**Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Marketing Activity 4.2 - Business Math Connections**

**Background Information:**

Manufacturers offer discounts to distribution channel members for providing various marketing functions. The discounts are often stated as a percentage of the suggested retail price and are expressed as 40/15. The first number 40 is the percentage discount for a *retailer*. The second number 15 is the percentage discount for a *wholesaler*.

**Problem:**

Using the 40/15 discount rate, what price would a retailer and wholesaler pay for a product that retails for $860?

**Solution:**
Selling price – (selling price x retailer discount) = retailer price

 $ \_\_\_\_\_\_\_ - ( $ \_\_\_\_\_\_\_ x . \_\_\_\_\_\_\_ ) = $ \_\_\_\_\_\_\_

Retail price – (retail price x wholesaler discount) = wholesaler price

 $\_\_\_\_\_\_\_ - ( $ \_\_\_\_\_\_\_ x . \_\_\_\_\_\_\_ ) = $ \_\_\_\_\_\_\_