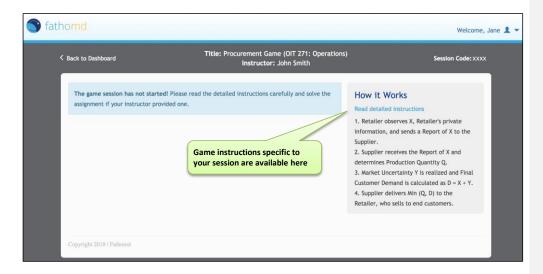IMPORTANT NOTICES:
1. Sign Up or Log In at: https://games.fathomd.com/
2. Please use the session code **s3t1** to join the game session.
3. Once you join, you can read detailed game instructions. Figure 1 below shows how you can access these instructions.
4. Please read the instructions carefully on your own. It is important that you do NOT discuss the game with your classmates before the class.
5. Please answer all of the questions on page 2 and we will discuss these questions in class.
6. Bring your laptop/tablet to class for the game.

Commented [MH1]: Please enter 4-character alphanumeric session code to be shared with players in place of [XXXX]

Figure 1

Player screen after joining a game session indicating how to access detailed instructions

Answer the Following Questions Before the Game:

For each question, please select the <u>single</u> correct answer from the given choices.

1. You play with the same partner throughout the game.

   (a) True.

   (b) False.

2. In this game, what factors determine your profit if you are a retailer?

   (a) Your decision, your partner's decision, and chance.

   (b) Only your decision.

   (c) Your decision and your partner's decision.

   (d) Your decision and chance.

3. Suppose the retailer observes that X = 200. At this time, what does the retailer know about the final customer demand D = X + Y?

   (a) Final customer demand is equal to 200.

   (b) Final customer demand must be a value between (200-75) and (200+75).

   (c) Final customer demand must be a value between (100-75) and (400+75).

4. Suppose that the retailer reports X = 200. What does the supplier know about the final customer demand?

   (a) Final customer demand must be some value between (200-75) and (200+75).

   (b) Final customer demand must be equal to 200.

   (c) Final customer demand must be some value between (100-75) and (400+75).

5. In the following table, what are the values of the three variables *a*, *b* and *c*?

Final Customer Demand	120
Production Quantity	*a*
Unit Retail Price	120
Unit Wholesale Price	100
Unit Production Cost	70
Supplier's Sales to Retailer	100
Supplier's Profit	*b*
Retailer's Profit	*c*

(a) *a*=100, *b*=3000, *c*=2400.

(b) *a*=120, *b*=3600, *c*=2400.

(c) *a*=100, *b*=3000, *c*=2000.