

<b>Tequila Production Costs</b>	
<b>Variables</b>	
Agave price (MXN pesos/kg):	<b>21</b>
Avg kg/liter (traditional):	<b>7</b>
Avg kg/liter (diffuser):	<b>3.3</b>
Peso/Dollar:	<b>18.3</b>
Distributor Markup:	<b>25%</b>
Retail Markup:	<b>25%</b>
BAR PRICE (1 liter Traditional):	<b>\$21.29</b>
RETAIL PRICE (1 liter Traditional):	<b>\$26.61</b>
BAR PRICE (1 liter Diffuser):	<b>\$17.05</b>
RETAIL PRICE (1 liter Diffuser):	<b>\$22.37</b>
Diffuser savings/liter	<b>-\$4.25</b>
<b>Item</b>	<b>Cost/Liter (USD)</b>
Agave	\$8.03
Agave (diffuser)	\$3.79
Extraction, transport to distillery	\$0.60
Bottles, enclosures, labels, cartons	\$2
Distillery operational costs/fees	\$1
TRADITIONAL DISTILLERY TOTAL:	<b>\$11.63</b>
DIFFUSER DISTILLERY TOTAL:	<b>\$7.39</b>
Freight & Customs	\$0.50
Mexico Federal Tax	\$2.90
TRANSPORT TOTAL:	<b>\$3.40</b>
Importer Markup	\$1.50
IMPORTER TOTAL:	<b>\$1.50</b>
Distributor Freight, state tax, warehousing, delivery	\$0.50
Markup	\$4.26
DISTRIBUTOR TOTAL:	<b>\$4.76</b>
Retail Markup	\$5.32
RETAIL TOTAL:	<b>\$5.32</b>