**Preparing Buying Plans**

1. Last year, sales for a department were $500,600. This year sales were $550,000. (a) By what percentage did sales increase? (b) If a 10% increase in sales is planned for next year, calculate planned sales in dollars for that year.
2. Increase in sales: 9.8681%
3. Planned sales next year: $605,000.
4. Last season (February –July), sales for a department were $500,000. When the buyer prepared the six-month buying plan, an increase in sales of 5% was projected. After examining sales records from last year, monthly sales distributions for each month of the season were planned as follows: February (10%), March (20%), April (20%), May (30%), June (10%), and July (10%). Calculate the sales in dollars that are planned for each month this season.
5. From the information presented in the table below, calculate the planned purchases at retail for each month.

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| --- | --- | --- | --- | --- |
| Month | Planned BOM Stock | Planned Sales | Planned Reductions | Planned EOM Stock |
| February | $19,250 | $9,625 | $192 | $38,500 |
| March | $38,500 | $19,250 | $770 | $19,250 |
| April | $19,250 | $9,625 | $962 | $10,000 |

1. Calculate the planned purchases at cost for each department listed below.

|  |  |  |
| --- | --- | --- |
|  | Planned Purchases at Retail | Initial Markup Percentage |
| Department A | $30,500 | 47.2% |
| Department B | $61,000 | 48.0% |

1. Your department has planned purchases at cost of $105,000. You have ordered the merchandise listed below but have not received shipment yet. Calculate your open-to-buy.

|  |  |
| --- | --- |
| Acme Shoes | $5000 |
| Broadway Shoes | $10,500 |
| Shoes Galore | $15,000 |