

Troubleshooting: Identifying Problems 180

The Problem

Revenue and Cost (Refer to Example 12.) The cost to produce one part is \$1.50 plus one-time fixed cost of \$2000. The revenue received from selling one part is \$12.

- a. Write a formula that gives the cost C of producing x parts. Be sure to include the fixed cost.

- b. Write a formula that gives the revenue R from selling x parts.

- c. Profit equals revenue minus cost. Write a formula that calculates the profit P from selling x parts.

- d. What numbers of parts need to be sold to yield a positive profit?



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