size
- 2. Assort color solid size
- 3. Solid color solid size
- 4. Solid color Assort size

<u>Invitation to third party like SGS for final inspection</u>

Dear Sir,

Thanks, recently we have completed one order from UK Buyer. Now we are ready for final inspection. According to our buyer requirement need your organization final inspection certificate. So please come to our factory and final inspection this order and give the conformation date for final inspection.

Best regards,

Mr. X

Sr. Merchandiser

BEXIMCO FASHION LTD.

3.12 Selection of shipping, forwarding & Consolidation Company for smooth shipment

Forwarding: The procedure for carrying out forwarding activities: procedure for rendering services related to shipment of cargos by any types of transport and execution of shipping documents, documents for customs purposes and other documents required for shipment of cargos.

Consolidation: Aggregation of LCL cargoes and consolidation activities being the core business of the company it is very focused about its execution. This is done through with a highly motivated team of professionals with a proven track record, a net work of owned offices and franchisees in India that covers the length and breadth of the country, a established network of agents who are all majors in their respective regions giving our customers best of both worlds irrespective of which sector the business is headed!! Our valuable customers comprise of some of the biggest names in Freight Forwarding in the domestic market, Multi-National Companies having global presence and conglomerates.

Forwarding & Consolidation company for smooth shipment:

The recognized Freight Forwarding Company who does consolidation services to the Companies in India. Our well trained operational staff has diverted their total attention to each and every shipment, of which in it resulting the delivery of our customer's shipments the next day or the following day, as a value added special service.

- Documentation Equip your Documentation team with the most automated documentation system. All documentation related requirements are catered in this module.
- Documentation Sea Export, Import,
- Documentation Air Import & Export
- Customs Duty Calculation Automatic Duty calculation at finger tips. Updates for the duty structures based on notification and circulars are handled by ITISL.
- Automatic Duty Calculation based on products, schemes, shipment type
- In-Bond/Ex Bond Jobs related to In-bond and Ex-Bond is handled in the POWERSHELL
 Exim smoothly. It helps to automate the transaction. Some key features -
- Manage multiple Ex-Bonds against one In-Bond.
- Manage Inventory at each for every In-Bond
- Bond to Bond Transfers and
- Consulate Shipment
- <u>License Master License Master maintains the records of customers' licenses and after every debit it is updated automatically. Some of the key features –</u>
- Manage Customer's Export & Import Licenses
- Get reports of licenses nearing expiry date, or with balance quantity.
- Add value to your service by updating your customer about their license details.
- ICEGATE & EDI Module Filing to ICEGATE become easier and more accurate. A Check is performed before filing to ICEGATE to avoid errors.
- Prepare checklist before filing to ICEGATE.
- Import & Export EDI Generation for Air & Sea Jobs
- Generate Console IGM
- Generate .sb or .be file and file to ICEGATE or upload to ICEGATE
- Save the file and save to floppy for manual filing

- Manual Shipping Bill / Manual Bill Of Entry printing
- Exim Reports & Statutory Reports
- N Form & GSP Form
- Certificate Of Origin
- Annexure
- Gatt Declaration
- Bill Of Entry
- Print Online Docket for Export & Import Jobs
- Job Registers
- In Bond Ex Bond Register
- Auto DSR Report- Automatic Generation of Shipment Status Report (DSR).

3.12.1 Time & Action plan preparations

Product or lines for each season must reach the store and sell through in a designated time frame. Delays can totally disrupt the business, because, products meant for one season cannot be sold in other seasons. So lend time must be strictly followed. Lead-time is generally divided into sequence of actions over a time frame. An example is shown below:

SI	Time Frame	Action to be taken
1.	01.07.2012	Received Master L/C for an export order
2.	02.07.2012	To receive Proforma Invoice for piece goods &
		accessories
3.	03.07.2012	To open Back to Back L/C for fabric
4.	08.07.2012	To open Back to Back L/C for trims & accessories
5.	09.07.2012	To submit Fit Sample to buyer
6.	10.07.2012	To receive fabric sample from fabric supplier

7.	15.07.2012	To receive sample of trims & accessories
8.	15.07.2012	To receive comments on Fit sample from buyer
9.	16.07.2012	To submit size set sample to buyer
10.	18.07.2012	To receive comments/approval of size set sample
11.	23.07.2012	Ex-factory of fabric
12.	25.07.2012	To submit PP sample to buyer
13.	25.07.2012	Fabric shipped from supplier port
14.	26.07.2012	To get approval of PP sample from buyer
15.	30.07.2012	To receive trims & accessories t store
16.	09.08.2012	To receive fabric at store
17.	10.08.2012	Inventory control to ensure all goods in place
18.	11.08.2012	Fabric cutting starts
19.	12.08.2012	First production run commences
20.	13.08.2012	To submit production samples to buyer
21.	16.08.2012	To start finishing of garments
22.	18.08.2012	Receipt of cartons a store
23.	18.08.2012	Cartooning commences
24.	20.08.2012	Sewing complete
25.	23.08.2012	Finishing complete
26.	24.08.2012	Pre-shipment inspection complete
27.	25.08.2012	Ex-factory of the merchandise
28.	27.08.012	Handing over to shipping line
29.	28.08.2012	Shipment of goods
30.	29.08.2012	To send shipment confirmation documents to buyer

3.12.2 To help commercial department for making proper documentation for submission in bank as per terms & condition mentioned in M L/C $\,$

- Buyer's Name
- PO/Order/ Style No.
- Item Description (As appropriate/complete to determine the Cat/HS Code No.)
- BEXIMCO's Datatex Order No.
- Lot #, if Any and qty per Lot #
- Order Quantity
- Carton Quantity
- Export L/C No.
- Fabric Source

- Fabric Construction
- Fabric Description
- Unite Price
- Freight Terms
- Mode of Shipment
- Port of Shipment
- Port of Discharge
- Latest Shipment Date in the L/C
- LC Lien Bank & Factory A/C (BBL/C Dept.)
- DCD / Any Specific Del-date to maintain
- ETA Destination as per PO/Contract
- G. Wt
- Nt. Weight
- Net. Weight Wt.
- Total CBM
- Tentative date of inspection
- Factory from the Where the Good Will be delivered: BFSL.
- Final Destination of the Goods
- SA No. :
- If any other Special Terms & Condition To Take Care

3.13 Monthly Merchandising report

- Update the ERP system
- Time &Action update
- Order progress meeting date
- Subcontracting (In or out) plans
- Shipment plan (Monthly/ Weekly)

3.14 Written future business plan

A business plan is a document that is prepared in order to organize the business's operations, forecast financial performance, set financial and operational goals, attracts investors and applies for business loans. A business plan is a written description of a business's future. It reports on the environment in which the company operates, explains what the company plans to do in the near future and predicts how it will perform financially.

The following loose outline can be used as the basis for preparing a simple business plan.

1. Executive Summary

A. Business Concept

Describes business, product and market, pointing out exactly what will be sold, to whom and why and why this will be successful.

B. Financial Features

Defines the summary of important financial points of business plan.

C. Financial Requirements

Summary of capital needed to start or expand the business, how this will be used and what equity (if any) will be provided or collateral is to be put up.

D. Summary of Strategy proposed

Overview of the market where the business functions, its strategy to beat the competition, and future predictions as to profitability and likely return on investment is described.

Business Description

- Short description of industry you operate in, present outlook and future possibilities.
- Information on various markets within the industry, including any new products or developments that will benefit or hurt your business.
- New business or already established?
- Structure of your business e.g. wholesale, retail, manufacturer or service.
- Who will your customers be?
- How will your product be distributed?
- Description of the products or services you intend to market.
- Information about the team the individuals who have launched the company, etc.

3.15 Merchandising activities on Product development

Merchandising activities on Product development

Product development is another important responsibility for RMG merchandisers. Before go to bulk production various stage of sampling has to pass in order to develop a product for end user.

- Sequence of Sampling
- Counter sample/Style sample/Salesmen sample
- Fitting sample/ Size set sample
- Pre-Production.

- Pre-Shipment Sample.
- Shipping Sample.
- Photo/ Advertisement/ Catalog Sample

Sequence of Sampling



Counter sample/Style sample/Salesmen sample



Fitting sample/Size set sample



Pre-Production



Pre-Shipment Sample



Shipping Sample



Photo/ Advertisement/ Catalog Sample

3.15.1 Steps of Garment Sample Approval:

Step-1

Style sample (Closest available fabrics and trims)

Step-2

Size Set sample (actual fabric and closest available trims)

Step-3

Pre- production sample (In Actual)

Step-4

Pre-Shipment sample (In Actual)

Fabrics Selection

Approval Fabrics (for hand feel & Approval) Test done from official Testing House

 1^{st} Bulk Fabrics in each Color Test report in each color

Lap dip

Each Color ¾ Options for Dry Recipe Confirmation with "Spectro Readings"Re- Sub Needed Until Approval.

Swatch

Swatch is a presentation of all the materials is (Fabrics & Accessories) used for any specific style/order. Usually small piece of fabrics and each piece of accessories are attached in board paper in a systematical manner. Swatch is very important for production line to make the correct construction of a garment and QC departments ensure it. Concerned merchandiser should confirm/approve the swatch.

Style sample development

The main object to develop style sample is to approve the styling of a product that a designer imagine first. This sample is usually made by available color but actual design, construction and weight. But some time buyer ask sample to make by actual color

Size set sample development

The main object to develop size sample is to confirm the measurement, body fitting etc. This sample is also made by available color but actual construction and weight.

Pre production sample development

The main object to develop Pre production sample is to confirm the final product from buyer. After receive pre production sample we can start final/bulk production.

Pre-Shipment sample development

The main object to develop Production sample is to confirm ultimate buyer that what we produced and ship to sell for end user.

3.16 Merchandising activities on production

Merchandising activities on production follow up

Production plan

After receive a purchase order from buyer merchandiser have to sit with production planner to make a production plan. Production plan contain below things:

- Planned date to start knitting/ weaving to make the required fabrics.
- Planned date to start dyeing to color the fabrics.
- Planned date to start cutting fabrics.
- Planned date to start sewing the required garments.
- Planned date to start packing the required garments.
- Planned date to hand over finished goods to buyer nominated sea or air forwarder.

Trail/ Test cutting

Before start bulk cutting to adjust pattern we cut each size and each color10/15 pcs. This is called trail or test cutting. After approved trail or test cutting we can go for bulk cutting.

Sewing

Sewing section is the section where cutting part are joined to make a garments. In sewing section sewing machines are set up according to the kind of final product.

Packing

After sewing, garments are packed into packing section. Here we put iron on garments, add various kinds of hangtags, poly bags and make garments ready to ship to the buyer.

3.17 Merchandising activities on Quality control

The main objective of quality control is to ensure that goods are produced to the first customer (Direct Order) and hopefully to the second customer (Recorder/Alter order/ new order) as well. If both customers can be satisfied then the manufacturer products are more likely to continue to be in demand. Satisfactory quality can only be ensured through (from the manufacturer pint of view)

- Knowing the customers' needs.
- Designing to meet them
- Faultless construction- manufacture.
- Certified performance and safety.
- Clear instruction manuals.
- Suitable packing.
- Prompt delivery.
- Feed back of field experience.

Satisfaction quality can be ensured from the customer from the customer's point of view by providing:

- Right Product.
- Right Quality.
- Right Time.
- Undamaged Condition

Principles of Quality Management

The main objectives is to prevent errors by early detection and action

• The need to make the requirement complete and clear at all levels, from this specification of a large system to the individual work construction and terms of reference.

- The detection error by monitoring both product and the method by which is produced.
- The prevention of errors at all earliest
- The total involvement all concerned of the contribution to the final products quality.
- Establish a total forward and backward control system, allowing flexibility for change.

Purpose of Quality Control

It is a long standing trading of any organization to offer the customers first quality merchandise. The purpose of this quality control program is to assist manufacturers in meeting the high standards. In addition, company's quality control program can also help the supplier with their operation. Quality control program not only help spot and reject defective items, but more importantly they pinpoint production operations that need special attention, thereby reducing the number of defects in future production. This type quality control provides basis for management decision in the manufacturer's plant. For the purpose of this manual, the defect refers to a condition that renders merchandise of second quality and or unacceptable because the defect is one or more of the following:

- It is conspicuous.
- It will affect the salability of the product.3.It will affect the serviceability of the product.

It is understood that all performance and legal requirements be following to the letter (that is L/C or any other contact between the buyer & seller) with no division allowed.

3.18 Merchandising activities on goods delivery to buyers destination

Booking to forwarder

After making final inspection merchandiser received packing list from packing section which contain the list of carton, how many pieces garments in the carton, weight of the carton, number of pieces of garment to be shipped etc. Refer to this information merchandiser make booking to sea or air forwarder.

Export Documentation

The documents which to be submitted by a C&F agent for export: An exporter should have to submit the following documents to the customs authority of a station:

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

Bill of Landing (B/L)

It is document issued by an eerier (railroad, steamship, or trucking Company) which serves as a receipt for the goods to be delivered to a designed person or to his order.

B/L describes the conditions under which the goods are accepted by the career and details

- The quantity of the goods.
- Name of vessel
- Identified marks and numbers
- Destination

Invoice:

Below point are including in the invoice:

- Name and address of the buyers and the seller.
- The Date and term of the sale.
- A description of the goods,
- The price of the goods and
- The mode of transportation.

Payment release

After prepared invoice, bill of landing and other required documentation we send it to buyers nominated bank for payment release

This is all about the job of Merchandisers where I have worked out for three months. I have worked with the team of Bershka. So, here a brief introduction of Bershka is described with the management body of BEXIMCO related with it.

3.19 BERSHKA

Bershka is one of the Spanish retail outlets of Inditex group. The company was created in April 1998 as a new store and fashion concept, aimed at a young target market. It now has 885 stores in 64 countries around the world. The sales made from Bershka represent 10% of the Inditex group. Bershka basically appeals to their young customers and has trend to change styles very frequently. Their headquarter is in Artexio, Spain.

Here, in BEXIMCO the team Inditex is divided into three groups. They are- Zara, Bershka, and Pull &Bear. This group communicates with their local office Inditex Dhaka. Every parcel of sample they send to Bershka should go through the route to this local office. This whole site of Inditex group is taken care by Ms. Shazia Khan, as Deputy General Manager of marketing department in BEXIMCO. For, the development part of Bershka, Ms. Sabina Yesmin is responsible and for the production part, Mr. Afzal Suriya and Mozaharul Islam are the persons who are communicated.

The costing, L/C, negotiation for pricing and the decision of taking orders all are taken by this higher authority. Te other parts of assisting them is done by the junior merchandiser and executive level employees.

Chapter-4-Project-Dissection of the Experience of Merchandiser

The above part is full with the description of the three months observation of the responsibilities of a marketing department of textile industry do. The hectic extensive process of chasing suppliers, buyers and manufacturers is so vast and hard labor work to experience. Description always does not convey the full picture of labor. The repetition of the same processes basically makes the procedure long and lethargic to some extent. Moreover, the pricing, political unrest and uncertainty of the friendly environment against the thought of meeting shipment deadline makes the tasks very challenging. So, for the deep explanation I have chosen here a style to be described its whole journey from the production house to the customers of world wide.

As being a very dynamic retailer Bershka changes its trends very frequently. So, it is full with styles but less with quantities. Here, for this summer season they have chosen to in house some crochet collections. The dresses they want contained with soft and light fabric with different laces. And, BEXIMCO here stands to supply them with their desired ones.

Here, I have picked a style from Bershka collection to go through it's in depth process of marketing from the development sector to production floor. Production floor details or planning of machines are not included in the responsibilities of merchandising team but they are responsible to arrange the every ease for completing the whole task.

4.1 Journey of HARRIET

Harriet introduction-Bershka is a shop with different styles. It loves to full its shelf with lots of new collections. Changing trends and styles has made itself unique and in this process with some new ideas it has created its crochet collection this summer season. This crochet collection was included with dresses, shirts, tops and bottoms. These styles had been presented in a collection meeting at Spain in February, 2013. As a regular production house of Bershka, BEXIMCO was nominated to exhibit some collection on this crochet work. The top management of both side had an urgent meeting in Spain regarding some new collections, their confirmed orders and the future prospects of business with some styles. So, the design studio just jumped into this idea and with the essence of some old designs and new trends they submitted some collections in the meeting of Bershka and BEXIMCO at Spain. Harriet is a fruit of it. The word Harriet is referred as girl's name. This means "home ruler". Concept of Harriet has come from serving the regular college or working girls in summer.

Design studio of BEXIMCO is full with some innovative designers who transfer the pen and paper idea of buyer to the physical substance. Sometimes they design some styles from their own to get buyer's approval and get new orders. This crochet collection is kind of a similar with the second one. For the meeting they were given a reference example of collections and they design some new styles with that reference. Harriet was prepared from the reference of Emily. This was a light crochet reference where some editing was required. The reference was prepared with half sleeve and plain crochet line which was required to remove in the new designed style and under the supervision of Nibedita Bhabani in design studio the team works with tops prepared a new style which has turned into the ultimate Harriet shirt after some few requirement changes.

SLEEVELESS FRONT TIE SHIRTS WITH LACE LAID ON PANEL YOKE AND CROCHET TAPE TRIMS AS SHOWN



4.2 Design studio:

The first step is always done by the design studio when the collection type was fixed along with the meeting date in Spain. The designers first sat on a meeting internally by teams to decide their styles. So, while a team had prepared bottom items other had prepared tops items. As mentioned before, Harriet is a shirt which can be classified in the group of 'Tops'. This Tops section team is leaded by Nibedita Bhabani where other two designers are included also. In case of preparing Harriet, designer Nurjahan Akter made the primary design. For limited time span they sorted out some old patterns of their collections where they got a style of crochet lace named "Emilda". So, they found out the pattern and with the measurement of it by using BDL-1311 fabric they prepared Harriet or, the shirt similar with the original design sent by the buyer named "Emily" [image: pg 2]. In the time of designing this shirt the first thing they considered is the type of this product which means that for whom the product will be used. This is a very casual dress for regular girls. As it is described earlier two seasons are generally counted in fashion industry which are- Summer/ Spring (SS) and Autumn/Winter (AW). So, the picture of samples they got from the buyer side was a dress for summer season and the month was currently going on February. So, the dress is about to be confirmed for this summer season in 2013. The design studio made the dress with a very light, soft denim fabric and used the collected crochet lace for the design. According to the measurements they sewed the lace border with the shirt line (the red marked line) with two front pockets, pearl buttons with the tint placket and a twist at the end border of the shirt like the previous picture for keeping the resemblance. They have used here random bleach wash which is a heavy wash for giving the cloths whiter look and they sent it with their meeting team on mid February.



Buyer:

DESIGN STUDIO

Style Ref:

EMILY(OPT-2)

Season/Month:

Item: TOPS Date: 05.02.13

Construction/Count: 22T*22T/91*69

Wash: RANDOM BLEACH+TAGGING Finish:

Fabric Code: BDL-1311





Fabric Swatch 1:

Fabric Swatch 2: Code:

Photo/Sketch

Designer Name:

4.3 Product pack

Product pack is the first details of product come from the buyer. This product pack is contained with fabric type, order process, their description of interest, trims description, wash description and measurements. The pack also contains amendments if supplier sent any sample before. Overall, it is the reflection of buyer's wants and demands. Many requirements are also described here to fulfill. The product pack has three parts – first part contains the mail and official order for making samples of a particular style with their different instructions of fabric, wash and fit comments. Second part is attached with the picture of the style with important instructions suppliers need to follow, here also the trims instruction and reference is given. Third part contains the measurement sheet. It is consisted with the measurements supplier needs to maintain according to their size chart. After the meeting in Spain, the design of Emily has been chosen by Bershka and with some changes they sent the product pack in February18, 2013. Here, with the pattern file they sent the mail with all the requirements and instructions.

Here, at first the client part changed the name of Emily to Harriet. They wanted to have their reference by the name of Harriet. Second, they sent here their desired fabric, which has the code BDL 1455. Actually this fabric was not used by the BEXIMCO design team rather they used the fabric with the code BDL 1311. The reason of changing fabric can be the color of the finished product that BEXIMCO sent. The sample sent by BEXIMCO had a bit yellowish look after wash which was not demanded by Bershka. They wanted the clear look of product.

They here instructed about the wash of garment. They preferred the wash of sample but without the tint. The tint is the part of garment what is put if buyer does not want to get the clean look of denim. If they want any kind of shadow or dark area or other color shade then they instruct to use tint.

Trims are instructed here also. Buyer sent BEXIMCO their original trims or, buttons, the crochet panel. As they were not satisfied with the crochet supplier used, they sent different types of lace for using. Thread is also mentioned there. They wanted to use the same thread for sewing as sample sent in Spain.

At last, they have instructed about the style of the product they wanted to see. They have selected the pattern and the style of supplier but they have changed it in various portions according to their demand. They had different thought bout the fit of the product. Fit means style and outlook of product which is mostly related with the measurement of garment. They sketched the placement of buttons, cutting of collar shapes, yoke panel style, cancellation of the pockets (red marked in previous picture), cancel the darts at the back which refers a sewing style. So, after all these amendments they wanted their demand looks like this-

SS13

18.02.13

HARRIET

BEXIMCO

FABRIC BDL 1455

* Please see the attached FIT comments

DENIM BASE WITH
LAID ON CROCHET(NO SEE THROUGH)
-SEE THE PICTURE FOR IDEA OF CROCHET





0

8MM COPPER BASE MAT WHITE STONE POPPER - WILL BE SENT

COMMENTS

EMILY AS PICTURE ABOVE

LINING

TRIM

AS SAMPLE WITHOUT ANY TINT

THREAD

C7928 as sample shirt

LACE TAPE TRIM- OK

CROCHET PANEL - NO OK, PLEASE SEND MORE OPTIONS FOR CROCHET

CANCEL DARTS

and their suggested crochet panel was like this-





Bershka requested BEXIMCO to source this type of laces for further processing of this product and for the shape of crochet lace shape they asked to see this attachment. So, they instructed the button placement with the button sample wanted to add a sleeve which has a bit curve and small length. They wanted to change the shape of the bottom of the garment also.so, with all ammendments and following the measurement that Bershka has given with the product pack, BEXIMCO was supposed to send them the fit sample which will be the first fit of Harriet.

	SEASON	CODE			DATE	DATE		?		RECTIFIC	ATION N°	MODEL		
	AW-12/13	HARRIET		13/03/2013				BEXTEX		2ª	CA	RLA	l	
GR	EEN MMTS OK	OV. 14			NEW.]	SAME: F	Sam	ole che	ck lis
_	Ancho cuerpo	OKM	SAMPLE		NEW	_	_ ا	ш	Hombro	OKM	SAMPLE		NEW	
	Body width	45	45		1			"	Shoulder					ı
A 4	Altura bajo pecho under bust height						7	-	Ancho hombro a hombro Shoulder to shoulder witch	33	34	ОК		
12	Ancho cuer.bajo pecho body width under bust								Bajada sisa Armhole drop	19	18:5		19.5	
	Altura ancho pecho Chest width height	10.5	10.5					J2	Altura de sisa Armhole height					
	Ancho pecho Chest width	28	29				7	K	Largo tirante Shoulder strap length					
~	Altura ancho espalda Back width height	8	8				7	L	Largo cordon o cintu. String or belt length					
	Ancho espalda Back width	31	31				7	М	Largo manga Sleeve length	8.5	6:5			
D1	Altura cintura Waistline height	43	43				7	0	Ancho de manga Sleeve width					
	Ancho cintura Waistline width	42.5	42.5		45		7	P1	Altura codo Elbow height					
22	Ancho cintura(estir.) Waistline width (ext.)						7	P	Ancho codo Elbow width					
	Altura cadera Hip height						7	Q	Ancho bocamanga Sleeve bottom width					
	Ancho cadera Hip width						7	٦.	Ancho boca.sobre puño Seeve bottom width bef.cuff					
_	Ancho bajo en recto Bottom width straight	AT	45	ОК			7		Ancho escote Neckline width	15.5	15.5			
F1	Ancho bajo recorrido Bottom width full length						7	R2	Dist.tirantes espaida Dist.between back straps					
	Ancho bajo sobre puño Bottom width bef.cuff						7		Bajada escote Neckline drop	9	8			
G	Largo total Total length	52.5	81		57.5		7	T2	Recorrido escote Neck opening	20	18.5			
	Largo delantero Front length	49.5	48:5		55				Cremallera Zipper					
G2	Largo total espalda Back body length	65	64		66									
	Largo lateral Side length	33	32		38.5		7							
24	Largo centro Centre front length	43.5	42.5		48		7							

Bershka Bershka BSK España, S.A. T-INDITEX GROUP- Carretera Tordera Palafolis P.K.O.6 CP-08490 Tordera (Barcelona)

Fig: the measurement sheet

4.4 FIRST FIT

After sending the first fit BEXIMCO has got their reply from buyer. As BEXIMCO was confirmed about the order from the meeting they do the changes according to the buyer by the first week of March. In the product pack buyer changed the measurements so they needed to follow the new pattern sent by the buyer. This pattern file is a special artwork file uploaded by the buyer with which the pattern team works. This pattern rectification is mandatory for all the styles BEXIMCO supplies to the customer. This pattern is also used to measure the cost of the garment for knowing the consumption of the fabric for the product.

After completing the pattern rectification the garment goes for sewing. Here, design studio directly does not develop any changes of the style, according to the buyer's requirements; the development team of marketing department arranges this. For the style Harriet, they wanted to change the fabric and also the crochet panel. They sent the picture of crochet sample and according to that BEXIMCO tried to source the lace. And have remade it like they wanted without the twist, pockets in front and their suggested button placement. For arranging buttons they sourced the snap buttons with copper finishing and for lace sourcing they took some time and tried to arrange the lace like the left one of sample. So, with these all corrections BEXIMCO sent the first sample for fit and have got the comment after one week they sent it.

They have sent sample of crochet designs for piping before and buyer have approved it. So, they wanted their sample with the approved lace and the button size. But in case of measurement the approval was not got for the garment. There buyer wanted to get and the color of lace was should be pure white after wash according to the buyer requirements which was not achieved as it was outsourced and tried to match very close to the original reference. At the first product pack they included the sleeve but at the time of comment they did not like that and wanted to add another hanger neck inside of denim. There was another style CAMI Lace Dress was also going on parallel and Bershka used things from there as reference of Harriet. Buyer wanted to change the thread as well with the after wash look as, they wanted it pure white. The garment looked yellowish after wash which was not preferred by Bershka. The mail is attached below-

From: Monyrol Islam Chowdhury [mailto:MonyrolIC@itxtrading.com]

Sent: Thursday, March 14, 2013 1:13 AM

To: yeasmin sabina

Cc: Sabina Chandrakant Ingale; 'Shazia Khan'; mmahbub@savar.beximtex.com; afzal@beximtex.com

Subject: RECTI MOD HARRIET(beximco)

Dear Yeasmin

Pls find attached fitting comments on sample received

FABRIC

-Ok sample BDL_1455

SY- Noted with thanks.

MEASUREMENTS

- -Find attached correct measurements. Adjust it and send us correct sample urgently
- -Add inside denim hanger neck
- -We are removing the sleeve
- 5Y- Noted will follow the mentioned construction on the next sample.

ACCESSORIES

- -Thread color confection must be 16/C7177 for all garment confection
- -Overlook thread color confection inside garment must be 16/C7177
- SY- Noted will correct the thread on the next sample.

- -Snap buttons ok sample
- SY- Noted with thanks.
- -Crochet design on shoulders ok, but color is not ok, it must be as your sample CAMI LACE DRESS CROCHET COLOR. Please inform us if you have a sample or you need a piece color for your reference.
- SY- Noted design approval of shoulder crochet lace. Pls. note we have the counter copy of CAMI LACE DRESS sample to follow the same color.

Please note that we have used shoulder Crochet lace 15cm on the sample due to shrinkage it comes 12cm, as this is crochet is lace form so we would take 18cm width constant for all the sizes.

And we also want to proceed bulk order of this lace as we are in very short time on this order. Pls. confirm.

- -Crochet pipping, find attached correct design that you sent us before, color must be the same as CAMI LACE DRESS
- SY- Noted design approval of crochet piping will proceed bulk same as CAMI LACE DRESS color.

CROCHET SAMPLE Please inform us if you have it or you need that we sent back it for your reference

- SY- pls. note we have our counter.
- -Add this pipping attached around inside neck too
- SY- Noted with thanks.

WASHING COMMENTS

-Wash is not ok. Your sample is going to yellow and it must be light nice blue please note that we want the same wash as you sample received CAMI LACE DRESS CROCHET .Find attached picture

SY- Noted, will follow the same shade as CAMI lace dress on the next sample thanks.

Please prepare the correct sample urgently, because delivery it's too close for approved everything.

Let us know if you have any doubt and update us next sample submission date asap.

Thanks & Regards

Monyrol Islam Chowdhury

Mobile: (0088)-01755-581455

E-mail: MonyrolIC@itxtrading.com

4.5 SECOND FIT

After these all comments the responsibility of merchandisers' was to get all the trim sources and arrange all the requirements Bershka wanted. So, they tried to source all these and according to that they send their second fits in the last week of March'13. Here, they tried to arrange the lace according to the demand of Bershka. After that, they have got the comment of Bershka local office about the fit.

According to the fit's comments, the fabric is ok as approved one. Thread is ok in this case with what they were not satisfied before. The main problem BEXIMCO again faced is the measurement which is fluctuating with the original reference and the lace size. Buyer sent a measurement of 15 cm sewed lace in the dress where the lace is shrunk after wash. So, they needed to send the same style again. The lace was used by the team of BEXIMCO was actually

15cm in length after sewing but just after the wash it got shrunk. Firstly, it has been arranged locally for minimizing the cost but then the lace does not working the rightful way so they need to change it and for the further procedure they used the imported lace. The lace used in the placket of Harriet is appreciated by the buyer and during the unavailability of the prior lace they have ignored it for piping but buyer wanted the same lace they used at the time of collection.

Wash of the fabric is adjusted in this sample but buyer wanted BEXIMCO to follow the leg mock the sent prior to get was approval. But the main problem of adjusting lace is there and as this is the confirmed order buyer requested them to send urgent size set as delivery date is very near.

4.6 Size set sample

As, the order is confirmed and after the second fit sample the supplier BEXIMCO sent the size set to the buyer and then the lace problem is requested to ignore. This time the wash is sent as the buyer wanted that the light bleach wash which creates an 'Acru' color of denim and the wrong measurement has also been corrected.

In case of size set if different color remains then jumping size are provided by the suppliers like, fixing the Medium size other colors are sent one pieces for one sample. So, before of size set only the Medium size sample has been manufactured but for the size set samples of all the sizes of size chart is needed. So, pattern is made in new way for different sizes. It requires grading. That time, calculation of different size varies and mismatch of measurement can be occurred for doing the grading. Problem occurs here for the change of Fabric roll also. Depending on the characteristics of fabric it sometimes got shrunk and sometimes stretched.

Here, in case of Harriet there is no different color shades and wash instructions available. So, just following the size chart of Bershka, BEXIMCO sent the size set to buyer. Here, the responsibility of Development team is over now, the production team will take the workflow and further procedure for sending Harriet to Spain will be done by Production team.

4.7 Production process

The first part of production process is sending the PP sample which refers to Pre Production sample where all actual trims, fabric and wash standard is followed. Generally in case of different colors sample of all sizes with all colors are sent but in case of Harriet, there is just one color so, the sample is sent of four pieces of different sizes. Like, the Small (S), Medium (M), Large (L), Extra Large (XL) are sent to buyer as sample size. All samples go through the local office of Inditex so, eight samples were sent as pre production sample (PP Sample) for style Harriet.

4.7.1Costing:

For, the Production Process Merchandisers need to collect the costing of all the fabric and trims. They need to calculate the consumption of fabric here and also the pattern size. The complicacy of the style and the trims price is also included to count the costing of any garment. Accessories like the label, hangtag price is also included with the costing sheet. Here, for completing the costing part merchandise needs the pattern file first for assuming the consumption of fabric and then, they needs to count the trim's price attached in the garment. In this case they also need the spec sheet

Then, the production team needs the labor cost. There is an Industrial Engineer who calculate the time that every part of samples needs to sew and the cost of the labor for these hours. Price of trims is very important in case of measurement of the garment. In some cases, it captures the very big part of costing. Here, in case of Harriet shirt two laces are used in design of this shirt and both of these laces are very fancy items and these are not very available to source. So, the cost of this type of item is a bit high and adding the profit margin it reaches the cross line buyer wants to agree. So, this is the moment of challenges a supplier faces to ship its clothes. The sample of costing chart is attached in the above part (content 3.6)

4.7.2 Proforma Invoice (PI):

According to the PO sheet the supplier arranges all the required items buyer has demanded needs the PI (Proforma Invoice) which is the legal document of supplying garments to buyer. This is the memo that how much quantity is ordered and supplied, where the all materials have been sourced, what will be the carton size, how it will depart and so on. For Harriet the total number of garments that buyer wants is 7200 and for that the details of every part has been attached hre

(PI is attached in appendix)

4.7.3 Letter of credit (L/C):

After the PI the L/C is placed. When, the development team completes proceeding with size set these all parts of PI, L/C are started by the production team in parallel. For Bershka, there is a L/C of 30 days is required. So, the transaction will be completed by 30 days after production. So, these all are challenges for BEXIMCO that they need to manage all the procedures by this entire time span and to not hamper the shipment date. For, L/C they need the BOM sheet also. It defines the Bill of Material sheet that includes the trims, accessories, finishing package, alarms and all prices and its booking details.

4.7.4 Booking of raw materials:

The last preparation from the merchandiser end is storing the fabric, trims, accessories and all necessary items for production. So that from the operation end they do not need to wait and production will not be stopped.

For the style Harriet the al booking have been completed by the mid April as the production was supposed to start from the last week of April to meet the deadline of shipment.

So, Harriet is almost ready to go for its journey throughout the world and the merchandisers are in pressure of the last moment of its departure now.

4.8 Challenges:

4.8.1 Internal Challenges

- From the sample part or the development part, the problem Harriet has to face is the lace problem. The matching of the lace was almost going impossible as buyer's expectation because the lace is a fancy item and due to its shrinking it was needed to be sourced more and more which was expensive and due to unavailability of it, the sample was hung for further procedure.
- Washing requirements was also a bit problem that BEXIMCO needed to overcome that it wanted the ACRU look which is the pure fade white type of color garment becomes after bleach wash. This was hard to achieve because of trims color as in bulk production garments are washed in heavy machine mixing huge amount of garments. So, when all the garments mix together sometimes color split so, keeping the fresh look is a challenge. So, supplier needs to request buyer to take the garment as closest as possible.
- The fabric of Harriet is tencel which is an imported fabric and for this it takes generally 45 days for development to production. Generally it takes 25 days. They have 14 days to shipment but the fabric needs more than this to be ready. So, this is a huge tension for supplier to maintain the quality and workmanship with this constrained time for shipment.
- Communication gap between the management stuffs can stretch the process as for their bit ignorance an approval could have been sent for several times and organization can face a big loss.

4.8.2 External Challenges

- External problems include the monitory policy and the exchange rate of foreign transaction. BEXIMCO needs to import many items from abroad due to the unavailability of our production capacity. So, the cost sometimes gets higher because locally sourced products can not meet the quality. In that case, if the exchange rate increases it has to face slight money constraint.
- In case of RMG buyers China, Hong Kong, Taiwan is the competitor suppliers of Bangladesh. So, buyers can choose anyone if they do not get in competitive price. This is also depended on the relationship with the local office of buyers as they are the media of communicating with suppliers. So, maintaining a good relationship is important for suppliers.
- Price margin is fixed from buyer. So, supplier should have a bull's eye forecast to
 maintain the price margin given by buyer. If they can not go with it then, the order can be
 cancelled.
- Demand of buyer sometimes go beyond the possible capacities and can be changed at the
 very last moment of time which is a big risk for supplier that at the last moment
 production can be hampered as well as the assembly line.
- Unrest of country's political and business condition is a reason of losing the confidence of buyer to continue the business with Bangladeshi supplier.

4.9 Prospect

- This is fancy and trendy styles of Bershka. These types of products are not ordered repeatedly.
- The product has been produced for one buyer can not be sold to other one or, can not be referred for choosing because there is an agreement between the buyer and the supplier.
- For the different type of trims it requires suppliers try to avoid taking this styles in less quantity so, unless the quantity is not huge, there is no prospect.
- Basic styles like t-shirts, shorts without variation can be ordered many items by changing
 color and all but in this case Harriet does not have this chance to be ordered again for
 next season.

In fine, it can be seen that the future prospect of Harriet is not very sharp and huge in context to grow the business of BEXIMCO.

Chapter five-Recommendation & Conclusion

5.1 Recommendation

BEXIMCO Apparels Ltd. is the largest textile group in Bangladesh. It 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-

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 lead time.

- 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.
- Quality assurance system should be modernized because quality is the top priority of all international buyers.
- Working environment should be increased
- Pay scale is very poor which is needed to be increased because company will lose potential employees due to their policy.
- Distribution of power should be well managed and transparency among the workers and the management should be followed.

The organization is one of the biggest organizations in Bangladesh and contributing the highest amount of GDP in the economy but if it follows these areas then it will be among the greatest in the region.

5.2 Conclusion

In conclusion I can say that this internship report is really essential for every student of business studies to get idea about textile industry. By completing this report I have got overall idea of RMG sector and these may be helpful to know about the technical and management knowledge of garments industry also these sector related organizations. This is a huge sector and yet to discover the whole.

I want to thank my department Head for giving me great opportunity of learning. This Internship program will help me in the further challenges of life. I try my best to make this project enriched with lots of apparel related documents. BEXIMCO group is really a good experience for me because every person of there so much helpful and give me the proper methods of practical learning. So, at last, there is a hope of eradicating all the obstacles and become the leader of garment industries in near future.

Appendix

List of abbreviations:

Tint: dark area wanted by buyer which is done in denim garment. It can be blue, yellow, pink etc.

Placket: the line where button is placed in shirt.

Enzyme wash: wash using by enzyme to make the garment white. It is done in denim product.

Bleach wash: it is done for the light shade of denim

Popper: snap button which has four parts

Garment Accessories: labels, barcodes, alarms etc

Thread code- different threads are used for different areas. Like 20/2, 20/3, 40/2. In midst 20/2 is thicker than all.

PI- Proforma Invoice

PO- Purchase of order

References:

www.beximco.com

http://www.assignmentpoint.com/other/internship-report-on-marketing-activities-in-bextex-ltd.html

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Attachments:

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Lace At Placket				1.2 77 77 8	Yd s	72 00	1. 05	96 60	Yd s	Lo cal		
Lace for Front side				0.5 55 55 6	Yd s	72 00	1. 05	42 00	Yd s	Lo cal		
Lace for Back Youk side				0.3 88 88 9	Yd s	72 00	1. 05	29 40	Yd s	Lo cal		
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TAG	PCs/Gmts			00	05	60	Cs	cal		
PRICE	1	1	PC	72	1.	75	P	Lo		
TAG PAPER	PCs/Gmts	1	DC	72	05	60 75	Cs	cal		
BOARD	1 PCs/Gmts	1	PC	$\begin{vmatrix} 72 \\ 00 \end{vmatrix}$	1. 05	60	P Cs	Lo cal		
POLY	1	1	PC	72	1.	75	P	Lo		
BAG	PCs/Gmts			00	05	60	Cs	cal		
NYLON	1	1	PC	72	1.	75	P	Lo		
LOCK	PCs/Gmts			00	05	60	Cs	cal		
GUM CORD		0.0	R	72	1.	43	Ro	Lo		
TAPE		0.0	0	00	05	73		cal		
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BARCO	1	0.0	PC	72	1.	15	P	Lo		
DE	PCs/Carto	2		00	05	1	Cs	cal		
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Fig: Attachment PI of Harriet