

## Numbers and Operations: Food Broker

**Albertsons, Inc.**

**Job Description:** Brings the seller and the buyer of food together.

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### **Problem:**

What is the retail price at Albertson's grocery store of a package of Gallo Pepperoni?

The case cost of the pepperoni is \$24 per 12 (8 oz.) packages.

The warehouse markup will be 7%.

The store markup will be 38%.

Store markup is on top of warehouse markup.

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### **Solution:**

Package cost =  $\$24.00 \div 12 \text{ packages} = \$2.00/\text{package}$

Warehouse markup =  $\$2.00 \times .07 = \$.14$

Albertsons markup =  $\$2.14 \text{ (door cost)} \times .38 = \$.81$

Albertsons retail price =  $\$2.00 + .14 + .81 = \$2.95/\text{package}$