



Presentation on

# Sales Analysis for profitability

by

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# Sales analysis – the need of the hour



- ✓ Economic Slow down
- ✓ Recession

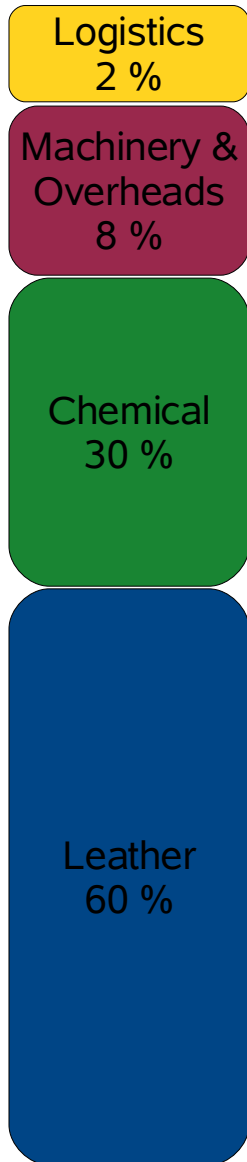


- ✓ Increase sale price
- ✓ Cost cutting measures
- ✓ Lean Management
- ✓ Reimbursements

# Cost Distribution...



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- ✓ Leather
  - ✓ Raw, Wetblue, Crust & Finished Leather
- ✓ Chemical & Accessories
  - ✓ Wet end, Finishing, Adhesives, etc.,
- ✓ Machinery & Overheads
  - ✓ Wet end, Finishing, Upper & Full Shoe operations
  - ✓ Administration & Labour Expenses
- ✓ Logistics
  - ✓ Freight, Insurance & Customs etc.,

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# Shipment Analysis Report - Tannery



Buyer	Article	Colour	Ship Pcs	Ship Area	Issue Area	Issue Area/sqft	Issue Value INR	Raw Cost Per Sqft	Order Price	Ship. Value	Chem. cost/sqft	Mac & Ohs	Total Cost / Sqft	Cont.	Cont. %
	SHEEP														
DEMO BUYER	NAPPA	WHITE	150	648.00	675.00	4.50	74061.00	109.72	140	90720	10.13	4.56	124.41	10102.32	11.14
SAMPLE SHOE	COW														
MAKERS	BURNISH	LITCHE	175	2406.25	3045.00	17.40	334950.00	110	110	264687.5	13.32	5.9	129.22	-46248.13	-17.47
			169	2237.56	2362.62	13.98	222086.28	94	110	246131.6	11.1	4.5	109.6	895.02	0.36
WINWIN SHOES	COW STYLO	PISTA	5	74.60	71.25	14.25	7369.39	103.43	80	5968	11.73	4.3	119.46	-2943.72	-49.33
	COW														
VITOMINE SHOES	CRANKCLE	CARDAMON	1	12.00	16.00	16.00	1752.64	109.54	90	1080	13.95	3.5	126.99	-443.88	-41.1
			4	64.00	56.00	14.00	4760.00	85	90	5760	15.87	5.2	106.07	-1028.48	-17.86
			5	80.00	70.00	14.00	5950.00	80	90	7200	5	2.65	87.65	188	2.61
WOODLANDS															
INTERNATIONAL	GOAT SUEDE	TURMERIC	500	2600.00	2840.00	5.68	153360.00	54	85	221000	18.07	5	77.07	20618	9.33

# Shipment Analysis Report - Shoes



Order No	Style	Usage	Order Pairs	Req Area	Issued Area	Excess Area	Repairs Area	Excess %	BM Norm	Achieved Norm	Shipped Pairs
4443	MIA – B	Upper	150	106.84	114.56	-12.72	5	-11.91	0.85	0.92	150
	MIA – B	Upper 1	150	192	199.35	-19.35	12	-10.08	1.54	1.59	150
	MIA - S	Lining	125	108.71	133.38	-49.67	25	-45.69	0.87	1.07	125
	MIA – S G	Heel Grip	125	151.91	190.5	-40.59	2	-26.72	1.22	1.52	125
	MIA – V	Upper 1	100	108.71	105.21	3.5	0	3.22	0.87	0.87	100
	MIA – V	Upper 2	100	159.18	150.2	8.98	0	5.64	1.27	1.26	100
<b>Total:</b>				<b>827.35</b>	<b>962.66</b>	<b>-208.31</b>	<b>73</b>	<b>-25.18</b>	<b>1.1</b>	<b>1.38</b>	<b>750</b>
4544	MIA – B	Upper	250	256.41	252	-0.59	5	-0.23	0.85	0.84	250
	MIA – B	Upper 2	250	460.8	442.3	18.5	0	4.01	1.54	1.51	250
	MIA – N	Lining	350	256.41	307.26	-95.85	45	-37.38	0.85	1.02	350
	MIA – N	Heel Grip	350	460.8	475.86	-84.06	69	-18.24	1.54	1.59	350
<b>Total:</b>				<b>1434.42</b>	<b>1517.62</b>	<b>-215.2</b>	<b>132</b>	<b>-15</b>	<b>1.2</b>	<b>1.37</b>	<b>1200</b>



## Leather Cost ...

- ✓ Leather Issue Analysis
  - ✓ Buyer grade Vs Issue grade ratio
  - ✓ Avg Issue rate / sqft
  - ✓ Avg Issue Size /pcs
- ✓ Production Assortment / Rejection Analysis
  - ✓ Purchase type comparison
  - ✓ Rejection categories

Logistics  
2 %

Machinery &  
Over Heads  
8 %

Chemical &  
Accessories  
30 %

Leather  
60 %





# Leather Cost Analysis..



## Buyer Grade Vs Issue Grade Comparison

Issue Date	Buyer	Article	Colour	Grade	Order Qty (Sqft)	Raw material	Raw grade	Pcs	Area	Grade Cont %	Deviation %
01/01/09	Demo Buyer	Goat Suede	Titan	A – 40%, B – 40 %, C- 20%	10000	Goat Wetblue	A	954	4150	39.34	1.65
						Goat Wetblue	B	953	4050	38.39	4.03
						Goat Wetblue	C	477	2350	22.27	-11.35
<b>Total</b>								<b>2384</b>	<b>10550</b>	<b>100</b>	
01/01/09	Shoe India	Sheep Thunder	Pista	A – 50%, B – 30 %, C – 20 %	5000	Sheep EI	A	625	3250	63.11	-26.22
						Sheep EI	B	226	1200	23.3	22.33
						Sheep EI	C	133	700	13.59	32.04
<b>Total</b>								<b>984</b>	<b>5150</b>	<b>100</b>	
03/01/09	Demo Buyer	Goat Suede	Titan	A – 40%, B – 40 %, C- 20%	12000	Goat Crust	A	673	3500	28.57	-26.22
						Goat Crust	B	1184	6300	51.43	-71.43
						Goat Crust	C	467	2450	20	0
<b>Total</b>								<b>2324</b>	<b>12250</b>	<b>100</b>	



# Leather Cost Analysis..



## Avg Issue Rate / Sqft & Avg Issue Size

Issue Date	Buyer	Article	Colour	Order Size	Order Qty (Sqft)	Raw material	Raw grade	Pcs	Area	Issue Avg Size	Area %	Deviation %	Issue rate / sqft
01/01/09	Demo Buyer	Goat Suede	Titan	4-6	10000	Goat Wetblue	A	954	4150	4.35	39.34	1.65	51.53
						Goat Wetblue	B	871	4050	4.65	38.39	4.03	49.93
						Goat Wetblue	C	443	2350	5.3	22.27	-11.35	53.12
<b>Total</b>								<b>2268</b>	<b>10550</b>		<b>100</b>		
01/01/09	Shoe India	Sheep Thunder	Pista	5-6	5000	Sheep EI	A	625	3250	5.2	63.11	-26.22	55.64
						Sheep EI	B	226	1200	5.32	23.3	22.33	75.43
						Sheep EI	C	133	700	5.25	13.59	32.04	52.46
<b>Total</b>								<b>984</b>	<b>5150</b>		<b>100</b>		
03/01/09	Demo Buyer	Goat Suede	Titan	6-8	12000	Goat Crust	A	493	3500	7.1	28.57	-26.22	57.67
						Goat Crust	B	741	6300	8.5	51.43	-71.43	49.45
						Goat Crust	C	370	2450	6.62	20	0	53.46
<b>Total</b>								<b>1604</b>	<b>12250</b>		<b>100</b>		



# Leather Cost Analysis..



## Production Rejection Analysis

Stock Type	JC No	Article	Colour	Animal	Issued Pieces	Excess Pieces	Short Pieces	Accepted Pieces	Rejected Pieces	Rejected %	Cuts	Patches	Scrap	Blade Mark
Finished Leather	JC1	BURNISH	ROCK	GOAT	26	0	0	24	2	7.69	1	1		
	JC2	NAPPA	MERIT	SHEEP	9	0	0	7	2	22.22	1	1		
	JC3	NAPPA	BLACK	GOAT	27	0	0	24	3	11.11	1			2
	JC5	SUEDE	BROWN	GOAT	143	0	0	138	5	3.5	1	2	1	1
	JC8	CRANKCLE	PALE GREEN	COW	428	0	0	422	6	1.4	1	1		4
	JC15	SQUEEZE	GOLD	GOAT	780	0	0	774	6	0.77	3	3		
	JC17	SUEDE	MAGENTA	SHEEP	1761	0	0	1729	19	1.08	3	10	2	4
	JC20	FREEZE	CYAN	COW	18	0	0	14	4	22.22	3		1	
	JC21	THUNDER	BORDEAUX	GOAT	18	0	0	15	3	16.67	3			
<b>Total:</b>											<b>17</b>	<b>18</b>	<b>4</b>	<b>11</b>
Crust	JC6	FREEZE	BLACK	COW	1048	0	0	1032	16	1.53		12		4
	JC7	SUEDE	BROWN	GOAT	4114	0	0	4053	29	0.7	1	23	1	4
	JC12	RAISUN	GREEN	SHEEP	1238	0	0	1206	32	2.58		25	2	2
	JC19	STIRRER	MEROWN	GOAT	29	0	0	28	1	3.45			1	
<b>Total:</b>											<b>1</b>	<b>60</b>	<b>4</b>	<b>10</b>



# Leather Cost Analysis..



## Leather VAT Consumption Report

Shipment Information								Receipt Information				VAT Claim	
JJ/DC No	Buyer	Article	Colour	Ship Pcs	Ship Area	Shipment UOM	Shipment Date	Raw Supplier	Receipt DC No	Bill/Invoice No	Vat %	Proportionate Pcs	Vat claim
JJ454	Demo Buyer	Goat Thunder	Black	745	3352.5	Pcs	25/12/08	Sample Leathers	DC 458	DC765	4	279	1341
								ABC Raw Hides	DC 600	DC766	4	466	2607.5
<b>Total</b>				<b>745</b>									<b>3948.5</b>
JJ456	Neptune Leathers	Sheep Suede	Brown	535	2407.5	Pcs	29/12/08	Tanzania Corp	DC 600	DC766	4	535	2996
<b>Total</b>				<b>535</b>									<b>2996</b>
JJ457	Mercury Inc	Goat Crankle	Black	754	3393	Pcs	29/12/08	Monsoon Leather	DC 234	345	12	565.5	12215
								Sun Leather Corp	DC 430	1234	4	188.5	754
<b>Total</b>				<b>754</b>									<b>12969</b>

Able to track raw skin purchase details for shipped leather



## Chemical Cost ...

- ✓ Process Comparison
  - ✓ Chemical cost / sqft at wet-end and finishing
- ✓ Process Deviation
  - ✓ Standard Vs Actual comparison



Logistics  
2 %

Machinery &  
Over Heads  
8 %

Chemical &  
Accessories  
30 %

Leather  
60 %

# Machinery & Overhead Cost



- ✓ Standard Vs Actual operation comparison for articles
- ✓ Job work analysis



Thank You