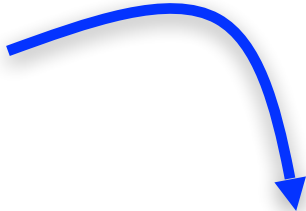


Producing where $MC = MR$
minimizes the loss

TR

TC

Slope = MC





q*

Loss

Loss



Loss



Loss



Loss

W

h

e

n



h

e

p











S

j









W





h

e







m

m

u

S



C

h





S

e



u



p

u







m



n



m



Z

e



h

e





S

S

A red speech bubble with a white shadow, pointing towards the top right. The text inside is white and reads: "When Total Revenue is too low".

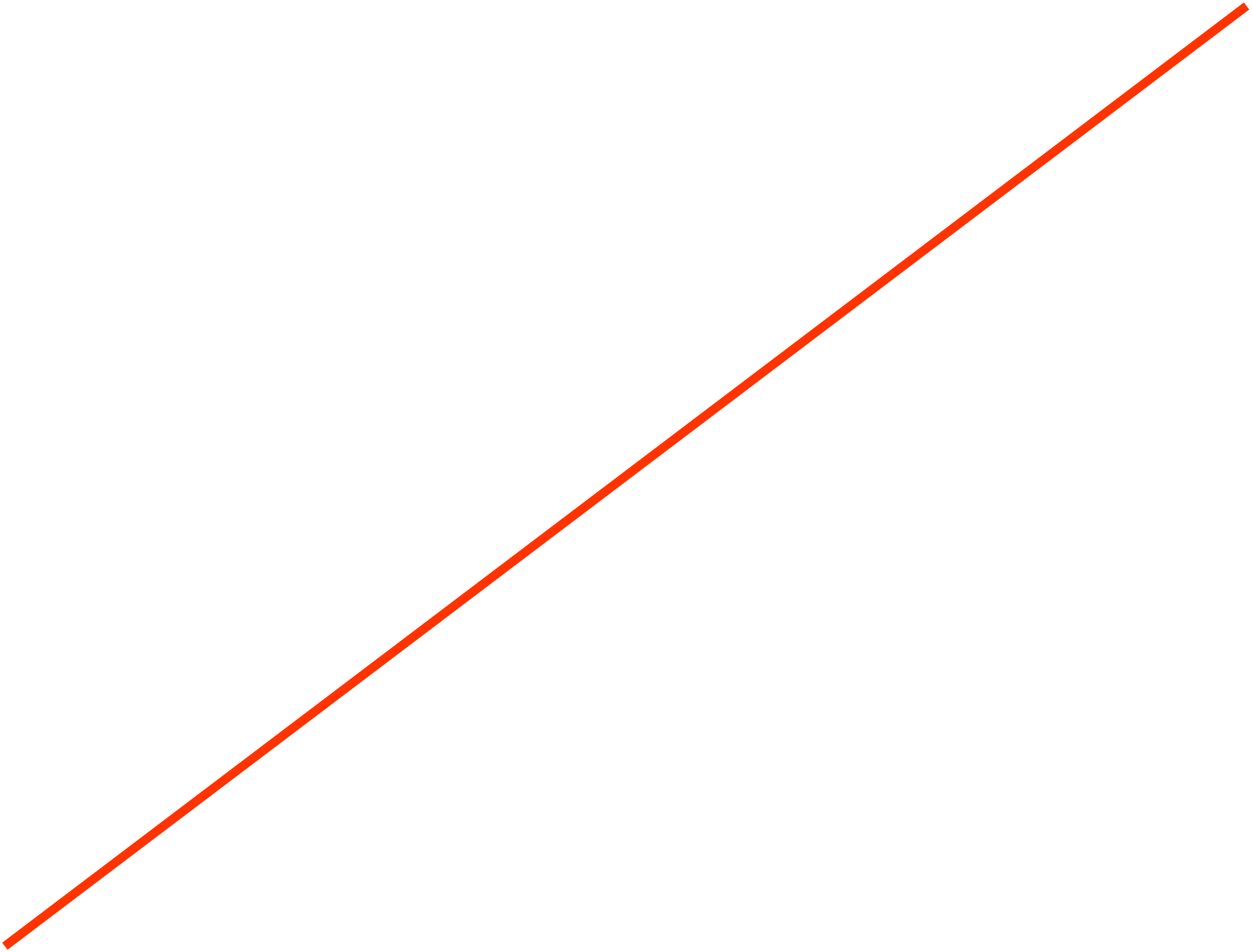
When
Total Revenue
is too low

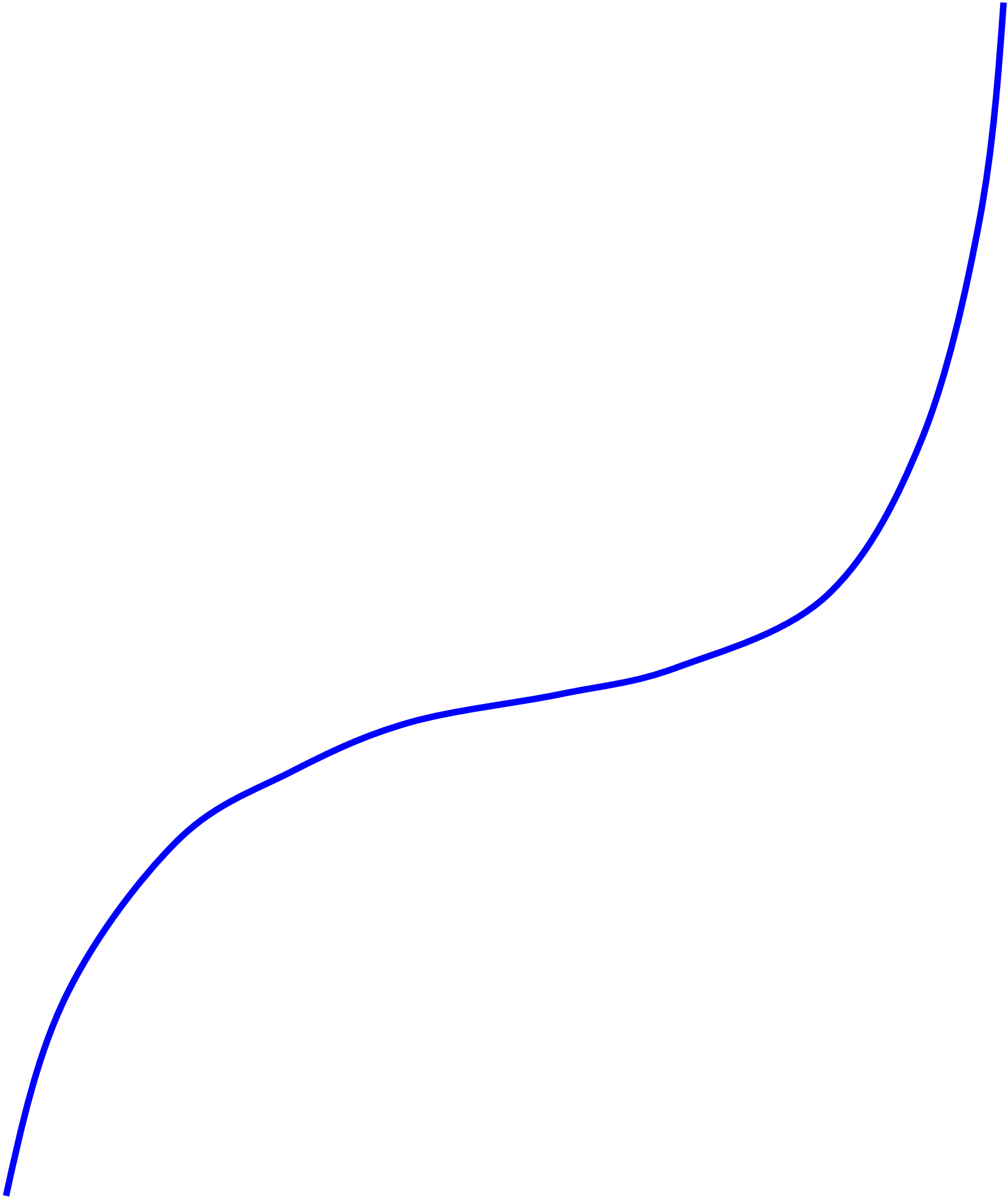


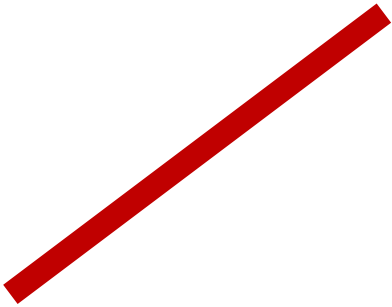
Slope = MR



Smallest Loss







Output

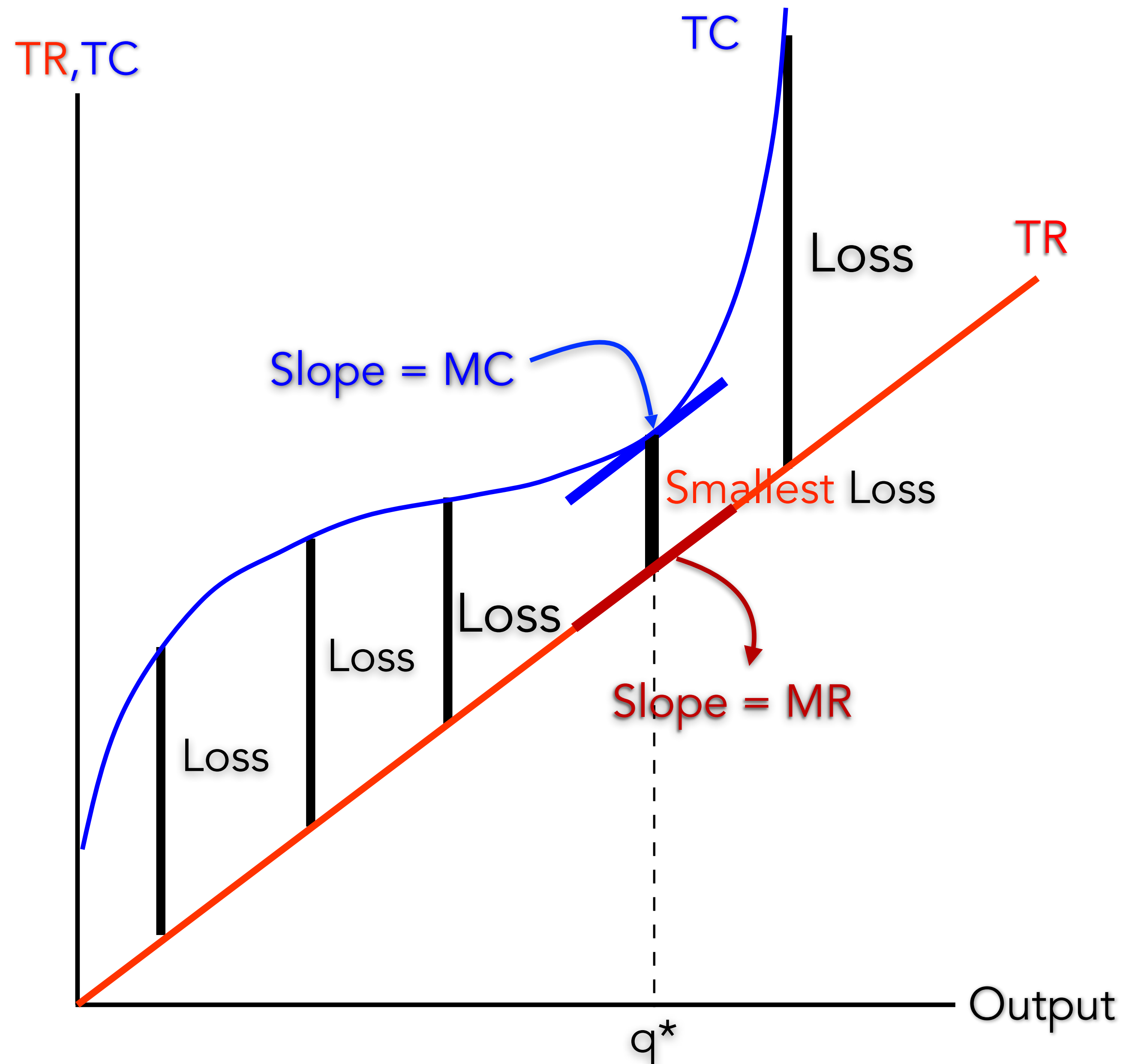
TR, TC

When the **price is too low**, the firm must choose output to minimize the loss

When the **price is too low**, the firm must choose output to minimize the loss

When
Total Revenue
is too low

Producing where $MC = MR$
minimizes the loss



TR, TC, VC

Output