

# 11.1 Pricing Structure

*Directions:* Use the profit equation and pricing structure chart to set reasonable prices for your products that will guide your company to making a profit.

## Profit Equation

$$\frac{\text{Total REVENUE Goal}}{\text{Total Estimated EXPENSES}} = \text{Estimated Profit/Loss}$$

## Price Structure Chart

Fill out the chart below with the price you intend to sell your products and the number of products you produced.

*Example: If you sell an item for \$2BB and plan to produce 20 of these products, your estimated revenue will be \$40BB*

Product Category	Price Per Unit x Number of Units	Total Revenue (\$)
	\$ _____ BB x _____ units	
	\$ _____ BB x _____ units	
	\$ _____ BB x _____ units	
	\$ _____ BB x _____ units	
	\$ _____ BB x _____ units	
<b>Total Estimated Revenue (\$)</b>		

**REMEMBER:** Be sure your estimated revenue is **HIGHER** than your total expenses. If not, adjust the pricing to make sure that your company can make a profit.