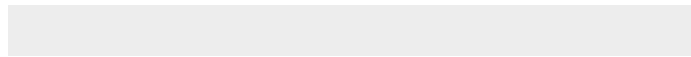


How to calculate the cost-price of an apparel item?



Legend	
SAM	Standard Allowed Minutes
CM	Cut & Make
FOB	Free on Board
	Values in blue areas can be adjusted
<i>Background information can be found in the study "How to calculate the cost-price of an apparel item"</i>	

Disclaimer	
This costing sheet is an <u>example</u> and should be used as such. CBI is not responsible or liable in any manner for any outcomes that are the result of using this sheet.	



Monthly direct labour costs	
Category 1 Monthly wage	
Number of employees	
Category 2 Monthly wage	
Number of employees	
Category 3 Monthly wage	
Number of employees	
Category 4 Monthly wage	
Number of employees	
Total monthly direct labour costs	

Monthly indirect labour costs	
Category 1 Monthly wage	
Number of employees	
Category 2 Monthly wage	
Number of employees	
Category 3 Monthly wage	
Number of employees	
Category 4 Monthly wage	
Number of employees	
Total monthly indirect labour costs	

Monthly overhead costs	
Rent	
Energy	
Insurance	
Tax	
Other Costs	
Total monthly overhead costs	

Step 1: available working minutes at the factory	
Working days/month for 1 employee (direct labour)	
Working days/month * number of employees (direct labour)	
Daily working hours	
Monthly available working hours	
Monthly available working minutes	
Total monthly available working minutes	

Step 2: available working minutes at the factory	
Direct labour costs / year	
Indirect labour costs / year	
Overhead costs / year	
Total yearly working costs	

Step 3: available working minutes	
Direct labour costs / working minute	
Indirect labour costs / working minute	
Overhead costs / working minute	
Total break-even for 1 working minute	

Step 4: SAM	
SAM	
Efficiency loss percentage	
Total SAM	

Step 5: CM-price based on SAM	
SAM * working minute price	
CM profit percentage	
CM-price	

Product name	
Name of your product	

Fabric costs	
Consumption	
Wastage percentage	
Total fabric costs	

Packaging material costs	
Polybag / item	
Inner carton / item	
Export carton box / item	
Wastage percentage	
Total packaging costs	

Trim costs	
Hand-tag and labels	
Interlining	
Thread	
Button price	
Number of buttons	
Wastage percentage	
Total trim costs	

Product costing	
Total fabric cost	
Total packaging cost	
Total trim cost	
CM	
Subtotal	
FOB profit percentage	
Profit	
FOB sales-price	