



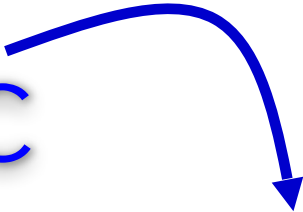


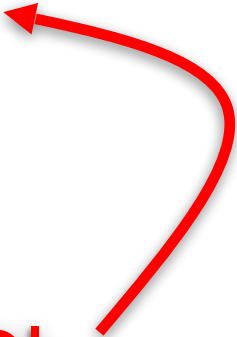


TR

**TC**

Slope = MC





Slope = MR



# Loss





Loss



Loss



q\*



Loss = zero

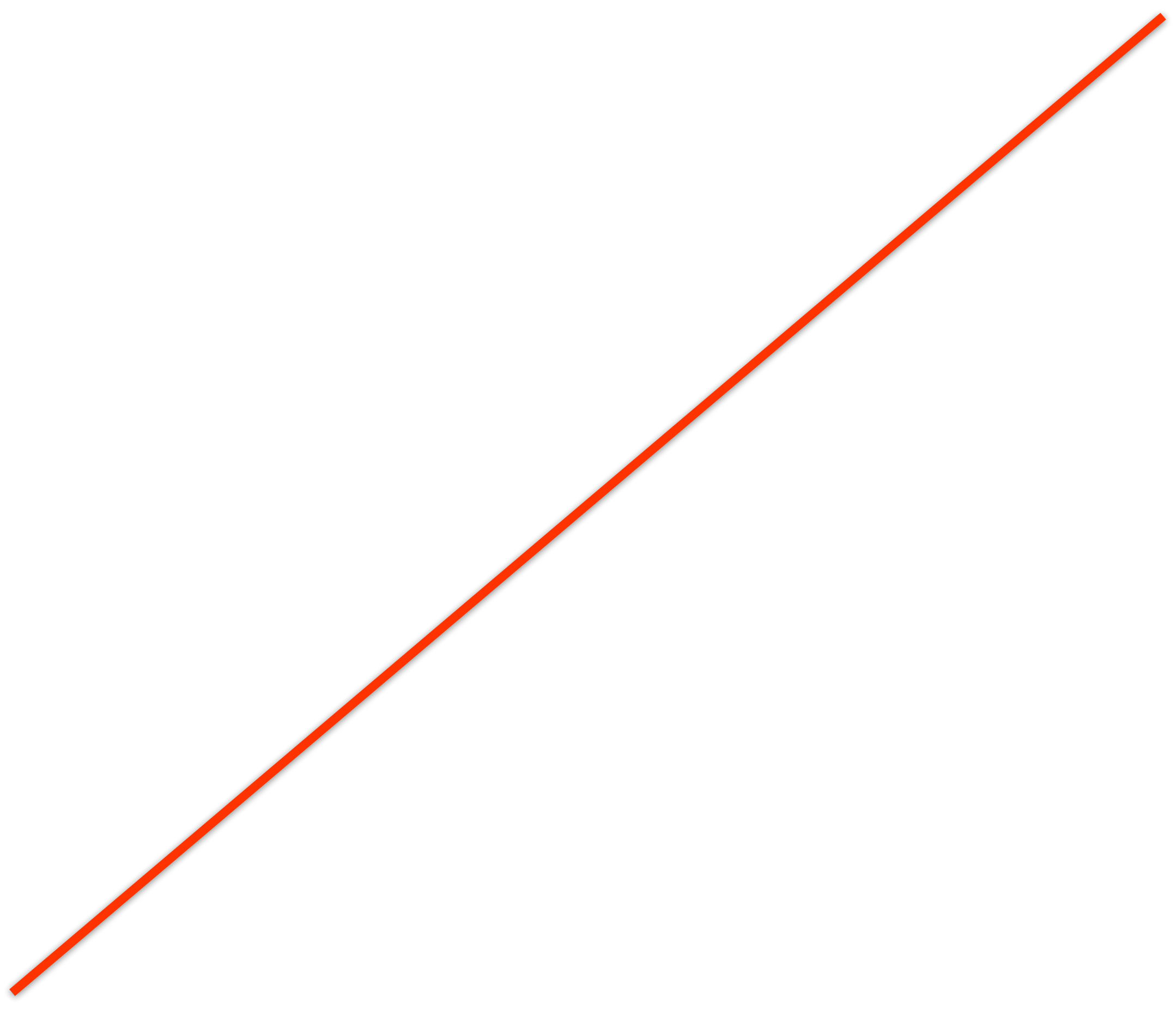
Choosing  $q^*$ , where  $MC = MR$   
minimizes the loss



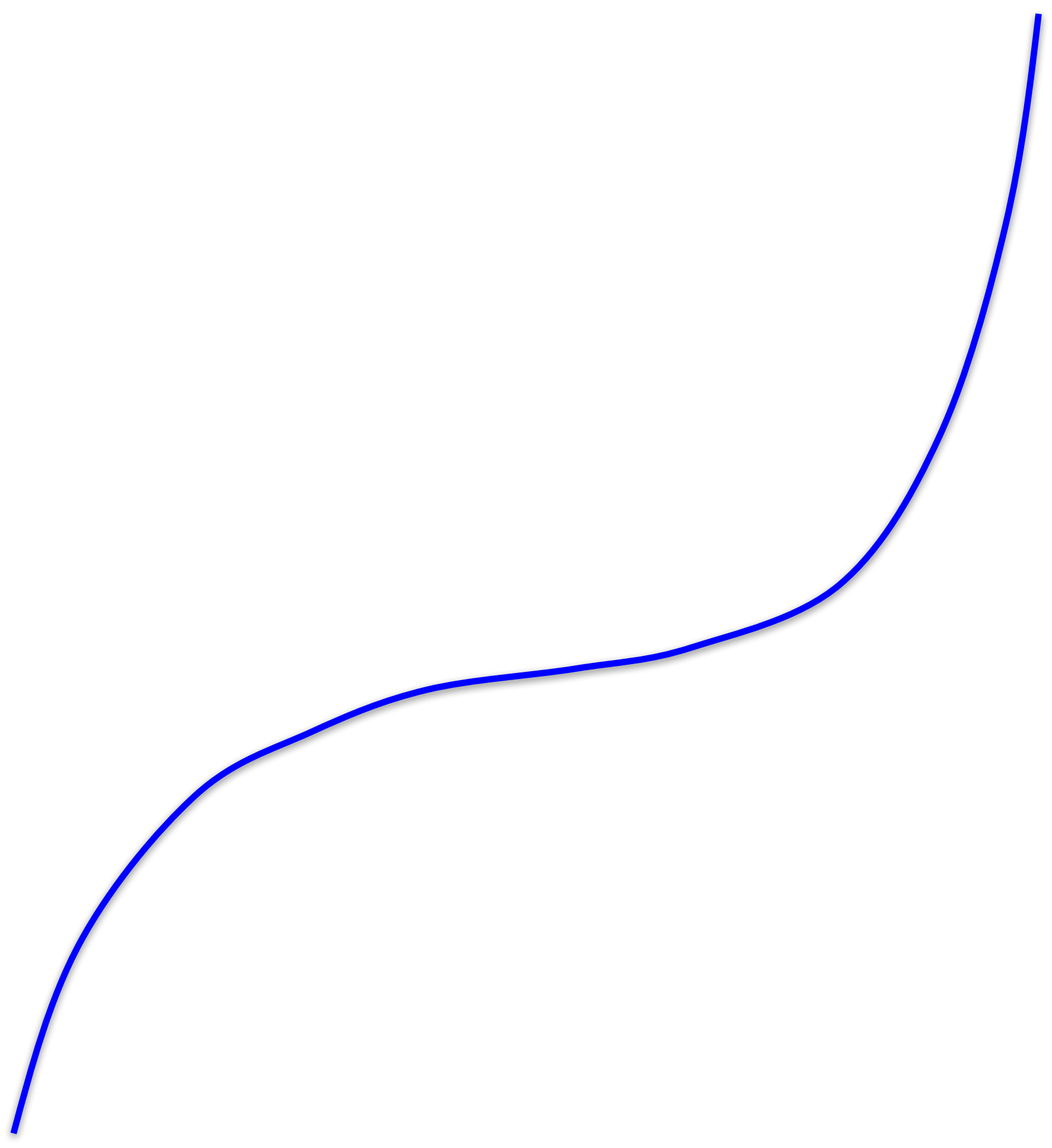
TR

=

TC

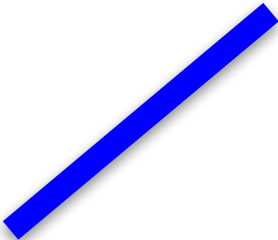


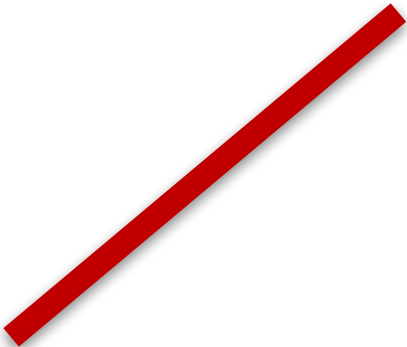






Loss





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, containing white text. The bubble has a pointed tail at the top right.

When  
Total Revenue  
is too low

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

