

Group Assignment 2: Sport Obermeyer

In this group project, you will analyze a real-world problem facing Sport Obermeyer, a fashion skiwear manufacturer. This is one of the most classical cases in supply chain management, which describes a typical problem about managing demand uncertainty in the fashion apparel industry.

Read the Obermeyer case (Hammond and Raman, 2006) and answer the following questions:

1. Among the inventory models we have learned, which model framework is the most suitable for the Obermeyer's problem? The models we learned in class are preliminary. Please state how to adapt this model to Obermeyer's need?
2. Consider the ten styles of women's parkas in Exhibit 10. Make a recommendation for how many units of each style Wally Obermeyer should order during the initial phase of production. Assume that all ten styles in the sample problem are made in Hong Kong, and that Obermeyer's initial production commitment must be at least 10000 units. (Ignore price differences among styles in your initial analysis.)
3. What recommendations would you make to help Obermeyer reduce *the cost of demand uncertainty*?

Deliverables

Please prepare a PowerPoint presentation with answers to the above questions. Please submit your presentation file to HuskyCT by 23:59 Saturday March 4, 2023. Please name your PPT/PDF file as "Project2_g[Group Number].pptx" where Group Number is the number assigned to your group on HuskyCT. There is no page limit on the PowerPoint slides, but you will have at most 15 minutes to present the work.

You will be invited to present your analysis in class on March 6. Each presentation should not exceed 15 minutes. Audience is highly encouraged to ask questions after each presentation. Bonus points (up to 10%) will be given to the teams actively participating in the discussion.

Rubric

	<i>Criterion</i>	<i>Percentage</i>	<i>Details</i>
<i>General</i>	Structure of the Presentation	10%	Clear and concise text; overall organization and quality of the presentation.
<i>Answers to questions</i>	Question 1	30%	Answering this question will give you a sense how to extend and apply a basic textbook inventory model to real-world problems. You do not need to formulate a rigorous mathematical model. Please state your thoughts on how the basic model needs be extended.

	Question2	30%	You can use the Excel spreadsheet provided on HuskyCT to do the calculation and state your reasoning in the slides. <i>Note that this is an “open-ended” exercise in the sense that one can develop different approaches to solve the problem.</i> Try your best to propose a solution and justify your proposal. This question will be graded based on the correctness of your reasoning and the factors considered in the solution.
	Question 3	30%	You may start by thinking about what factors make it difficult to cope with demand uncertainty.
Extra	Participation In Class Discussions	Up to 10%	Audience is encouraged to ask questions and make comments on the presenting groups. I will give bonus to the groups that constructive ideas in the discussion.

Reference

Hammond, Janice H., and Ananth Raman. ["Sport Obermeyer Ltd."](#) Harvard Business School Case 695-022, October 1994. (Revised August 2006.)