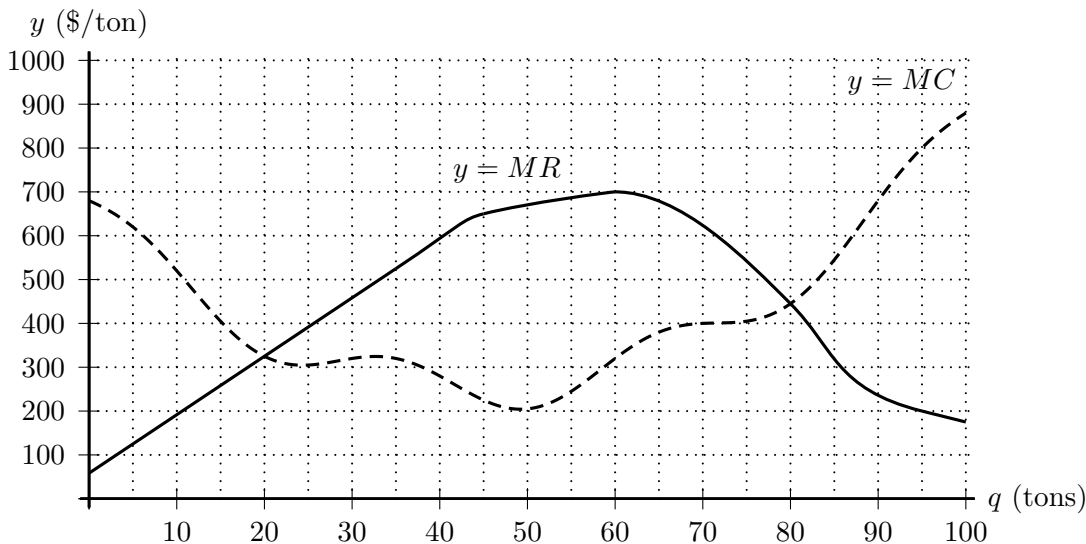


9. [9 points] With winter past and summer approaching, David is opening a business selling ice. Graphed below are his marginal revenue MR (solid line) and marginal cost MC (dashed line), in dollars per ton of ice.



- a. [4 points] Carefully estimate the answer to each of the following based on the graphs above. You do not need to show your work.
- (i) For what value(s) of q in the interval $[0, 100]$ is revenue maximized?
Answer: $q =$ _____
 - (ii) For what value(s) of q in the interval $[0, 100]$ is MR maximized?
Answer: $q =$ _____
 - (iii) For what value(s) of q in the interval $[0, 100]$ is profit maximized?
Answer: $q =$ _____
 - (iv) For what value(s) of q in the interval $[0, 100]$ is $MR - MC$ maximized?
Answer: $q =$ _____
- b. [2 points] David is planning to sell 5 tons of ice but is considering selling 35 tons instead.
- (i) Would David's profit increase or decrease if he changed the amount of ice sold from 5 tons to 35 tons? (Circle one.)

INCREASE
DECREASE
 - (ii) By how much would his profit increase or decrease? (Circle the one best estimate.)

\$1000
\$2000
\$4500
\$5250
\$6000
- c. [3 points] Let $\pi(q)$ be David's profit, in dollars, if he sells q tons of ice. Suppose that David would make a profit of \$4000 if he sold 95 tons of ice. Find an equation for the tangent line to the graph of $y = \pi(q)$ at $q = 95$.

Answer: _____