

CHILDREN'S WEAR BUYING PLAN

By: Dana Miller

WHO IS PERRY'S CONSUMERS?



PERRY'S A STORE CONSUMER:

- Men & Women
- Median Age: 30
- Median Household income: \$72,453
- Education Level: 89% have a high school diploma or above
- Fashion Cycle: Late Introduction Stage
- Experiencers & Innovators



PERRY'S B STORE CONSUMER:

- Men & Women
- Median Age: 33
- Median Household income: \$85,014
- Education Level: 91% have a high school diploma or above
- Fashion Cycle: Late Introduction Stage
- Achievers & Thinkers



PERRY'S C STORE CONSUMER:

- Men & Women
- Median Age: 36
- Median Household income: \$44,212
- Education Level: 71% have a high school diploma or above
- Fashion Cycle: Culmination Stage
- Makers & Believers



FASHION TRENDS IN CHILDREN'S WEAR

Classifications:

- Sweaters
- Outerwear
- Accessories
- Shirts
- Pants
- Shoes



SWEATER TRENDS:



- Layers
- Simple Silhouettes
- Mix & Match Patterns
- Longer Hemlines
- Big Buttons



OUTERWEAR TRENDS:



- Fitted Silhouette
- Hooded Jackets
- Blazers



ACCESSORY TRENDS:



- Colorful Headbands
- Costume Jewelry
- Boy's Ties



SHIRT TRENDS:



- Graphic Tees
- Polka Dots
- Stripes
- Mix & Match Patterns



PANT TRENDS:



- Cargo Pants
- Straight Leg Jean
- Extra Pockets



SHOE TRENDS:



- Furry Boots
- Rain Boots
- Leather Shoes
- Ballet Slippers
- Metallic Material



CHILDREN'S WEAR TRADE SHOWS

- Palytime Paris
- International Kids Fashion Show
- MAGICKids
- Women's & Children's Apparel & Accessories



SIX MONTH BUYING PLAN

3% INCREASE

Last Year

- Sales:
 - \$1,500.00
- MU:
 - 55%
- Markdowns
 - 30% to sales
- Gross Margin
 - 41.5%
- Average Stock:
 - \$876.8
- Avg Turnover
 - 1.71

Planned

- Sales:
 - \$1,545.00
- MU:
 - 57%
- Markdowns
 - 27% to sales
- Gross Margin
 - 46%
- Average Stock:
 - \$899.50
- Avg Turnover
 - 1.72



SALES INCREASE OVER FALL/WINTER SEASON

	Aug	Sept.	October	Nov	Dec	Jan
PL Sales	231.8	309.0	216.3	262.7	401.7	123.6
LY Sales	225.0	300.0	210.0	255.0	390.0	120.0
\$ Inc	6.75	9	6.3	7.65	11.7	3.6
% Inc	3%	3%	3%	3%	3%	3%



SALES/STOCK RATIO AND BOM STOCK

	Aug	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
PL Sales	231.8	309.0	216.3	262.7	401.7	123.6	
S/S Ratio	3.9	3.0	4.1	3.6	2.5	6.3	5.7
BOM Stock	904.0	927.0	886.8	945.7	1004.3	778.7	



PLANNED PURCHASES

	Aug	Sept	Oct	Nov	Dec	Jan
Plan Sales	231.8	309.0	216.3	262.7	401.7	123.6
+ plan EOM	927.0	886.8	945.7	1004.3	778.7	850.0
+plan MD	62.6	83.4	58.4	70.9	108.5	33.4
- Plan BOM	904.0	927.0	886.8	945.7	1004.3	778.7
= PP retail	317.4	352.2	333.6	392.2	284.6	228.3
X 100%-MU%	43%	43%	43%	43%	43%	43%
= PP cost	136.5	151.4	138.4	168.6	122.4	98.2



SALES BY CLASSIFICATION

Classification	Percent	×	Season Sales	=	Class Sales
Sweaters	15.0%		1,545.1		\$ 231.8
Knit Tops	5.0%		1,545.1		77.3
Shirts	4.0%		1,545.1		61.8
Dresses/Skirts	7.0%		1,545.1		108.2
Pants	15.0%		1,545.1		231.8
Shorts	1.0%		1,545.1		15.5
Collections	8.0%		1,545.1		123.6
Activewear/Swimwear	3.0%		1,545.1		46.4
Underwear/Socks	3.0%		1,545.1		46.4
Sleepwear	1.0%		1,545.1		15.5
Outerwear	15.0%		1,545.1		231.8
Accessories	5.0%		1,545.1		77.3
School Uniforms	1.0%		1,545.1		15.5
Shoes	17.0%		1,545.0		262.7
Total	100%				1,545.1



ASSORTMENT PLAN BY VENDOR EXAMPLE

ASSORTMENT PLAN BY VENDOR
FOR Girls Dresses CLASSIFICATION

Vendor Distribution	Percent to Total
Good Lad	10.0%
Carters	8.0%
Baby Togs	5.0%
Peaches N Cream	14.0%
Rare Editons	16.0%
Bonnie Jean	20.0%
BT Kids	9.0%
Osh Kosh B'Gosh	8.0%
Tommy Hilfiger	10.0%
	100%



ASSORTMENT PLAN BY COLOR

Color Distribution	Percent to Total
Blueberry	14%
Sandstone	13%
Pistachio	15%
Chocolate	13%
Strawberry	10%
Grape	12%
Tangerine	5%
Passion Fruit	8%
Green Apple	10%



ASSORTMENT PLAN BY FABRICATION

Fabrication Distribution	Percent to Total
Cotton or Cotton Blends	20%
Wool or Wool blends	35%
Acrylic	10%
Cashmere	10%
Animal Hair not wool	5%
Organic Fabrics	5%
Polyester	10%
Other	5%
Total	100%



ASSORTMENT PLAN BY PRICE LINE, UNITS, \$\$

Classification	Price Line	%	# of Units	\$ by Price Line	Class Total
Sweaters	\$ 20.00	20.0%	2,318	\$46,360.0	
	\$ 30.00	60.0%	4,636	\$139,080.0	
	\$ 45.00	20.0%	1,030	\$46,360.0	
					\$ 231,800.0
Knit Tops	\$ 10.00	20.0%	1,546.0	15,460.0	
	\$ 20.00	60.0%	2,319.0	46,380.0	
	\$ 30.00	20.0%	515.3	15,460.0	
					\$ 77,300.0
Shirts	\$ 10.00	20.0%	1,236.0	12,360.0	
	\$ 20.00	60.0%	1,854.0	37,080.0	
	\$ 30.00	20.0%	412.0	12,360.0	
					\$ 61,800.0
Dresses/Skirts	\$ 20.00	30.0%	1,623.0	32,460.0	
	\$ 50.00	60.0%	1,298.4	64,920.0	
	\$ 100.00	10.0%	108.2	10,820.0	
					\$ 108,200.0



Planning Market Purchases

- Pre-plan the trip
 - MAGIC February 14th-16th, 2011
 - Select which seminars to attend (Protecting consumers while protecting your brand: A consumer product safety update)
- Research Business Statistics
- Plan Market Itinerary
- Get Organized
 - Make sure to have all of your resources names, manufacturer's names, and each vendor's names.
 - Have a list of any questions or problems ready to ask the vendors.
 - Be sure to ask about how certain styles or products have done in past seasons to determine whether that product is right for you to carry.



Planning Market Purchases

○ Market Assessment and Decision Making

- At the end of the day you should review your notes and organize this information by trend, price, delivery dates, and classification.
- Take into consideration the manufacturers offers on advertising for the product, exclusivity, markdown allowances, and terms and shipping.

○ Developing Key Resources

- Negotiating Deals
 - Delivery Dates
 - Special Discounts
 - Exclusivity
 - Shipping

○ The Buyer's Role in the Market

- The buyer is the representative for their department at all times when at market.
- The buyer must behave with decorum and regard any complaints or problems receptively.
- Be aware of all guidelines and policies that can be taken as a bribe. This could be something as small as accepting lunch from a vendor.



Income Statement

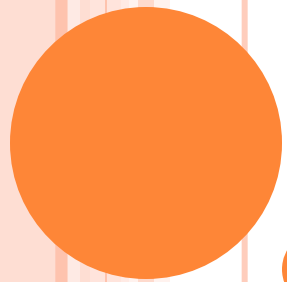
- Last year \$225,000,000 was done in Gross Sales at Perry's
- \$114,400,000 was the cost of goods sold
- Net Profit before taxes was \$8,800,000
- The income statement covers gross sales, cost of goods sold, gross margin, operating expenses, fixed expenses, variable expenses, and net income.



BUYER'S ROLE IN PRODUCT DEVELOPMENT

- Ensure quality in the merchandise
- Develop costing sheets
- Acquire all fabrics trims and buttons
- Must stay up-to-date on new technologies.
- Must be aware of issues over testing of fabrication of merchandise.
- Making sure label requirements are following US law.
- Ensure correct shipping terms and track.





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