

658.8

F41

1999

RETAILING OF READY-TO WEAR CLOTHES

ENTERPRISE DEVELOPMENT PROJECT

SUZETTE T. FERRE

GERLIE S. PULIDO

**College of Economics, Management
and Development Studies**

CAVITE STATE UNIVERSITY

Indang, Cavite

April 1999

RETAILING OF READY- TO-WEAR CLOTHES

Enterprise Development Project Report
Submitted to the Faculty of the
Cavite State University
Indang, Cavite

In partial fulfillment of
the requirements for the degree of
Bachelor of Science in Business Management
(major in Marketing)

SUZETTE T. FERRE
GERLIE S. PULIDO

April 1999

ABSTRACT

FERRE, SUZETTE, TEAÑO AND PULIDO, GERLIE, SANOY. "Retailing of Ready –to-Wear Clothes" Enterprise Development Project, Bachelor of Science in Business Management, Major in Marketing, April 1999. Adviser: DR. Maria Ersando.

An enterprise development project was conducted from November 15, 1998 to February 15, 1999. This was undertaken to provide the students an opportunity to gain actual experiences on operating and managing Retailed Ready–to-Wear Clothes.

The enterprise was named Liezette Boutique. The project was engaged in RTW business particularly buying and selling of ready-to-wear clothes.

Specifically, it aimed to put into practice the concepts learned from marketing courses, determine the profitability of retailing ready-to-wear clothes, know the practices involved in marketing the product and be familiar with the common problems associated with this kind of business and come up with possible solution.

Based on the income statement of the project, the enterprise generated a net income of P19,381.10. Regarding the financial performance, R.O.I. resulted to 48.42 percent, return on sale is 24.34 percent, return on assets of 32.63 percent, and with a gross profit margin of 40 percent.

After evaluating the project, it was found out that the problem encountered by the proponents was the failure to meet orders made by the customers that resulted to the cancellation of orders. This problem is due to limited stocks. To avoid the cancellation of orders, the enterprise should provide enough stocks for the most saleable products.

TABLE OF CONTENTS

	Page
BIOGRAPHICAL DATA	iii
ACKNOWLEDGMENT	v
ABSTRACT	viii
LIST OF TABLES	ix
LIST OF EXHIBITS	x
LIST OF FIGURES	xi
LIST OF APPENDICES	xii
INTRODUCTION	1
Objectives of the Project	3
DESCRIPTION OF THE ENTERPRISE	
Nature of the Project	4
Time and Place of the Study	4
Organization and Management	5
Marketing	5
Finance	18
ECONOMIC AND FINANCIAL ANALYSIS	20
PROBLEMS AND SOLUTIONS.	26
FUTURE PLANS	27
SUMMARY	28
BIBLIOGRAPHY	29
APPENDICES	30

LIST OF TABLES

Table		Page
1	Volume of product purchased	10
2	Purchased volume from different outlets	14
3	Monthly sales	20
4	Sales per distribution outlet	22

LIST OF FIGURES

Figure		Page
1	Geographical location of Indang market	7
2	Geographical location of Luksuhin market	8

LIST OF EXHIBITS

Exhibit		Page
1	Initial Investment	19
2	Retailing of Ready -to-Wear Clothes Income Statement for the period from November15, 1998 to February 15, 1999	21
3	Retailing of Ready -to-Wear Clothes Balance Sheet as of February 15, 1999	24
4	Retailing of Ready -to- Wear Clothes Cash Flow for the period from November 15, to February 15, 1999	25

LIST OF APPENDICES

Appendix	Page
1 Financial Journal	30
2 Time Table of Activities for the Month of November 15, 1998 to February 15, 1999	41
3 Market Stall in Indang Market	42
4 Market Stall in Luksuhin Market	43
5 Ratio used in Financial Evaluation	44

RETAILING OF READY TO WEAR CLOTHES

**Suzette T. Ferre
Gerlie S. Pulido**

1/ An Enterprise Development Project report presented to the faculty of the Department of Management, College of Economics, Management and Development Studies, Cavite State University, Indang, Cavite in partial fulfillment of the requirements for graduation with the degree of Bachelor of Science in Business Management (Major in Marketing) with Contribution No. E-1999-BM-02-030 Prepared under the supervision of Dr. Maria A. Ersando.

INTRODUCTION

Retailing is an activity involving the selling of goods and services directly to the final consumer. It provides intermediaries the chance to serve as link between the producers and the final consumers in the process of distribution. Manufacturing firms are highly dependent on retailing business because retailers served as sure distribution outlets. Retailing business somehow play a significant role in our local economy. It helps to increase the local revenue of the government through taxes.

Retailing of ready- to-wear clothes is one of the priorities being promoted actively by the government and private sectors for export. These export promotional efforts are in line with the government's drive for product diversification to boost the country's export of non-traditional products.