

Budget Engineering & MOQ

How much money do you have to invest in this business venture? _____

What percent return do you want to get on your investment? _____

Time to profit? _____

What is the ratio of money for production vs the rest of the business?

For every \$1
you spend on
production

how many dollars will
you spend for
the business?

How many garments can you produce if the ratio is 1:1?

Let's say you have \$10,000 to invest. How much is for production and how much for the business? => You have \$5,000 for production.

Assume the average make-price per garment is \$5.00

$\$5,000 / \$5.00 \text{ per garment} = 1,000 \text{ garments of the same style, fabric and color.}$

This is reverse engineering your MOQ.