

PRICING A WOODWORKING PROJECT

- ❶ In order to run a profitable business in woodworking products must be properly priced.
- ❷ Four things must be taken into consideration when pricing a product:

Materials cost	wood, glue, nails, hardware, etc.
Overhead	shop, heat, vehicles, tools, phone, advertising, etc.
Labour	employees and yourself
Profit	anywhere from 10% to 25%
- ❸ The market or demand for your product will determine your profit;
More demand = more profit
Less demand = less profit
- ❹ Securing the demand for your products through contracts ensures a steady influx of money to your business.