

Retail Product Pricing Worksheet

1. Variable Costs (per unit)

	(description)	
Inventory Cost	_____	\$ _____
Freight	_____	_____
Sales Costs	_____	_____
Other	_____	_____
Total Variable Costs per unit		\$ _____

2. Competitors' Prices (per unit) for comparison

Competitor A: _____ Price \$ _____
 Unique Features and Benefits: _____

Competitor B: _____ Price \$ _____
 Unique Features and Benefits: _____

Competitor C: _____ Price \$ _____
 Unique Features and Benefits: _____

Proposed Retail Price for my product

\$ _____

3. Operating Costs (including Loan Repayment)

	Monthly	Annual
Salaries and wages (employees)	\$ _____	\$ _____
Owner's salary or draw	_____	_____
Payroll-related taxes	_____	_____
Other fringe benefits (Health Ins/Retirement)	_____	_____
Outside Services:		
Legal	_____	_____
Accounting	_____	_____
Other: _____	_____	_____
Insurance	_____	_____
Advertising / Promotion	_____	_____
Occupancy Expenses:		
Rent	_____	_____
Utilities (gas / electric)	_____	_____
Phone	_____	_____
Miscellaneous:		
Office supplies and postage	_____	_____
Dues, fees, subscriptions	_____	_____
Travel and entertainment	_____	_____
Other: _____	_____	_____
Interest expense	_____	_____
Principle payments (loan)	_____	_____
Other: _____	_____	_____
TOTAL OPERATING COSTS	\$ _____	\$ _____

4. Calculate Break-Even Point

Retail Price per unit _____ minus Variable Costs per unit _____ = _____
Contribution Margin (CM)

Operating Costs _____ divided by CM _____ = _____
of Units to Break Even \$ to Break-Even
(Units X selling price)

If the Break-Even Point is beyond your capacity to produce or beyond reality to sell, your options include: 1) increase price 2) decrease variable costs 3) decrease operating costs.

REMEMBER: Break-Even just covers costs! You will have to sell more to make a **PROFIT!**