

MARK-UP CHART

Mark-Up/Gross Profit Conversion

Confusing Mark-Up and Gross Profit Can Bankrupt You

Mark-up is the percentage you earn on the cost of an item you sell. Gross profit is the percentage you earn on the selling price of the item. Confuse them and you get over-optimistic view of your business.

When you relate earnings to sales, think only of Gross Profit. In terms of sales, Mark-Up has no meaning. Gross profit tells you what you earn – retain – on each \$1 of sales to pay your business expenses. Anything left over is net profit.

How To Compute Mark-Up

A brand costs you \$75 a case and brings in \$90 - \$15 above cost. Divide the earnings (\$15) by your cost (\$75) and you get a mark-up on cost of 20%.

How To Compute Gross Profit

A brand costs you \$75 a case and brings in \$90 - \$15 above cost. Divide the earnings (\$15) by your selling price (\$90) and you get a gross-profit on selling of 16.7% - 16.7 cents on each \$1 of sales - to pay expenses.

Mark-Up and Profit Table

Cost Per Bottle	Mark-Up 10% gross profit 9% selling price	Mark-Up 15% gross profit 13% selling price	Mark-Up 20% gross profit 17% selling price	Mark-Up 25% gross profit 20% selling price	Mark-Up 30% gross profit 23% selling price	Mark-Up 33.3% gross profit 25% selling price	Mark-Up 40% gross profit 29% selling price	Mark-Up 50% gross profit 33% selling price	Mark-Up 60% gross profit 38% selling price
\$4.00	\$4.40	\$4.60	\$4.80	\$5.00	\$5.20	\$5.33	\$5.60	\$6.00	\$6.40
\$5.00	\$5.50	\$5.75	\$6.00	\$6.25	\$6.50	\$6.67	\$7.00	\$7.50	\$8.00
\$6.00	\$6.60	\$6.90	\$7.20	\$7.50	\$7.80	\$8.00	\$8.40	\$9.00	\$9.60
\$7.00	\$7.70	\$8.05	\$8.40	\$8.75	\$9.10	\$9.33	\$9.80	\$10.50	\$11.20
\$8.00	\$8.80	\$9.20	\$9.60	\$10.00	\$10.40	\$10.66	\$11.20	\$12.00	\$12.80
\$9.00	\$9.90	\$10.35	\$10.80	\$11.25	\$11.70	\$12.00	\$12.60	\$13.50	\$14.40
\$10.00	\$11.00	\$11.50	\$12.00	\$12.50	\$13.00	\$13.33	\$14.00	\$15.00	\$16.00
\$11.00	\$12.10	\$12.65	\$13.20	\$13.75	\$14.30	\$14.66	\$15.40	\$16.50	\$17.60
\$12.00	\$13.20	\$13.80	\$14.40	\$15.00	\$15.60	\$16.00	\$16.80	\$18.00	\$19.20
\$13.00	\$14.30	\$14.95	\$15.60	\$16.25	\$16.90	\$17.33	\$18.20	\$19.50	\$20.80
\$14.00	\$15.40	\$16.10	\$16.80	\$17.50	\$18.20	\$18.66	\$19.60	\$21.00	\$22.40
\$15.00	\$16.50	\$17.25	\$18.00	\$18.75	\$19.50	\$20.00	\$21.00	\$22.50	\$24.00
\$16.00	\$17.60	\$18.40	\$19.20	\$20.00	\$20.80	\$21.33	\$22.40	\$24.00	\$25.60
\$17.00	\$18.70	\$19.55	\$20.40	\$21.25	\$22.10	\$22.66	\$23.80	\$25.50	\$27.20
\$18.00	\$19.80	\$20.70	\$21.60	\$22.50	\$23.40	\$23.99	\$25.20	\$27.00	\$28.80
\$19.00	\$20.90	\$21.85	\$22.80	\$23.75	\$24.70	\$25.33	\$26.60	\$28.50	\$30.40
\$20.00	\$22.00	\$23.00	\$24.00	\$25.00	\$26.00	\$26.66	\$28.00	\$30.00	\$32.00
\$21.00	\$23.10	\$24.15	\$25.20	\$26.25	\$27.30	\$27.99	\$29.40	\$31.50	\$33.60
\$22.00	\$24.20	\$25.30	\$26.40	\$27.50	\$28.60	\$29.33	\$30.80	\$33.00	\$35.20
\$23.00	\$25.30	\$26.45	\$27.60	\$28.75	\$29.90	\$30.66	\$32.20	\$34.50	\$36.80
\$24.00	\$26.40	\$27.60	\$28.80	\$30.00	\$31.20	\$31.99	\$33.60	\$36.00	\$38.40
\$25.00	\$27.50	\$28.75	\$30.00	\$31.25	\$32.50	\$33.33	\$35.00	\$37.50	\$40.00
\$30.00	\$33.00	\$34.50	\$36.00	\$37.50	\$39.00	\$39.99	\$42.00	\$45.00	\$48.00
\$35.00	\$38.50	\$40.25	\$42.00	\$43.75	\$45.50	\$46.66	\$49.00	\$52.50	\$56.00
\$40.00	\$44.00	\$46.00	\$48.00	\$50.00	\$52.00	\$53.32	\$56.00	\$60.00	\$64.00
\$45.00	\$49.50	\$51.75	\$54.00	\$56.25	\$58.50	\$59.99	\$63.00	\$67.50	\$72.00
\$50.00	\$55.00	\$57.50	\$60.00	\$62.50	\$65.00	\$66.65	\$70.00	\$75.00	\$80.00
\$55.00	\$60.50	\$63.25	\$66.00	\$68.75	\$71.50	\$73.32	\$77.00	\$82.50	\$88.00
\$60.00	\$66.00	\$69.00	\$72.00	\$75.00	\$78.00	\$79.98	\$84.00	\$90.00	\$96.00
\$65.00	\$71.50	\$74.75	\$78.00	\$81.25	\$84.50	\$86.65	\$91.00	\$97.50	\$104.00
\$70.00	\$77.00	\$80.50	\$84.00	\$87.50	\$91.00	\$93.31	\$98.00	\$105.00	\$112.00
\$75.00	\$82.50	\$86.25	\$90.00	\$93.75	\$97.50	\$99.98	\$105.00	\$112.50	\$120.00
\$80.00	\$88.00	\$92.00	\$96.00	\$100.00	\$104.00	\$106.64	\$112.00	\$120.00	\$128.00
\$85.00	\$93.50	\$97.75	\$102.00	\$106.25	\$110.50	\$113.31	\$119.00	\$127.50	\$136.00
\$90.00	\$99.00	\$103.50	\$108.00	\$112.50	\$117.00	\$119.97	\$126.00	\$135.00	\$144.00
\$95.00	\$104.50	\$109.25	\$114.00	\$118.75	\$123.50	\$126.64	\$133.00	\$142.50	\$152.00
\$100.00	\$110.00	\$115.00	\$120.00	\$125.00	\$130.00	\$133.30	\$140.00	\$150.00	\$160.00