Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Class \_\_\_\_\_

***Activity: Pricing Math***

**Directions:** Use pricing formulas to calculate the problems below. Assignment is worth **80 points.**

RP = C + MU MU($) = RP – C MU (%) = MU($)/RP MU(%) on cost = MU($)/C

Cost Method: Step 1 C x MU(%) = MU($) $20 x 50% = $10 Step 2 C x MU($) = RP $20 x $10 = $30

**Problems:**

1. An article cost a business $5.50 and has a markup of $2.00. What is the retail price? $ \_\_\_\_\_\_
2. The RP of an article is $14.00, and the cost is $6.00. Determine the MU. $\_\_\_\_\_\_
3. The RP of an article is $35, and the initial MU is $17. Determine the cost of the item. $\_\_\_\_\_\_
4. The MU on an article is $6.89, and its RP is $16.89. Determine the cost of the item. $\_\_\_\_\_\_
5. A blouse cost the business $20 and has a MU OF $10. What is RP? $ \_\_\_\_\_\_
6. A pen cost the school store $12.50 and has a MU of $15.50. What is the RP? $ \_\_\_\_\_\_
7. For the following problems calculate the dollar markup and the markup percentages on both the retail price and cost price.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Item** | **Retail Price** | **Cost** | **MU ($)** | **MU($) – Retail** | **MU($) - Cost** |
| A | $1.00 | $0.80 |  |  |  |
| B | $6.00 | $4.50 |  |  |  |
| C | $24.00 | $16.00 |  |  |  |
| D | $231.99 | $144.99 |  |  |  |
| E | $464.50 | $278.70 |  |  |  |

1. **Cost Method for Determining Retail Price**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Item** | **Cost** | **MU(%) on Cost** | **MU($)** | **Retail Price** |
| Sweater | $15.00 | 75% |  |  |
| Coat | $55.00 | 100% |  |  |
| Pants | $30.00 | 66.67% |  |  |
| Gloves | $25.00 | 40% |  |  |