COURSE DESCRIPTION

Fashion Supply Chain Management I is designed to provide students with an understanding of the strategic and tactical elements of supply chains in the apparel industry. This course will address the relationships between supply chain entities and behavioral management issues that influence the management of those relationships. Integrative tools will be introduced and used to analyze and evaluate alternative courses of action regarding a firm's supply chain.

The focus of this class is on both theoretical and practical issues. At the end of the class it is expected that the student will have a clearer understanding of how supply chains function and work. The teaching method will be a combination of case analysis, lecture and class discussion.

This subject aims to examine supply chain management (SCM) in the fashion and textiles industry. Specifically, the objectives are: To explore the core concepts and principles of the SCM in the context of fashion and textiles, to assess the performance of the alternative configurations of the fashion supply chains, to analyze the applications of latest information and technologies in fashion SCM, and to develop the ability in managing a supply chain in the fashion and textiles industry.

Sweeping changes have been taking place in corporate and intercompany logistics and supply chain management. These changes are altering the prevailing operational and competitive paradigms in many industries. This course covers the creation and management of innovative product flow systems spanning procurement, operations, and distribution.

Fashion Supply Chain Management I will have three recurring themes:

1. Innovative product flow system design requires breaking out of old paradigms, and seeing the apparel product flow process from a strategic, integrative perspective.
2. Changes to product flow require parallel changes to management systems and structures, such as planning, measurement, compensation, and organization.
3. A well-defined change management process is essential.

The course will explore these themes by (1) developing a broad understanding of the essentials of supply chain management and logistics, (2) integrating supply chain and logistics system design with corporate and competitive strategy, (3) exploring current trends in quantum product flow innovation, such as intercompany operating partnerships and channel restructuring and (4) developing knowledge of logistics management, including interfunctional coordination and change management.
COURSE MATERIALS


Journal of Commerce, (http://www.joc.com) Subscription required

Financial Times, (http://www.ft.com) Subscription required

WebCT

Additional Readings as assigned

Journal of Commerce (Subscription required)

Blackboard

Additional Readings as assigned

TextBook

It is expected that students will be able to read the course texts on their own. The focus of this class will not be on the textbook. Instead, students are expected to participate in class lectures and discussions.

Blackboard:

Students will be expected to visit the class Blackboard site often. Readings and additional assignments throughout the term will be posted on the Blackboard site. Quizzes covering readings may also be posted on the Blackboard site. All of the cases and readings will be placed on the Blackboard site.

CLASS ORGANIZATION & ADMINISTRATION

Teaching Method

This course will combine discussion sessions, case studies, and readings. Also, guest executives will discuss how they created and managed paradigmatic logistics innovations.

The course focuses on strategic management, and operations design issues. While some quantification is important, it is not a predominantly quantitative course.
Course Objectives

Upon completion of the subject, students will be able to:

1. Apply analytical tools and models to explore supply chain management problems in fashion business.
2. Participate in the development and operation of a small retail business “Jersey Bound”
3. Identify and analyze the managerial challenges in fashion supply chains.
4. Propose appropriate managerial solutions for solving the problems on supply chain management encountered in fashion business.
5. Co-operate and contribute as a team member/leader.

Develop self-learning ability and critical mind

Examinations:

Examinations may consist of essay, multiple choice and true-false questions. Students will be expected to display detailed understanding of topics included in exams. Examination questions will be developed from class discussions and assigned readings.

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**FINAL GRADE ASSIGNMENT**

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Midterm Exam</td>
<td>20%</td>
</tr>
<tr>
<td>Jersey Bound Project</td>
<td>25%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>30%</td>
</tr>
<tr>
<td>External Assignments</td>
<td>10%</td>
</tr>
<tr>
<td>Participation, Cases, Assignments, etc.</td>
<td>15%</td>
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</table>

**External Association Participation**

All students will be required to attend at least one external supply chain management association meetings. Acceptable associations are Council for Supply Chain Management Professional (CSCMP), Institute of Supply Management (ISM), American Association of Operations Management (APICS) and fashion-related organizations such as Council of Fashion Designers of America, Inc. (CFDA) or Fashion Footwear Association of New York. All of the meetings are based in New Jersey and are available at no cost or nominal costs to the students. Other external associations are equally acceptable, but the student needs to check with the professor for approval prior to going. The student will be required to write up a one-page email/paper outlining what he/she learned at the event. DO NOT wait until the end of the semester as you may find there are not more events available. **NO EXCEPTIONS** will be granted so schedule your event early in the semester and stick to it.
**Class Participation**

Students will be expected to complete the assigned readings prior to class. A large portion of the participation grade will be based on students’ ability to intelligently discuss the readings and answer questions relevant to the assigned topics.

**Case/Situation Reports**

All students will individually or as part of a group turn in a PowerPoint presentation on each assigned case or situation. These presentations are due at the end of each class.

**PowerPoint Presentation:**

This summary will contain:

1. Problem/Situation Diagnosis,
2. Analyses,
3. Recommendations and Next Steps.

You should title each section of your PowerPoint presentation with the above headings. You or your group may be asked to stand up in front of the class, present your findings, and intelligently discuss and answer questions about the case/situation.

**Discussion Rubric**

*The following rubric will be used to grade in-class discussions*

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Low Performance</th>
<th>Average</th>
<th>Exemplary Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Content</strong></td>
<td>0-1 point</td>
<td>2-3 points</td>
<td>4-5 points* Is more thorough than &quot;average.&quot; Research goes beyond minimum requirements. Strong analysis.</td>
</tr>
<tr>
<td>Does not meet assignment requirements, is not current, nor objective.</td>
<td>Fulfills assignment. Current. Uses appropriate sources and is objective. Reasonable analysis.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does not use appropriate analysis.</td>
<td></td>
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<table>
<thead>
<tr>
<th>Ability to answer questions.</th>
<th>0-1 point</th>
<th>2-3 points</th>
<th>4-5 points</th>
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<tbody>
<tr>
<td>Cannot address basic questions.</td>
<td></td>
<td>Can address most questions with correct information.</td>
<td>Answers all questions with relevant, correct information. Speaks confidently.</td>
</tr>
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</table>
Garment workers at a September rally Reuters

DHAKA, Bangladesh—Millions of Bangladeshi garment workers—key players in a supply chain that produces inexpensive clothing for Western retailers—got a pay raise over the weekend, as a new government-mandated minimum wage of $68 a month kicked in.

That puts Bangladesh into roughly the same league as other low-cost apparel exporters such as India, Sri Lanka and Cambodia. But factory owners here said the increase risks making the industry, a mainstay of the impoverished country's economy, less competitive.

"We are extremely concerned, especially because we are all negotiating for the next season with our customers," said Rubana Huq, managing director of Mohammadi Group, a large exporter that produces for global retailers such as Wal-Mart Inc. and Hennes & Mauritz HM-B.SK -0.21% AB.
For years, extremely low wages helped Bangladeshi apparel makers win contracts by offsetting industry weaknesses that include inefficient factories, poor shipping infrastructure and frequent political upheaval that disrupts production.

An appreciating local currency is also adding to the challenges facing Bangladeshi exporters.

The Bangladeshi taka is now trading at around 77 to the dollar, considerably stronger than January's rate of about 84 to the dollar.

That has the effect of making Bangladeshi products more expensive overseas, at the same time that some of the country's garment-making rivals benefited from falling currencies. The rupee in neighboring India, for instance, is down about 12% from where it started the year, giving exporters there a boost.

Before this weekend's rise, Bangladeshi garment workers' minimum wage was 3,000 takas, or about $40, a month. Factory owners had argued for a smaller increase, of about 50%. Labor groups initially had pressed for 8,000 takas, or about $100, but most large unions said they were satisfied with the raise.

Experienced workers generally earn significantly more than the minimum wage each month because of large amounts of overtime work. Before the increase, a seamstress with three years' experience typically took home more than 8,000 takas a month.

Factory owners said the wage increase means they will need to charge more.

"At an average, we're looking at a 20-30 cents rise on every product and that's a surprise leap for any brand or any producer," said Mohammadi's Ms. Huq. "We are forced to look at cutting corners in terms of lowering our overhead."

At the same time, some producers need to invest in improving factories to meet more stringent safety standards being sought by buyers in the wake of this year's collapse of a factory complex that killed more 1,100 people. Retailers have pledged to help pay at least some of those costs.

Sirajul Islam Rony, a workers' representative on the wage board that fixed the new minimum pay, and other labor leaders have said some factories had shed workers to slash wage bills after the government announcement.
Abdus Salam Murshedy, president of the Exporters Association of Bangladesh, a trade group, said owners had no choice but to streamline their operations.

"We have to increase productivity and cut costs, especially since the country is going through political unrest, which is hurting production," he said.

Manufacturers like Ms. Huq say Bangladeshi factories have more low-skilled "helpers" in every production line compared with more technologically advanced countries like China, which push wage bills up. Ms. Huq said the man-to-machine ratio in Bangladesh is as high as 1:2.75, whereas in countries like Cambodia it stands at 1:1.

Global apparel companies, looking for a cheaper alternative to China, have increasingly turned to Bangladesh for basic, labor-intensive products such as casual pants, T-shirts and sweaters that don't usually require highly trained workers or sophisticated machinery.

But the country has struggled to move out of this low-end niche. Bangladeshi workers are only about one-quarter as productive as their counterparts in China in making clothes, according to a study by the Center for Policy Dialogue, an independent research organization based in Dhaka.

Bangladesh has a lower literacy rate—58%—than China, where more than 90% of people can read and write. Relatively capital-poor, small-scale industrialists in Bangladesh have also lacked the access to money needed to invest in state-of-the-art machinery that could make their operations more productive.

"Increasing productivity is the only way to survive," said Khurrum Siddique, director of Simco Dresses Ltd., a manufacturer in a suburb north of Dhaka.

"It's almost impossible for the industry to sustain this level of staffing at the new wage level."

Mr. Siddique said Simco is investing in new, better machinery. He said he expects to shed about 10% of his company's 700 workers.

A recent World Bank study found that the unit cost of producing a basic polo shirt in Bangladesh is around $3.46 per shirt, excluding margins and the cost of transportation to port, compared with a cost of $3.93 per shirt in China. But Bangladeshi workers produce 13-27 polo shirts per person per day, lower than the 18-35 pieces per person per day in China, the study found.

"An increase of 2,000 taka is a substantial increase by country standards," said Ahsan Mansur, a director at the Policy Research Institute, a think tank in Dhaka. "This is a major challenge that may force Bangladesh to look at higher-value products with bigger profit margins rather than the very basic clothing items in which it specializes now."

Manufacturers said efficiency won't improve overnight. Bangladesh lacks training facilities and programs and high worker turnover gives owners little incentive to invest in training.
"The only sustainable way is to encourage workers to feel a sense of ownership and then invest in workers to develop skills which will push the industry to the next level of producing higher value added products," said Mohammadi's Ms. Huq.

Write to Syed Zain Al-Mahmood at zain.al-mahmood@wsj.com

Given the above scenario, your assignment is as follows:

1. Develop a process flow map that illustrates a better primary logistics flow of apparel product. You must use Microsoft Visio for your process flow diagrams and submit the “vsd” file.
2. Describe in detail the problems that apparel manufacturers have with outsourced manufacturing and distribution partners. Explain these issues and the costs associated with managing outsourced manufacturing and distribution partners.
3. Describe how an apparel manufacturer should deal with serious problems such as those mentioned in the article about Bangladesh factories above.
4. Analyze potential financial impacts of the problems mentioned in your paper and explain how those financial impacts might be optimized.

Students will be expected to complete their projects in groups of no more than four people. Students should be prepared to present their papers if asked. Papers written for other classes are not acceptable.

Do not copy material from the Internet without citing the source. If more than seven words in a row are found to be copied from an Internet or other source without citation, the student will receive a grade of “F” for both the project and the term. This assignment should be original work.

The term project will be evaluated on the following criteria.

**Project-Based Learning Rubric**

<table>
<thead>
<tr>
<th>Score Level</th>
<th>Content</th>
<th>Conventions</th>
<th>Organization</th>
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</table>
| 4           | ▪ Is well thought out and supports the solution to the challenge or question  
 ▪ Reflects application of critical thinking  
 ▪ Has clear goal that is related to the topic  
 ▪ Is pulled from a variety of sources  
 ▪ Is accurate | ▪ No spelling, grammatical, or punctuation errors  
 ▪ High-level use of vocabulary and word choice | ▪ Information is clearly focused in an organized and thoughtful manner.  
 ▪ Information is constructed in a logical pattern to support the solution. |
| 3           | ▪ Is well thought out and supports the solution  
 ▪ Has application of critical thinking that is apparent  
 ▪ Has clear goal that is related to the topic | ▪ Few (1 to 3) spelling, grammatical, or punctuation errors | ▪ Information supports the solution to the challenge or question. |
| 2 | Supports the solution  
Supports the solution  
Has application of critical thinking  
Has clear goal  
Is pulled from a limited number of sources  
Has some factual errors or inconsistencies | Minimal (3 to 5) spelling,  
grammatical, or punctuation errors  
Low-level use of vocabulary and word choice | Project has a focus but might stray from it at times.  
Information appears to have a pattern, but the pattern is not consistently carried out in the project.  
Information loosely supports the solution. |
|---|---|---|
| 1 | Content is plagiarized  
Provides inconsistent information for solution  
Has no apparent application of critical thinking  
Has no clear goal  
Is pulled from few sources  
Has significant factual errors, misconceptions, or misinterpretations | More than 5 spelling,  
grammatical, or punctuation errors  
Poor use of vocabulary and word choice | Content is unfocused and haphazard.  
Information does not support the solution to the challenge or question.  
Information has no apparent pattern. |

**Peer Evaluations:**

At the end of the semester, you will all submit a team peer evaluation. This evaluation allows each of you (individually) to provide me with feedback on each of your team members’ contributions in preparing case analyses and the team topic presentation. This gives you an opportunity to inform me of any exceptionally strong or weak contributors on your team. Should I receive a consistently negative assessment of a specific team member’s contributions, I reserve the right to adjust their overall project grade.

Supply Chain Management *(29:799:475)*

**COURSE SCHEDULE**

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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| Week 1 | Introduction to Fashion Supply Chain Management  
Transportation  
Warehousing  
**2014 CSCMP State of Logistics Report**  
**50 top container ports 2013** |
| Week 2 | Term Project Introduction (Jersey Bound) |
Special Problems in the Fashion Supply Chain
Logistics and Transportation Metrics
Performance Measurement
Developing & implementing partnerships in the Supply Chain

**United Colors of Benetton**

**Week 3** Matching Supply and Demand
Open to Buy
Creating the responsive supply chain
Agility

**Bad Roads, Red Tape, Burly Thugs Slow Wal-Mart's Passage in India**

**Week 4** Strategic Lead-Time Management

**Week 5** International Transportation
Foreign Trade Zones
Incoterms

**How Zara Grew Into the World’s Largest Fashion Retailer**

**Week 6** International Transportation
GATT & Free Trade Agreements

**Week 7** Midterm Exam

**Week 8** Apparel Inventory Management

**Li Ning Swings to First Half Loss As Store Rationalization Continues**

**Week 9** Managing the Global Pipeline
Managing Risk in the Supply Chain
Era of Network Competition

**Week 10** Unpredictable World Cup Leads To Jersey Shortages, Overstocks

**Week 11** Term Project due

**Week 12** Overcoming the Barriers to Supply Chain Integration
Creating a Sustainable Supply-Chain

Week 13  the Supply Chain of the Future

*What Fashion Retailers Really Need Is a Whole Lot of Shelf Space*

Week 14  Reverse Logistics and Returns Management

*Returns Management and Reverse Logistics for Competitive Advantage*

Week 15  Final Exam (6:00 – 9:00 PM)

**Friendly Warning:**

If it appears that students are not completing the reading, pop quizzes will be given. The instructor would prefer not to give a lot of quizzes, but will if necessary.

Modifications of class and prepared assignments may be made as the class progresses.

**Academic Misconduct:**

It is expected that all students will act in accordance with the Rutgers policy on academic integrity.

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. All suspected incidents of academic misconduct will be referred to an Academic Integrity Facilitator for investigation. Unfortunately, Rutgers students are failed or suspended every year for violations of academic integrity. If you have any doubt what constitutes a violation of academic integrity, please visit the Student Judicial Affairs website (http://academicintegrity.rutgers.edu/).

**Honor Code:**

Here at Rutgers Business School, we must ensure that our students have a solid foundation that is grounded in integrity and respect of basic ethical principles. Rutgers University, in conjunction with the RBS Committee, has established an Honor Code that states:

“I pledge, on my honor, that I have neither received nor given any unauthorized assistance on this examination (assignment).” (http://academicintegrity.rutgers.edu/integrity.shtml)

As a faculty member, we request that you add the Honor Pledge and Academic Integrity website link to your syllabi and Blackboard website. In the future, students may be required to write and sign the Honor Pledge on every major paper, examination and assignment. This Honor Pledge will not displace, modify or amend the standards and procedures set forth in the Rutgers University Code of Student Conduct, http://judicialaffairs.rutgers.edu/university-code-of-student-conduct, but simply suggest a higher set of standards to which RBS students adhere.
Disability Accommodations

If you need an accommodation based on the impact of a disability, please arrange an appointment with me as soon as possible. We need to discuss the course format and explore potential accommodations. I rely on the Office of Disability Services (http://disabilityservices-uw.rutgers.edu/) for assistance in verifying need and developing accommodation strategies. You should start the verification process as soon as possible.

Attendance:

Attendance in class is expected. Students will sign in for each class period. Student Athletes on recognized Rutgers University teams participating in inter-collegiate contests who expect to miss class and/or examinations due to events which conflict with class must inform the instructor of the dates on which those events will occur IN WRITING BY THE END OF THE SECOND WEEK OF CLASSES. Those student athletes are then eligible for make-up examinations.

Religious Holidays:

In July 1979, the Board of Governors adopted the following statement:

*It is the policy of the University to excuse without penalty students who are absent because of religious observances and to allow the make-up of work missed because of such absence. Examinations and special required out-of-class activities shall ordinarily not be scheduled on those days when religiously observant students refrain from participating in secular activities. Absence for reasons of religious obligation shall not be counted for purposes of reporting.*