



## PRICE SETTING FOR A JA BIZTOWN BUSINESS

Name \_\_\_\_\_

### Important Background Information:

1. This business has nine different types of items to sell. Its total inventory is 57 items.
2. The business has seven employees and took out a loan of \$163.00 at the beginning of the day.
3. The business wants to pay back its loan and still earn a profit before the end of the day.
4. To allow all citizens an equal opportunity to buy items from this business, the sales staff will divide the inventory by three and offer one-third of it for sale during each shopping break.

### Directions:

1. Complete this inventory sheet as a business team.
2. To start, divide the bank loan by the total number of items for sale to determine the average price per item. Average Price Per Item = \_\_\_\_\_
3. Price what you think will be "hot sellers" above the average and less desirable items below the average.
4. Appropriately price the items below so this business makes a profit if all of the items are sold to students during their breaks.

DESCRIPTION	QTY		PRICE EACH		AMOUNT
Address Book	9	X	_____	=	_____
Pen Set	6	X	_____	=	_____
Bead Necklace	6	X	_____	=	_____
Colored Pencil	9	X	_____	=	_____
Poster	3	X	_____	=	_____
Sunglasses	6	X	_____	=	_____
Candle	6	X	_____	=	_____
Key Chain	9	X	_____	=	_____
Puzzle	3	X	_____	=	_____