









Output











# Variable Costs

increase with  
increasing slope





\$0.40 = MC\_5

Decreasing  
Returns to Labor  
set in:




Cost per unit rise as  
the Marginal Product  
Increase









$\$0.50 = MC_6$

6



$$\$0.66 = MC_7$$

7



$$\$1 = MC_8$$



8



$\$2 = MC_9$

9

# Marginal Cost

MC

Variable Costs  
increase with  
increasing MC

