



Plant is not the same as

Start with **one factory** with
capacity to produce 30K units

30K



30K



30K



30K



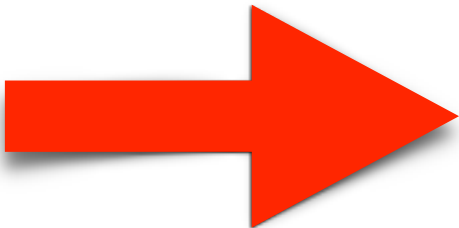


**Plant
size 1 =
30K**



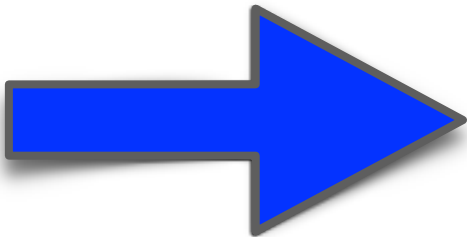
**Plant size
2: 120K**

Build more factories (say 3 more)



Plant size 1: 30k

Plant size 2: 120K



a farm

an office

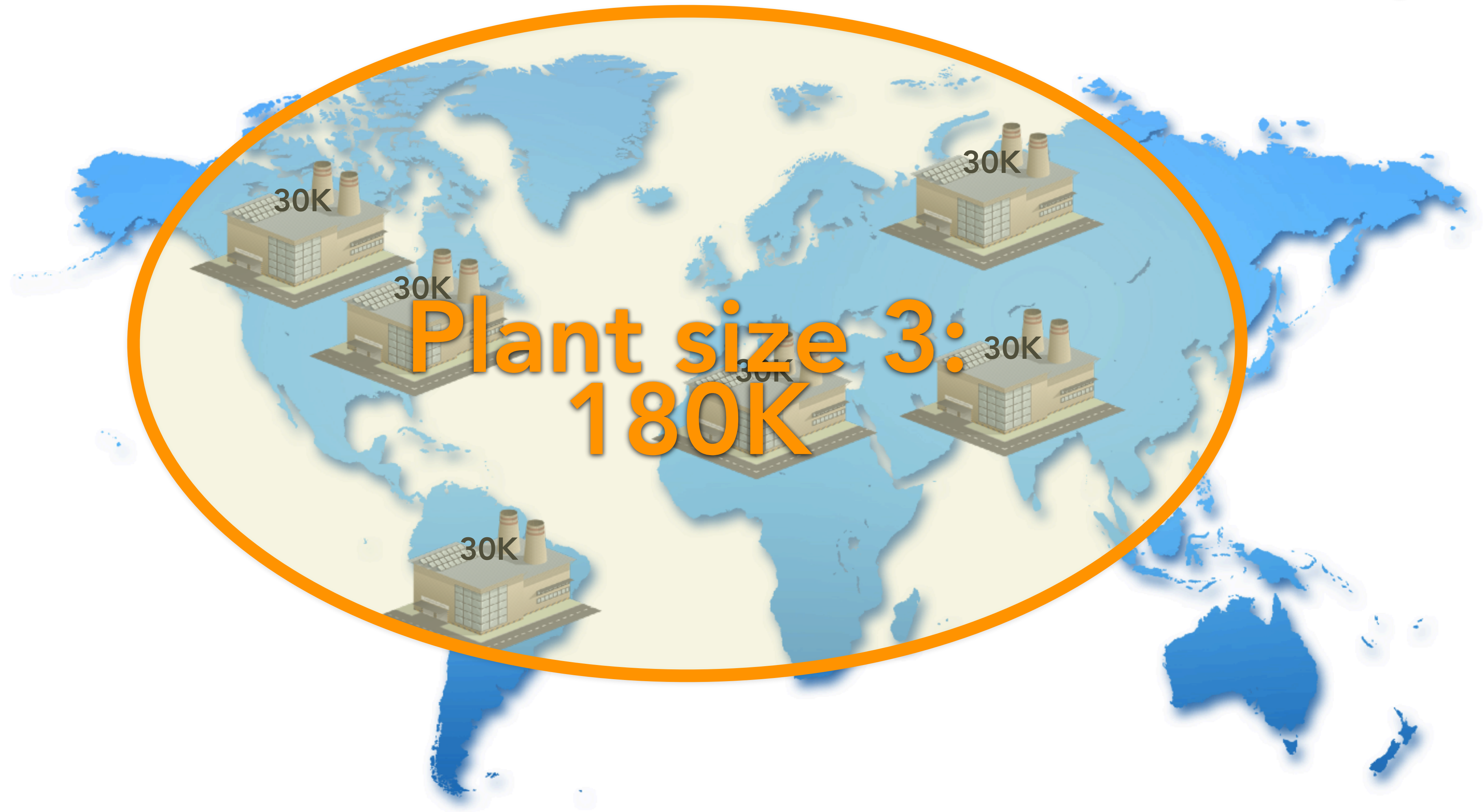
arestant

a factory



**Plant size 3:
180K**

Plant is not the same as a factory



Build more factories (say 3 more) ➡ Plant size 2: 120K

Short Run vs. Long Run