

benefits \hat{G} Total Cost
 Step 2 \hat{G} Calculate the Benefits from adding another unit
 Marginal benefit = Change in total benefits (due to adding another unit)
 Step 3 \hat{G} Calculate the Cost of adding another unit
 Marginal Cost = Change in total cost (due to adding another unit)
 Step 4 \hat{G} Take step if Marginal Benefits exceed or equal Marginal Costs
 Marginal benefit \hat{A} \neq Marginal Cost
 If this is the case, you are adding more to total benefits than total cost, so the net benefits are going up by:
 Change in net benefit = Marginal Benefit \hat{G} Marginal Cost
 Pete has hired you to calculate the costs and revenues for his lawn care company.
 Pete has provided you with the data below and should be used for questions 1-4.
 What is the total revenue (TR) of mowing the 4th lawn?
 Answer: $D = Q * P = 4 * 10$
 What is the marginal revenue (MR) of mowing the 5th lawn?
 Answer: $D = TR\ 5 - TR\ 4 = \$50 - \40
 What is the marginal cost (MC) of mowing the 6th lawn?
 Answer: $C = TC\ 6 - TC\ 5 =$