COURSE DESCRIPTION

The fashion industry has changed considerably in recent years. Terms like ‘fast fashion’ have changed the climate, and investment in social media and international manufacturing has risen sharply. More importantly however, young or emerging designers and ‘creatives’ gain an edge by not remaining in an isolated bubble. To become key members of multi-disciplinary teams, familiarity with core financial concepts is essential in order to achieve a common level of understanding and communication in relation to the team’s shared objectives and the firm’s overall corporate drivers. The course serves to strengthen the student’s grasp of financial management, investments, capital markets, international finance and to strengthen competence in financial decision making.

COURSE MATERIALS

Required Texts:

- My Coursebook, Advanced Topics in Finance for Fashion. This is a curated compilation of textbook chapters and fashion-related cases. The hardcover copy is strongly recommended. The quantitative chapters and some of the other material is more conducive to reading an actual book. Please note: professors do not receive the proceeds or make any commission on books printed through the publishing company.
- Fundamentals of Corporate Finance, Ross, Westerfield, and Jordan (11th Edition)

Required Technology and other Materials:

- A financial calculator, Please make sure it can calculate IRR, YTM, and NPV and that you choose one that has a user-friendly manual.
- A digital student subscription to Business of Fashion (free).
- An Ecwid Venture Plan subscription. This is 15$ a month and you only need one month (not yet). It is to be purchased by your group project team. So you are responsible for only a fraction of that fee.
- An account at Padlet (free)
- All Canvas material: Assigned readings, video lectures, and other materials weekly.
The Wall Street Prep Excel Crash Course. A discounted rate has been set up for you ($25) and can be found in the Course Essentials Module in Canvas.

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**COURSE OBJECTIVES**

1. Learn concepts and tools for valuation of assets and financial products, particularly as applied to the fashion sector
2. Develop an understanding investment and hedging tools used by these industries and in general
3. Examine approaches for capital budgeting and other corporate finance decisions
4. Integrate course material and develop proper financial decision-making tools
5. Explore financing vehicles and management for these sectors
6. Examine trading structures and systems and investigate the relationship to fashion commerce
7. Identify topics of new interest in this ever changing field

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**PREREQUISITES**

Financial Management

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**ACADEMIC INTEGRITY**

*I do NOT tolerate cheating.* Students are responsible for understanding the RU Academic Integrity Policy ([http://academicintegrity.rutgers.edu/](http://academicintegrity.rutgers.edu/))

I will strongly enforce this Policy and pursue all violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.” I will screen all written assignments through SafeAssign or Turnitin, plagiarism detection services that compare the work against a large database of past work. Don’t let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.

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**MISCELLANY**

Academic integrity is essential, plagiarism will result in an "F" grade for the assignment, and possibly the course. Any question please review here: [Rutger's Policy on Academic Integrity](http://academicintegrity.rutgers.edu/) (Links to an external site.).
All written responses in the course are expected to follow accepted Netiquette protocol. Read up here for a good overview of Netiquette (Links to an external site.).

In all emails to me kindly include the name of the course in the subject header. I teach several courses and levels and am bound to get confused otherwise. Also please make all questions self-contained. It is extremely simple to copy and paste questions from books or elsewhere into the body of an email.

**COURSE LEVEL, SCOPE AND TARGET**

This is an intermediate/advanced finance course contextualized to fashion and luxury industries. We study how to implement advanced knowledge in various areas of finance to problems specific to fashion companies, startups and conglomerates. We explore advanced techniques in the areas of investments, corporate finance, financial markets and instruments, hedging, and international finance. This course is not a survey course; rather covers in-depth intermediate to advanced topics.

**MSBF STUDENT-PEER EXPECTATIONS**

MSBF students are hand chosen to reflect different strengths and knowledge bases when entering the program. I expect you to help each other. I can share the following with you: those of you who struggle in finance happen to be at the top of the class in other subjects. I (along with the rest of the MSBF faculty) will be disappointed if you don't reach out a helping hand to your classmates in this program. The discussion board to find study friends is there for a reason. Please use it. If felt confident in my FM class, please reach out today and post that you are available to help others.

**IMPORTANT INFORMATION REGARDING THE STRUCTURE OF THIS COURSE**

- Online courses are designed to allow you much more flexibility than face to face courses. However, certain structural guidelines still exist. For example, you must still get all your work done within the week in which it is assigned. The weekly due date is chosen to allow you to create your own schedule. However, you must allocate the time now for the duration of the semester to be able to complete all segments within the weekly due dates.
- The first week is important. The weekly time expectation during the course is 10-11 hours, and this week is no exception. Make sure that you are spending time on learning all the content areas and organization of the Canvas course in addition to mastering the material. Each online course is structured differently, and a vital ingredient to your success is learning this organization. Please do not leave this for later- if you
miss assignments or other material because you did not realize you need to follow certain steps to access something, it will be too late.

- Please make sure you print out the syllabus and course schedule or have them available to you digitally in a convenient place. You should refer to them regularly to make sure you are on track.
- Finance is highly cumulative. Please make sure to stay on top of the material.
- Study better in groups? See the Course Essentials Module for a discussion board dedicated to help you find study partners.

COURSE REQUIREMENTS

1. *Individual work and assignments.* Each module, in general, is focused on one subtopic and requires mastery of several elements, including videos, audios, notes, handouts, chapters or any combination of the above. You are responsible for all of it.

2. *Timely Submissions.* In order to have a successful online course, as well as to have progress towards your course being online, all work has an expected due date. Late submissions will not be accepted.

3. *Good online attendance:* You are expected to spend approximately 10-11 hours per week in the course. It is your responsibility to login on time, read the appropriate documents and stay on top of things.

4. *Participation.* You are expected to participate and contribute to the class by posting in discussion boards when assigned.

ONLINE CLASS COMMITMENT

By enrolling in this course, you are committing to demonstrating respect for your educational experience, your peers and your professor in the following ways:

- Committing the time necessary to complete a semester's worth of work
- Understanding that responsibility for effective time management is much more on the student's shoulders in an online class, without benefit of weekly face-to-face time with peers and the instructor.
- Completing all readings and related assignments on time.
- Participating actively, critically and productively in all learning activities.
- Consistently helping to uphold class norms, including online etiquette (netiquette), which we establish as a class.
- Upholding the standards of academic integrity.

ASSIGNMENTS AND DISCUSSION BOARDS

Weekly assignments will include timed assessments with 10-25 questions each, a discussion board, a few longer assignments that require file uploads, posts to discussion board and Padlet, and checkpoints. The material is varied, and hence, the assessments are as well.
A Team Project? Oh No!

This will be great fun but serious work. You (in predetermined teams of 5) will spend 8 weeks creating a mock fashion company or product, financing for it through crowdfunding and setting up an e-commerce site to sell your product. Your team will create a full financial report (must include an analysis of what happens to working capital, profit margins, profitability, operating levels, production costs, all budgets and analysis, financial forecasting for sales and expenses, economic valuations for hypothetical scenarios with IRR. NPV, etc and more) and present your final project (financial and everything else) at the end of the semester. Note- the project must be completely unique (original) and one that could be sent off to a spark tank like venue.

ABOUT THIS SYLLABUS

This document was written as a handbook for the course. It should contain the answers to pretty much most questions you might have over the course.

If it's written here, it is solid. Most of this will not be repeated elsewhere, so please remember to refer back here. If you think of things you think need to be added to it over the course of the semester, please send me a note!

EXAM COVERAGE AND GUIDELINES

There will be a midterm and a final. There are no extensions or makeups and exams are open during a window of a few days in order to accommodate busy schedules. They run for a maximum of 2 hours each (exact time for each yet to be determined). Once you start it, you must finish in the same sitting. Make sure you are familiar with my scanner and internet requirements well before the first exam. I will not be able to make allowances for foiled or timed-out uploads. If you are planning to be away, you must prearrange to have high speed internet where you are going.

Questions may involve numerical problems and conceptual issues. You must show all your work to receive credit on any of my exams. That means that if you get the right answer but did not show full, correct equations and work, you will not get credit. On the other hand, if you show your work clearly and get the incorrect solution, you will get partial credit to adequately reflect your work.

Anything in the lectures or the reading assignments is fair game. While the weekly assignments are largely based on the textbook materials, exams will be based on the material as a whole- focusing on material learned weekly in the video lectures, readings, etc.

Without reading the book and doing practice problems before the lecture, you will be dramatically reducing your chance of doing well and understanding the material fully. However, reading the book and
doing the problems in the schedule as assigned will not be sufficient—this is a necessary requirement, not a sufficient one. Studying in real time corresponding to the video lectures and other weekly materials is the only way to really do well. Cramming before the exam has proven not to work in my classes. The final exam will be directly cumulative only from the material after the Midterm.

Wall Street Prep Exam

As you know, Excel is a crucial requirement in industry today. In fact, many interviews include Excel exams using financial or other data. This course will therefore devote one full week to the Wall Street Prep Excel Crash Course and its exam. Your grade on the WSP exam will be counted towards your final course grade.

The purchase of Wall Street Prep’s on-line, self-study Excel learning program is required by Week 2, or the grade on this component will automatically be zero and will not be reversed. Once you have the link, you can start practicing. Upon purchase, you will have indefinite access to the WSP course, as it will not terminate at the end of the semester. The WSP online account provides access to both the Excel Crash Course and exam.

After going through the WSP program, students will have only one opportunity to take the Wall Street Prep assessment test. The score on the test will be permanent – there are no 'do-overs' - so please study hard and be ready to take the exam. Do not “wing it.” If a student does not take the exam, they will receive a grade of zero for it.

Material covered in the WSP exam and course includes Excel basics all the way to advanced topics. While the course and exam are assigned towards the end of the course, as a self-contained module. Expect it to take 5-10 hours to complete (depending on your past experience) and then up to two hours for the exam. However, since you are buying it early, you can start the program much earlier.

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GRADING POLICY

10% Weekly Assessments

10% Excel Wall Street Prep Exam

30% Group Project**

25% Midterm

25% Final Exam

*There will be one extra credit assignment worth up to 6 points of your grade that you can sign up for in week 6 (work to be done in weeks 10-14).

** The project that receives the highest grade will be the ‘winner.’ Each member of the winning team will receive 5 extra points on their final grade.
# COURSE SUMMARY

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<th>Topic</th>
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<td>Module 3</td>
<td>Efficient Markets and Event Studies</td>
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<td>Module 4</td>
<td>IPOs and Other Financing Vehicles</td>
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| Module 5 | E-commerce, Sustainability, Prepare for Project & Exam  
Midterm: Window opens (); Last start time for exam is () |
| Module 6 | Wall Street Prep Excel Course |
| Module 7 | Financial Statements in Finance |
| Module 8 | Key Performance Indicators, and Financial Metrics of Performance for Fashion |
| Module 9 | Advanced Capital Budgeting Issues and M&A |
| Module 10 | International Issues: Hedging Currency Risk & Futures |
| Module 11 | Derivative Securities -Options |
| Module 12 | Binomial Option Pricing Model and Real Option Valuation |
| Module 13 | Final : Window opens (); Last start time for exam is () |
Presentations & Project Submission
See detailed scheduled on project related submissions in the project Google Sheet (released by Module 5).

Save or print a copy of the syllabus for offline reference. For a printout of this page, including the schedule, see [Print a Page: Chrome](Links to an external site.) or [How To Print Web Pages in Firefox](Links to an external site.). However, the dynamic version below will always be the most current:

**Details**

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<td>Assignment</td>
<td>Mandatory Checkpoint: Statement of Confidentiality</td>
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SUPPORT SERVICES


[Rutgers University-New Brunswick ODS phone (848)445-6800 or email dsoffice@echo.rutgers.edu]

[Rutgers University-Newark ODS phone (973)353-5375 or email ods@newark.rutgers.edu]

If you are pregnant, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email jackie.moran@rutgers.edu]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email TitleIX@newark.rutgers.edu]

If you seek religious accommodations, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email deanofstudents@echo.rutgers.edu]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email DeanofStudents@newark.rutgers.edu]

If you have experienced any form of gender or sex-based discrimination or harassment, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at http://vpva.rutgers.edu/.

[Rutgers University-New Brunswick incident report link: http://studentconduct.rutgers.edu/concern/. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7. You may also contact the Office]
of Title IX and ADA Compliance at (973)353-1906 or email at TitleIX@newark.rutgers.edu. If you wish to speak with a staff member who is confidential and does not have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email run.vpva@rutgers.edu.

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via https://temporaryconditions.rutgers.edu.

If you are a military veteran or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. http://veterans.rutgers.edu/

If you are in need of mental health services, please use our readily available services.

[Rutgers University-Newark Counseling Center: http://counseling.newark.rutgers.edu/]
[Rutgers Counseling and Psychological Services–New Brunswick: http://rhscaps.rutgers.edu/]

If you are in need of physical health services, please use our readily available services.

[Rutgers Health Services – Newark: http://health.newark.rutgers.edu/]
[Rutgers Health Services – New Brunswick: http://health.rutgers.edu/]

If you are in need of legal services, please use our readily available services: http://rusls.rutgers.edu/

Students experiencing difficulty in courses due to English as a second language (ESL) should contact the Program in American Language Studies for supports.

[Rutgers–Newark: PALS@newark.rutgers.edu]
[Rutgers–New Brunswick: eslpals@english.rutgers.edu]

If you are in need of additional academic assistance, please use our readily available services.

[Rutgers University-Newark Learning Center: http://www.ncas.rutgers.edu/rlc]
[Rutgers University-Newark Writing Center: http://www.ncas.rutgers.edu/writingcenter]
[Rutgers University-New Brunswick Learning Center: https://rlc.rutgers.edu/]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.
- Students must sign, date, and return a statement declaring that they understand this syllabus.]