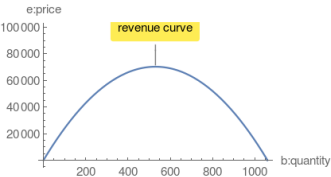


2.

2. (1) Basis for the Revenue model is a simple multiplication:

$$\text{Revenue} = \text{Price} \times \text{Quantity} = \left(-\frac{1}{4}b + 265\right) \times b = 265b - \frac{b^2}{4}$$

Notice the latter is a quadratic:



(2) Domain starts at 0 Euros revenue up to b-intercept coordinate equal to twice the value of vertex of the Parabola:
1060

(4) The maximum occurs at the vertex b-intercept coordinate:
530

or the amount 70225. Euros .