






Mark-up Schedule: Effective April 1, 2015

It was announced November 19, 2014 that a new wholesale pricing model will take effect **April 1, 2015**.

The new model will eliminate the current discount pricing system for wholesale purchases and move to a cost plus mark-up model. All wholesale customers will purchase product under this new model and discounts will be eliminated.

Product Types	New Wholesale Rates			
Spirits	124% with graduated mark-up for cost portion over \$21/L 	Mark-up boundaries	Mark-up applied	Product category (Cost per Litre)
		On first \$21 cost per litre	124%	\$0 - \$21
		On next \$8.20 cost per litre	93%	\$21.01 – \$29.20
		On next \$8.20 cost per litre	62%	\$29.21 - \$37.40
		On any amount over \$37.40 cost per litre	43%	\$37.41+
Refreshments	73%			
Wines (incl. fortified wines)	89% with graduated mark-up for cost portion above \$11.75/L 	Mark-up boundaries	Mark-up applied	Product category (Cost per Litre)
		On first \$11.75 cost per litre	89%	\$0 - \$11.75
		On any amount over \$11.75 cost per litre	27%	\$11.76+
Beer				
Large Brewers (>350,000 hl)	\$1.08/L		Subject to annual CPI adjustments	
Med Brewers (>15,000 <=350,000 hl)	\$0.56/L to \$1.02/L			
Sm Brewers (<=15,000 hl)	\$0.55/L			

Categories have been simplified and all products will fall under spirits, refreshments, wines or beer.

Beer products will no longer be distinguished as packaged or draught for mark-up purposes. The mid-sized tier will be expanded and a new mid-sized graduated mark-up system will be introduced to facilitate growth in this industry.

The pre-existing graduated mark-up system for high-priced spirits and wine will continue with some amendments to the graduated mark-up schedule.

This schedule may be subject to change. If you have further questions please contact LDBchanges@bcldb.com.