







**\$4**



**\$2**

\$

1























cost

**Price**









2





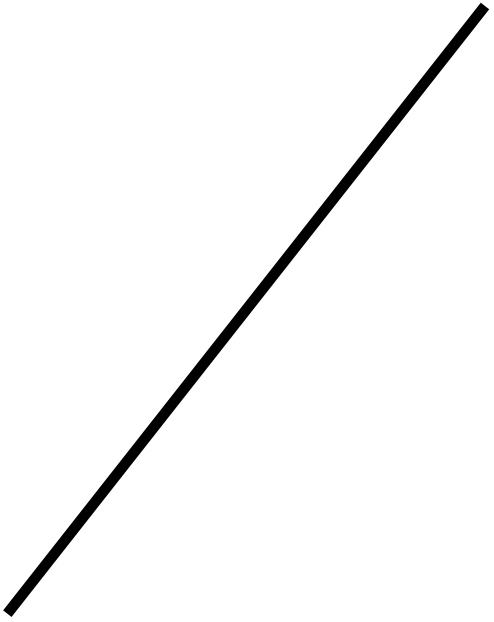
**Distance** to the  
Supply = **cost** of  
each unit

**\$1** covers **cost** of  
first unit

**\$2** covers **cost** of  
units 1 and 2

**\$3 covers cost of  
units 1, 2 and 3**









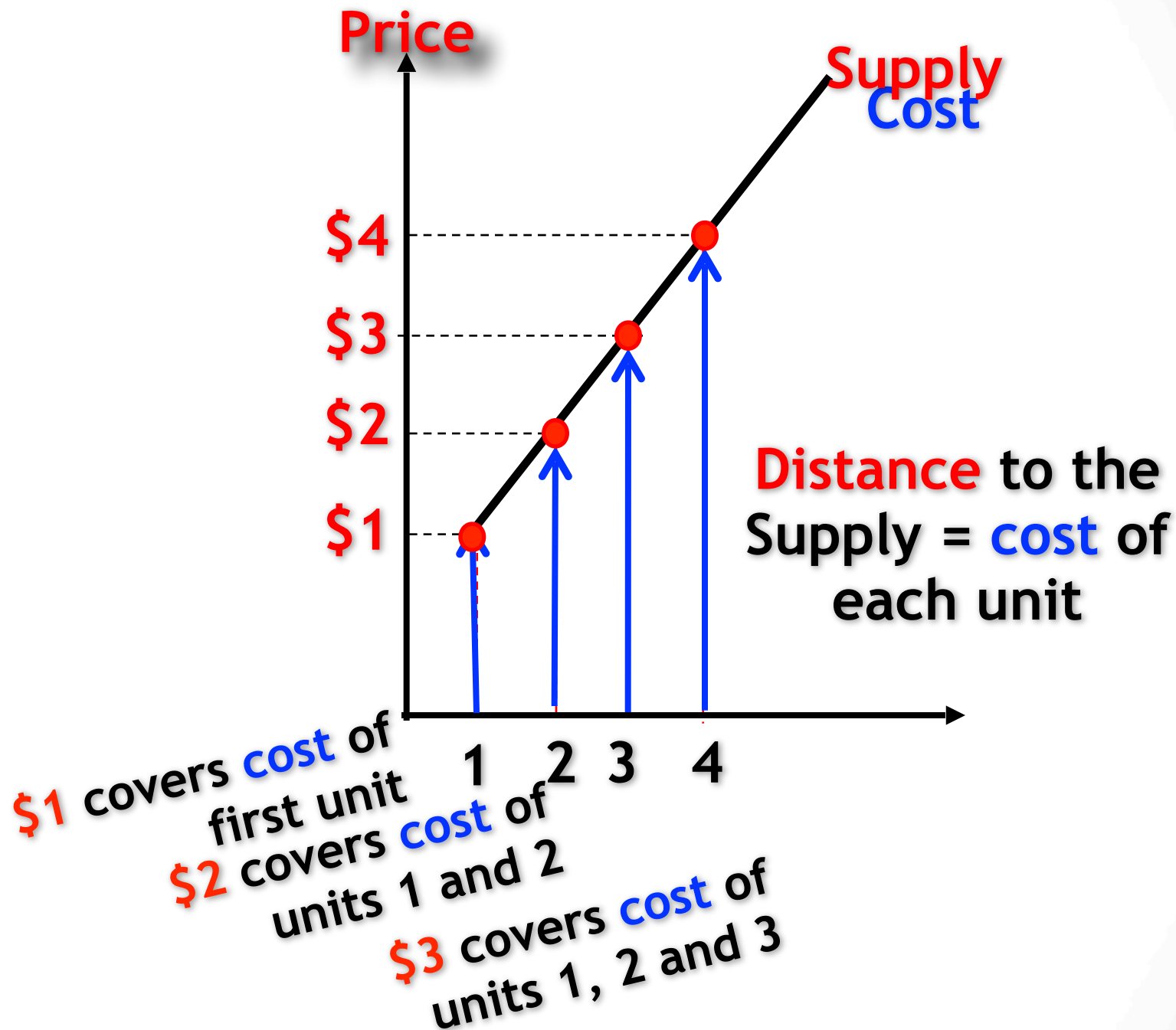








# Supply





**How many many units **should** be  
produced?**