Bottles, enclosures, labels, cartons \$2 Distillery operational costs/fees \$1 TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50	Tequila Production Costs	
Avg kg/liter (traditional): Avg kg/liter (diffuser): 3.3 Peso/Dollar: 18.3 Distributor Markup: 25% Retail Markup: 25% BAR PRICE (1 liter Traditional): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): PRETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): PRETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): PRETAIL PRICE (1 liter Diffuser): RETAIL	Variables	
Avg kg/liter (diffuser): Peso/Dollar: 18.3 Distributor Markup: 25% Retail Markup: 25% BAR PRICE (1 liter Traditional): RETAIL PRICE (1 liter Traditional): \$21.29 \$26.61 BAR PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): \$22.37 Diffuser savings/liter Cost/Liter (USD) Agave \$8.03 Agave (diffuser) \$3.79 Extraction, transport to distillery \$0.60 Bottles, enclosures, labels, cartons Distillery operational costs/fees \$1 TRADITIONAL DISTILLERY TOTAL: TRADITIONAL DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery Markup \$4.26	Agave price (MXN pesos/kg):	21
Peso/Dollar: 18.3 Distributor Markup: 25% Retail Markup: 25% BAR PRICE (1 liter Traditional): \$21.29 RETAIL PRICE (1 liter Traditional): \$26.61 BAR PRICE (1 liter Diffuser): \$17.05 RETAIL PRICE (1 liter Diffuser): \$22.37 Diffuser savings/liter -\$4.25 Item Cost/Liter (USD) Agave (diffuser) \$3.79 Extraction, transport to distillery \$0.60 Bottles, enclosures, labels, cartons \$2 Distillery operational costs/fees \$1 TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 Importer Markup \$1.50 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Avg kg/liter (traditional):	7
BAR PRICE (1 liter Traditional): RETAIL PRICE (1 liter Traditional): RETAIL PRICE (1 liter Diffuser): PAGAVE Agave Agave (diffuser) Extraction, transport to distillery Bottles, enclosures, labels, cartons Distillery operational costs/fees TRADITIONAL DISTILLERY TOTAL: DIFFUSER DISTILLERY TOTAL: TRANSPORT TOTAL: TRANSPORT TOTAL: Importer Markup IMPORTER TOTAL: Distributor Freight, state tax, warehousing, delivery Markup 82.5% 25% 25% 257 267 278 279 270 270 270 270 270 270 270	Avg kg/liter (diffuser):	3.3
BAR PRICE (1 liter Traditional): RETAIL PRICE (1 liter Traditional): BAR PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): PRETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): Diffuser savings/liter Cost/Liter (USD) Agave Savings/liter Savings/liter Cost/Liter (USD) Agave Savings/liter Savin	Peso/Dollar:	18.3
BAR PRICE (1 liter Traditional): RETAIL PRICE (1 liter Traditional): BAR PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): Diffuser savings/liter Diffuser savings/liter Cost/Liter (USD) Agave \$8.03 Agave (diffuser) \$2.2.37 Letter Cost/Liter (USD) 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: DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs Mexico Federal Tax \$2.90 TRANSPORT TOTAL: Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery Markup \$4.26	Distributor Markup:	25%
RETAIL PRICE (1 liter Traditional): BAR PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): Piffuser savings/liter Diffuser savings/liter Cost/Liter (USD) Agave \$8.03 Agave (diffuser) Extraction, transport to distillery Bottles, enclosures, labels, cartons Distillery operational costs/fees TRADITIONAL DISTILLERY TOTAL: TRADITIONAL DISTILLERY TOTAL: TRADITIONAL DISTILLERY TOTAL: TRADITIONAL TOTAL: TRANSPORT TOTAL: \$11.63 TRANSPORT TOTAL: \$13.40 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery Markup \$4.26	Retail Markup:	25%
RETAIL PRICE (1 liter Traditional): BAR PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): Piffuser savings/liter Diffuser savings/liter Cost/Liter (USD) Agave \$8.03 Agave (diffuser) Extraction, transport to distillery Bottles, enclosures, labels, cartons Distillery operational costs/fees TRADITIONAL DISTILLERY TOTAL: TRADITIONAL DISTILLERY TOTAL: TRADITIONAL DISTILLERY TOTAL: TRADITIONAL TOTAL: TRANSPORT TOTAL: \$11.63 TRANSPORT TOTAL: \$13.40 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery Markup \$4.26		
BAR PRICE (1 liter Diffuser): RETAIL PRICE (1 liter Diffuser): \$17.05 \$22.37 Diffuser savings/liter Savings/liter Cost/Liter (USD) 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: TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery Markup \$0.50 Markup	BAR PRICE (1 liter Traditional):	\$21.29
RETAIL PRICE (1 liter Diffuser): Diffuser savings/liter \$22.37 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.26 \$4.25 \$4.26	RETAIL PRICE (1 liter Traditional):	\$26.61
RETAIL PRICE (1 liter Diffuser): Diffuser savings/liter \$22.37 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.25 \$4.26 \$4.25 \$4.26		
Item Cost/Liter (USD) 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: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	BAR PRICE (1 liter Diffuser):	\$17.05
Item Cost/Liter (USD) 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: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$0.50	RETAIL PRICE (1 liter Diffuser):	\$22.37
Item Cost/Liter (USD) 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: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$0.50		
Agave (diffuser) \$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: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Diffuser savings/liter	-\$4.25
Agave (diffuser) \$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: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26		
Agave (diffuser) \$3.79 Extraction, transport to distillery \$0.60 Bottles, enclosures, labels, cartons \$2 Distillery operational costs/fees \$1 TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Item	Cost/Liter (USD)
Extraction, transport to distillery \$0.60 Bottles, enclosures, labels, cartons \$2 Distillery operational costs/fees \$1 TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Agave	\$8.03
Bottles, enclosures, labels, cartons Distillery operational costs/fees TRADITIONAL DISTILLERY TOTAL: DIFFUSER DISTILLERY TOTAL: Freight & Customs Mexico Federal Tax TRANSPORT TOTAL: Importer Markup IMPORTER TOTAL: Distributor Freight, state tax, warehousing, delivery Markup \$2.90 \$1.50	Agave (diffuser)	\$3.79
Distillery operational costs/fees \$1 TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Extraction, transport to distillery	\$0.60
TRADITIONAL DISTILLERY TOTAL: \$11.63 DIFFUSER DISTILLERY TOTAL: \$7.39 Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Bottles, enclosures, labels, cartons	\$2
Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Distillery operational costs/fees	\$1
Freight & Customs \$0.50 Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	TRADITIONAL DISTILLERY TOTAL:	\$11.63
Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	DIFFUSER DISTILLERY TOTAL:	\$7.39
Mexico Federal Tax \$2.90 TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26		
TRANSPORT TOTAL: \$3.40 Importer Markup \$1.50 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Freight & Customs	\$0.50
Importer Markup \$1.50 IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Mexico Federal Tax	\$2.90
IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	TRANSPORT TOTAL:	\$3.40
IMPORTER TOTAL: \$1.50 Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26		
Distributor Freight, state tax, warehousing, delivery \$0.50 Markup \$4.26	Importer Markup	\$1.50
Markup \$4.26	IMPORTER TOTAL:	\$1.50
Markup \$4.26		
	Distributor Freight, state tax, warehousing, delivery	\$0.50
DISTRIBUTOR TOTAL: \$4.76	Markup	\$4.26
	DISTRIBUTOR TOTAL:	\$4.76
Retail Markup \$5.32	Retail Markup	\$5.32
RETAIL TOTAL: \$5.32	<u> </u>	