MTH 134 UNIT 5 LECTURE NOTES AND HANDOUT 3
        MARKUPS BASED ON COST OR SELLING PRICE

cost + markup = selling price

        The percent markup can be based on cost or it can be based on the selling price. These problems
are very similar to the problems we did two days ago where we had: list price - single trade discount = net
price.

example 1:   Pete's Deli sells corned beef at $2.55 per pound. It pays the wholesaler $1.95 per pound.
What is the markup based on cost?

example 2:   Break Hardware purchased 10 Dust Busters for $24.95 each. What should Break charge
its customers for each Dust Buster if it has a 39.5% markup on cost?

example 3:   Find the cost and markup of a toaster if it sells for $45 and is marked up 28.57% based
on cost.

example 4:   Sullivan's Handbags markup their bags 45% of the selling price. Pat Sullivan saw a bag
at a trade show that she would sell to her customers for $85. What is the most she could pay for the bag
and still retain the 45% markup of the selling price?

example 5:   Look at #1 again, except this time tell what the markup is based on selling price.

 example 6:   Suppose Runners' Forum bought a pair of shoes for $45 and needed a 45% markup on
the selling price to make the desired profit. What is the selling price and desired markup?

Now you try these:

1. If the cost of a table is $62 and it sells for $110, what is the percent markup based on cost? (Round to the nearest hundredth percent.)

2. Find the cost and markup of a stove if it sells for $400 and is marked up 100% if the cost.

3. Complete the following chart.

	Cost	% markup based on cost	amount of markup	selling price
a.		35%		$1600
b.	$250	25%		
c.	$100			$145
d.	$78	20%		
e.		29%		$400
f.	$70			$100

4. Suppose Runners' Forum bought a pair of Nike running shoes for $45 and they plan to sell them for $75. What is the stores markup amount and percent markup based on selling price?

5. Suppose Runners' Forum sells a particular pair of shoes for $70 and they need a 30% markup based on selling price to make their profit. What is the markup amount and the cost of the shoes to the store?