

# Sourcing Plan

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CREATED:  
DEVELOPER:  
SOURCING:  
PD #: 2020-A  
VENDOR:  
GENDER: Male  
CATEGORY: Work

REQUEST DATE:  

SEASONAL PROJECTIONS: 80,000 units

- NEEDLE COUNT: 144N  
- CUSTOMER MARGIN: 60%  
- SHIP DATE: 3/21/22  
- POS AVAILABLE: 4/22/22  
- PROGRAM END: 1/15/23

DULUTH  
TRADING  
CO

NEW  
6-PACK  
VELOCITY

DEVELOPER:  
SOURCING:  
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NEW  
6-PACK  
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DULUTH  
TRADING  
CO

NEW  
6-PACK  
VELOCITY

OVERVIEW

NEW MSRP = \$29.95

CARHARTT FORCE® PERFORMANCE CREW SOCK, 3 PACK

\$15.99

STYLE #A422

afterpay available for orders between \$35 - \$1000

★★★★☆ 61 REVIEWS 9 QUESTIONS, 39 ANSWERS

COLOR: White

3 PACK:

X-LARGE

SIZE & FIT GUIDE

QUANTITY:

1

-

+

EARN 80 LOYALTY POINTS WITH THIS ORDER

CURRENTLY OUT OF STOCK

Notify Me When Available

Men's comfortable socks that wick away sweat.

Everyday socks you can wear year round. These men's comfortable, crew socks are made of sweat-wicking yarn and have a reinforced heel and toe for durability. The reinforced arch and ankle adds support.

- 96% polyester / 4% spandex
- FastDry® technology wicks sweat and fights odors
- Reinforced arch and spandex add stability and holds the sock in place
- Reinforced heel and toe help protect against blisters
- Top length: 6.75"-8"
- Imported

PRODUCT DETAILS

\*\*Follow for design/layout

NEEDLE COUNT: 144N

WEIGHT (PER PAIR): 80g

WEIGHT (3-pair PACKAGE): 258g

CUSHION: Lightweight

COLORWAYS: White, Black, & Grey

HEIGHT: Crew

CONTENT: 60% polyester, 37% nylon, 3% spandex

FLAT MEASURMENTS

SIZE CHART (M, L, & XL):

	Women's	Men's	NAHM:
Small	4-6.5	3-5.5	10-11 NAHM
Medium	7-9.5	6-8.5	11-12.5 NAHM
Large	10-12.5	9-11.5	13-15 NAHM
X-Large		12-14.5	

\*\*Refer to page 2 for design/layout

1 LEG WIDTH: 8 1/2 cm

2 WELT HEIGHT: 3 1/2 cm

3 LEG HEIGHT: 30 cm (measured top of welt to bottom of heel gore)

4 GORE WIDTH: 10 cm

5 FOOT WIDTH: 8 cm (measured at arch support)

6 LOGO WIDTH: 7 cm

7 LOGO HEIGHT: 1 1/2 cm

8 HI-SPLICE HEIGHT: 7 cm

9 FOOT LENGTH: 25 cm

10 MESH PANEL: 9 cm

GREY

BLACK

# WHY INDIA?

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- The projected total seasonal profit is \$381,600
- They have payment terms of 60 days FOB
- They have a broad range of knitting equipment.

- India was the third highest in the seasonal profit projections out of all the different factory options, and allows for payment 60 days post FOB, which eases cash flow and reduces the need for immediate financing, overall lowering costs. This is also helpful since India has a reliability percentage of 85-87%, and having this financing allows for some room for possible issues that may arise.

- India has a broad range of different knitting equipment and has the ability to import synthetic fibers from China. Labor is not an issue in India, and it has been relatively stable and has well-developed economic ties with the U.S..

- The factory in China would have been an ideal choice for us, but we decided to go with India instead due to the chance of costs to rise because of geopolitical factors. We would rather choose the second best choice to avoid these extra costs, since India is more stable.

# C A L C U L A T I O N S

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## 1. LDP=\$7.23

FOB(\$6.30) + Import Duty(\$0.91) + Ocean Freight(\$0.021)

= \$6.30 + \$0.91 + \$0.021 = **\$7.23**

## 2. Profit Per Unit-

WSP(\$12.00) - LDP(\$7.23)

= \$12.00 - \$7.23 = \$4.77

## 3. Total Seasonal Profit-

Profit per Unit(\$4.77) x Seasonal Projection(80,000 pairs)

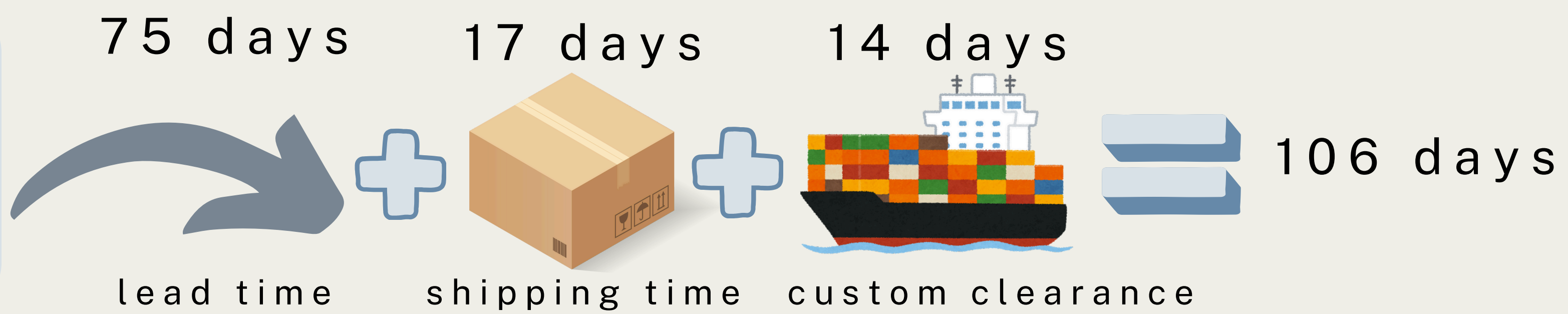
= \$4.77 x 80,000 = \$381,600

# FIRST ORDER

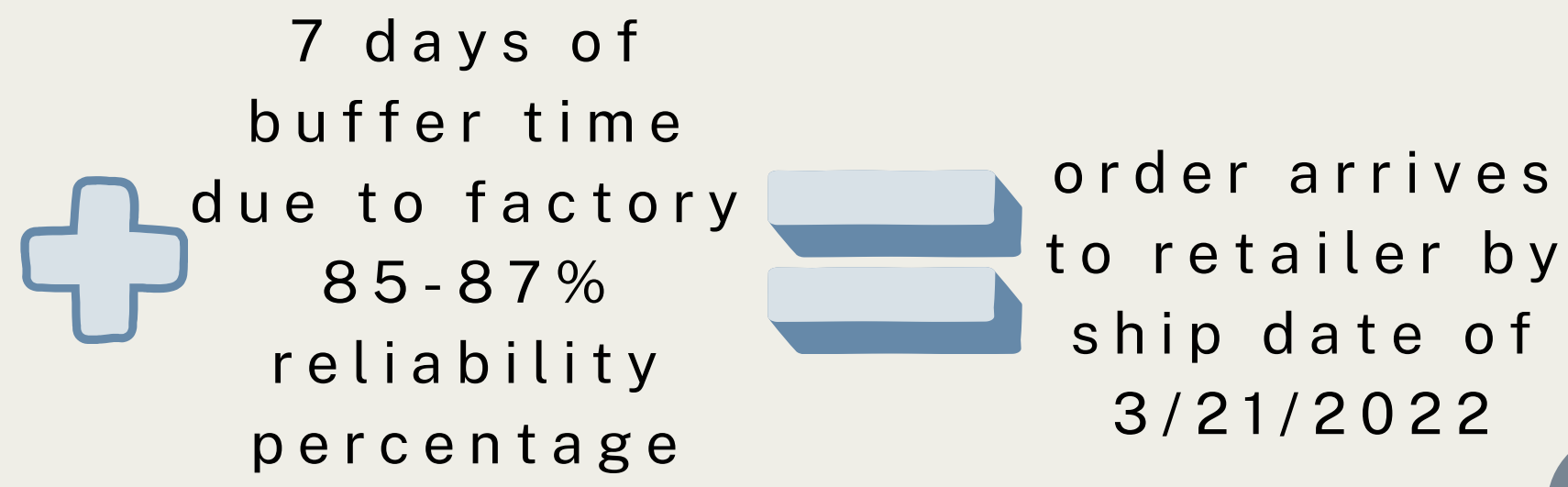


50,000

order placed  
11/28/2021



order is  
received  
3/14/2022





# SECOND ORDER

order depends on how well the 2-week  
POS data comes out to be.



30,000

2 week POS  
data received,  
and order is  
placed,  
assuming sales  
went well.  
4/22/2022

75 days



lead time

17 days



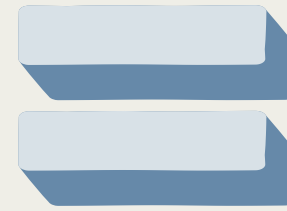
shipping time



14 days



custom clearance



106 days

order arrives  
to retailer by  
8/6/2022



Thank you!

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# Where will the socks be produced?

The factory in India

## Why?

The projected total seasonal profit is \$381,600, they have payment terms of 60 days FOB, and has a broad range of knitting equipment.

## How?

With two separate shipments. The first shipment would be for 50,000 socks, and a secondary shipment according to the 2-week POS data will be made.

## When?

We will place our first order 11/28/2021, and the socks will arrive to us within 106 days, 3/14/2022, and we allotted for a 7 day buffer due to the 85-87% reliability percentage, meaning the socks will arrive to the retailer by 3/21/2022 (our ship date)



# HOW ?

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- We plan to receive the inventory in two separate orders.

- **The first order-** Date- 11/28/2021  
Units- 50,000 (4,167 dozen, approximately one 20-foot long shipping container)  
Ship date- 3/21/2022
- 

- The lead time for the factory in India is 75 days, their shipping time is 17 days, and an estimate for customs clearance is 14 days.
- This is 106 days for the socks to be produced, and shipped to location.
- We provided a 7 day buffer time to account for any reliability issues that may occur since this factory has a 85-87% reliability percentage.

*\*The production capacity is 50,000 units, and the MOQ is 30,000, but that is not a concern since our projection amount is large.\**

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- **Calculations-**

**To get 106 we added 75+17+14=106**

**To get 201 days we counted from 9/1/2021 to 3/21/2022 and got 201 days.**

**To get 95 days we subtracted 201-106 and got 95.**

- **The second order-** Date- Once the 2-week POS data is received (4/22/2022)  
Units- If sales went well during the 2-week duration, we will order 30,000 more to complete our 80,000 sales projections, if sales went bad we won't purchase any additional units.  
Ship date- 106 days added to 4/22/22= 8/6/22