



4 Access Partners Wholesale Cost Calculator

These %'s are a guide, and can be adjusted to suit your product and business objectives. If you are not in distribution, it is still very wise to build distribution costs into your pricing. This will allow some cushion to absorb fluctuations in ingredient costs, offer discounts, and you will keep this portion until you decide to go into distribution. We recommend playing with your numbers in both directions to ensure you are comfortable with your pricing structure.

Step 1: Identify your SRP = Suggested Retail Price customers pay.

This is the price you suggest to retailers, they may decide to follow it or not. Be sure to compare your SRP to comparable brands and products.

SRP = \$ _____

Step 2: Calculate your Cost to the Retailer (aka Wholesale Price)

Multiply the SRP by 0.6, which accounts for the retailer to take 40% markup when they change your SRP.

$SRP \times 0.6$

Cost to
Retailer = \$ _____

Step 3: Calculate your Cost to Distributor by multiplying the Cost to Retailer by .75

Build this in even if you are currently self distributing.

$Cost\ to\ Retailer \times 0.75$

Cost to
Distributor = \$ _____

Step 4: Calculate your Cost per Package by multiplying the Cost to Distributor by .8

This yields a 20% profit per package and your cost to produce each package must be less then this amount for you to be profitable.

$Cost\ to\ Distributor \times 0.8$

Your profit per
Package = \$ _____

Your COGS (fixed + variable) cannot exceed your profit per package!!