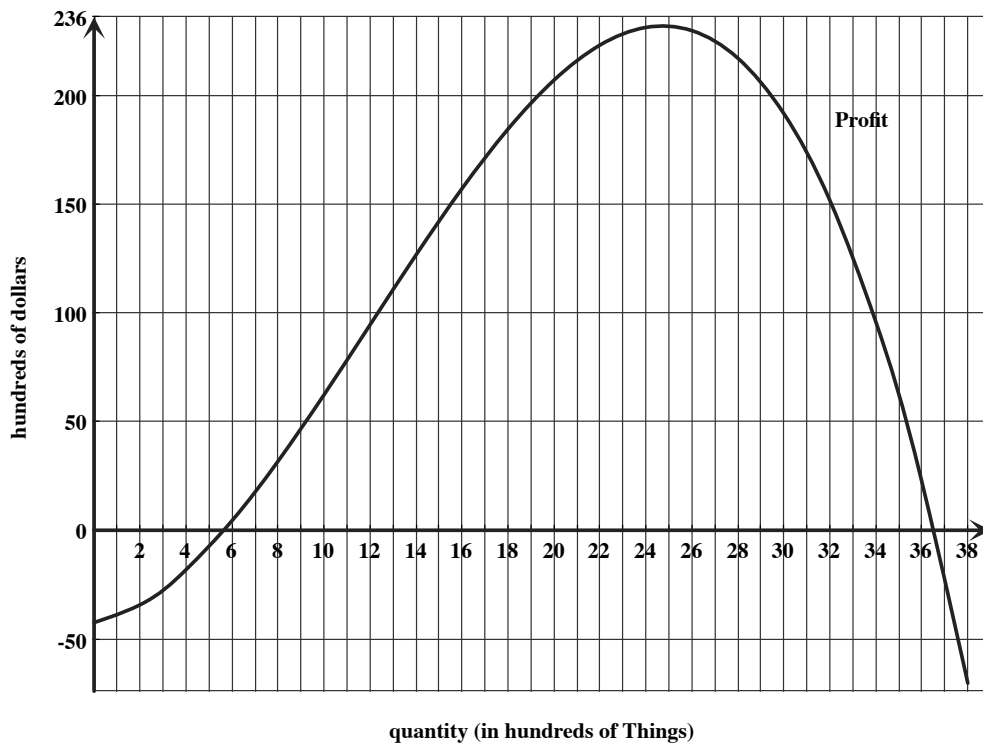
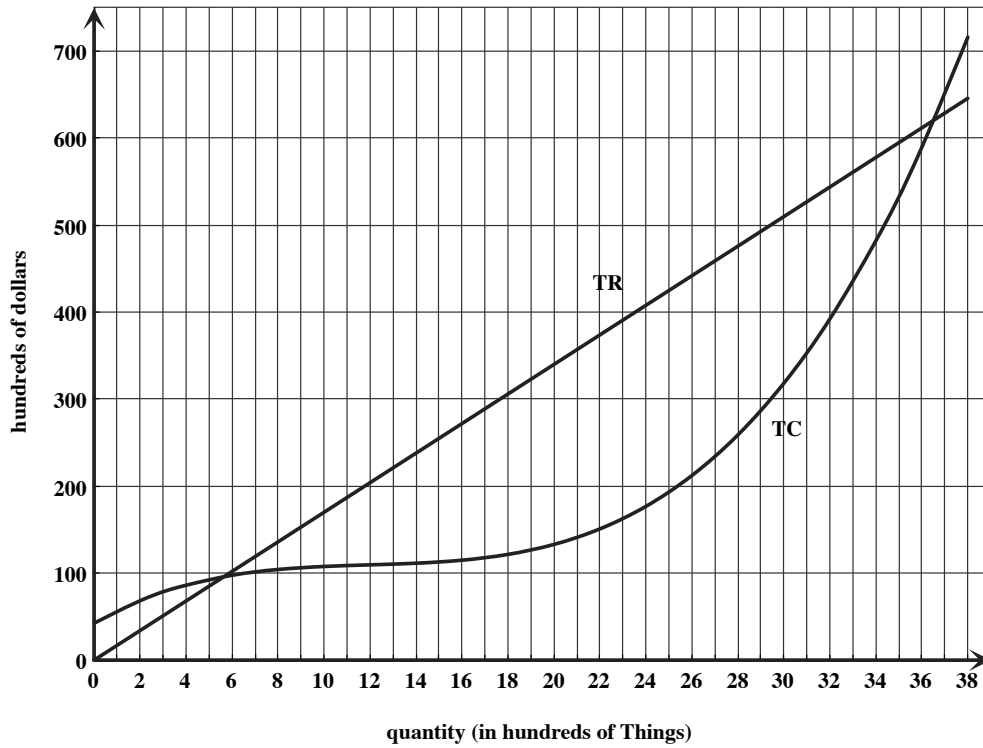
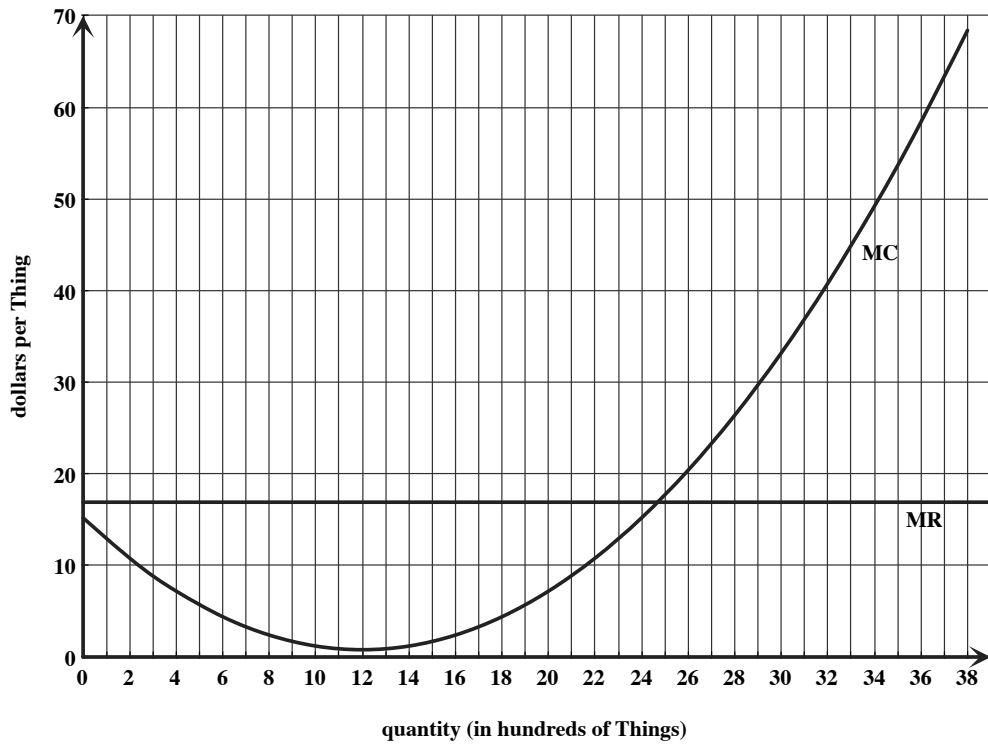


Math 111

Group Activity: Revenue, Cost, and Profit

Objectives: Below are the graphs of total revenue and total cost, profit, and marginal revenue and marginal cost for producing and selling Things. This activity is designed to clarify how these concepts are related and to consolidate a lot of what you've already learned.





Instructions: The first column of this table gives values for you to find. Find each value and write it in the “Answer” column, including units. You should be able to find most of the values using more than one of the given graphs. In the remaining columns, describe where you see the value(s) on the indicated graph(s). For some of the cells in the table, you may write “unable to determine” if you cannot find the answer from the indicated graph. The first row is completed as an example.

Find...	Answer (include units)	Using graphs of TR & TC	Using graph of Profit	Using graphs of MR & MC
fixed cost	~40 hundred dollars or \$4000	the “ y ”-intercept of the TC graph	the absolute value of the “ y ”-intercept of the profit graph	unable to determine
marginal revenue at any quantity				
marginal cost at $q = 20$				
profit at $q = 10$				
quantities at which you break even				
quantities at which $TR > TC$				
quantities at which $MR > MC$				
quantities at which profit is increasing				
quantity at which profit is maximized				
quantity at which $MR = MC$				
maximum profit				