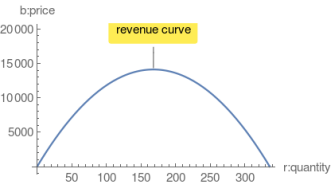


1.

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

$$\text{Revenue} = \text{Price} \times \text{Quantity} = \left(-\frac{1}{2}r + 168\right) \times r = 168r - \frac{r^2}{2}$$

Notice the latter is a quadratic:



(2) Domain starts at 0 Euros revenue up to r-intercept coordinate equal to twice the value of vertex of the Parabola:
336

(4) The maximum occurs at the vertex r-intercept coordinate:
168

or the amount 14112. Euros .