

Workwear Total Cost of Ownership Calculator

Factory-direct construction workwear. Batch-level compliance. No middlemen.

Total Cost of Ownership: Beyond the Unit Price

The purchase price of a safety vest or coverall is typically only 55-65% of what you actually spend. The remaining 35-45% comes from hidden costs that multi-supplier models create. This calculator helps you see the full picture.

1. Direct Cost Comparison (Annual)

COST CATEGORY	MULTI-SUPPLIER	SINGLE FACTORY-DIRECT
Garment unit cost	\$_____	\$_____
Annual volume (units)	_____	_____
Total purchase cost	\$_____	\$_____

2. Hidden Cost Factors

FACTOR	MULTI-SUPPLIER IMPACT	SINGLE-SUPPLIER IMPACT
Rush fees / expedited shipping	8-15% of annual spend	<2% of annual spend
Quality rejects & returns	3-7% of units	<1% of units
Admin overhead (PO management)	3-5 suppliers = 3-5 PO workflows	1 supplier = 1 PO workflow
Last-minute local purchases	25-35% premium per unit	Eliminated (safety stock)
Compliance audit prep	Gather docs from 3+ portals	Single digital file

3. 3-Year TCO Worksheet

YEAR	MULTI-SUPPLIER TCO	FACTORY-DIRECT TCO	SAVINGS
Year 1	\$_____	\$_____	\$_____
Year 2	\$_____	\$_____	\$_____
Year 3	\$_____	\$_____	\$_____
3-Year Total	\$_____	\$_____	\$_____

4. Typical Savings Range

Based on client data across 10+ multi-site construction programs:

- **Purchase cost reduction:** 25-40% (eliminating middleman markup)
- **Rush fee elimination:** 80-95% reduction
- **Admin time reduction:** 60-70% fewer hours spent on procurement
- **Total landed cost reduction:** 30-50% over 3-year program

5. How to Use This Calculator

1. Gather your last 12 months of workwear invoices (all suppliers)
 2. Add rush fees, expedited shipping charges, and last-minute local purchases
 3. Estimate admin hours spent on PO management, compliance doc gathering, and supplier coordination
 4. Fill in the worksheets above and compare to a single-supplier factory-direct quote
 5. Share with your finance team: the "cheapest unit price" is rarely the cheapest program
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This document is provided as a procurement resource. Update quantities, specs, and pricing to match your project requirements.