

## **Loch Shop: Examples of Costs of Buying Requested Number of Copies**

Processing Costs = Freight in, freight out, estimated labor for processing in and out.  
\$11.00 per book (conservative estimate; some industry experts put this cost as high as \$15.00).

Carrying Costs = Here are represented in its simplest form, the actual cost of goods of the held inventory (I.e., it does not include Plant Overhead [i.e. our "Rent"], Labor Costs of Inventory Maintenance, or Opportunity Cost [Budgetary dollars tied up in inventory that cannot be invested elsewhere]).

### **ENGL 1101: Writing in the Digital Age (Custom for CSU)**

# of Copies Requested	1128
# of Copies Stocked	815
# of Copies Sold	555

$1128 - 555 = 573$  copies left over

$573 \times 11.00 = \$6,303.00$  (Cost to process these extra books)

Carrying Costs: \$35,382.75 (Requested – Sold x Cost of Goods)

### **POLS 1101: POLS Text (Custom for CSU)**

# of Copies Requested	912
# of Copies Stocked	500
# of Copies Sold	392

$912 - 392 = 520$  copies

$520 \times \$11.00 = 5,720.00$

Carrying Costs: \$62,400.00

### **COMM 1110: Lucas/Art of Public Speaking**

# of Copies Requested	6,444
# of Copies Stocked	$177 + 39 = 216$
# of Copies Sold	193

$6,444 - 193 = 6,251$  copies

$6,251 \times \$11.00 = \$68,761.00$

Carrying Costs: \$620,411.75