





\$4



\$2

\$

1



















cost

Price









2



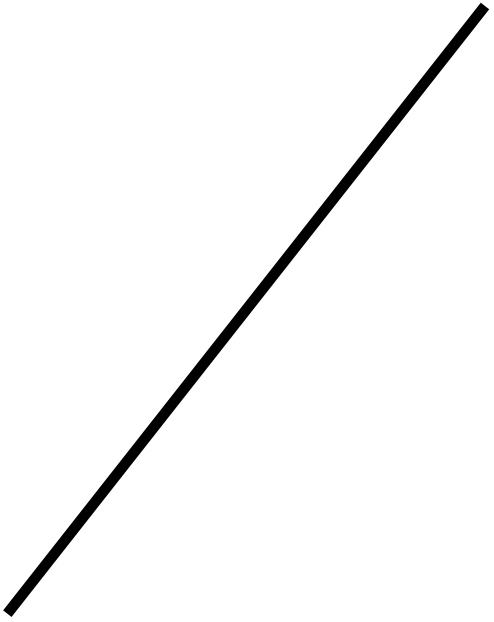
Distance to the
Supply = **cost** of
each unit

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

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

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







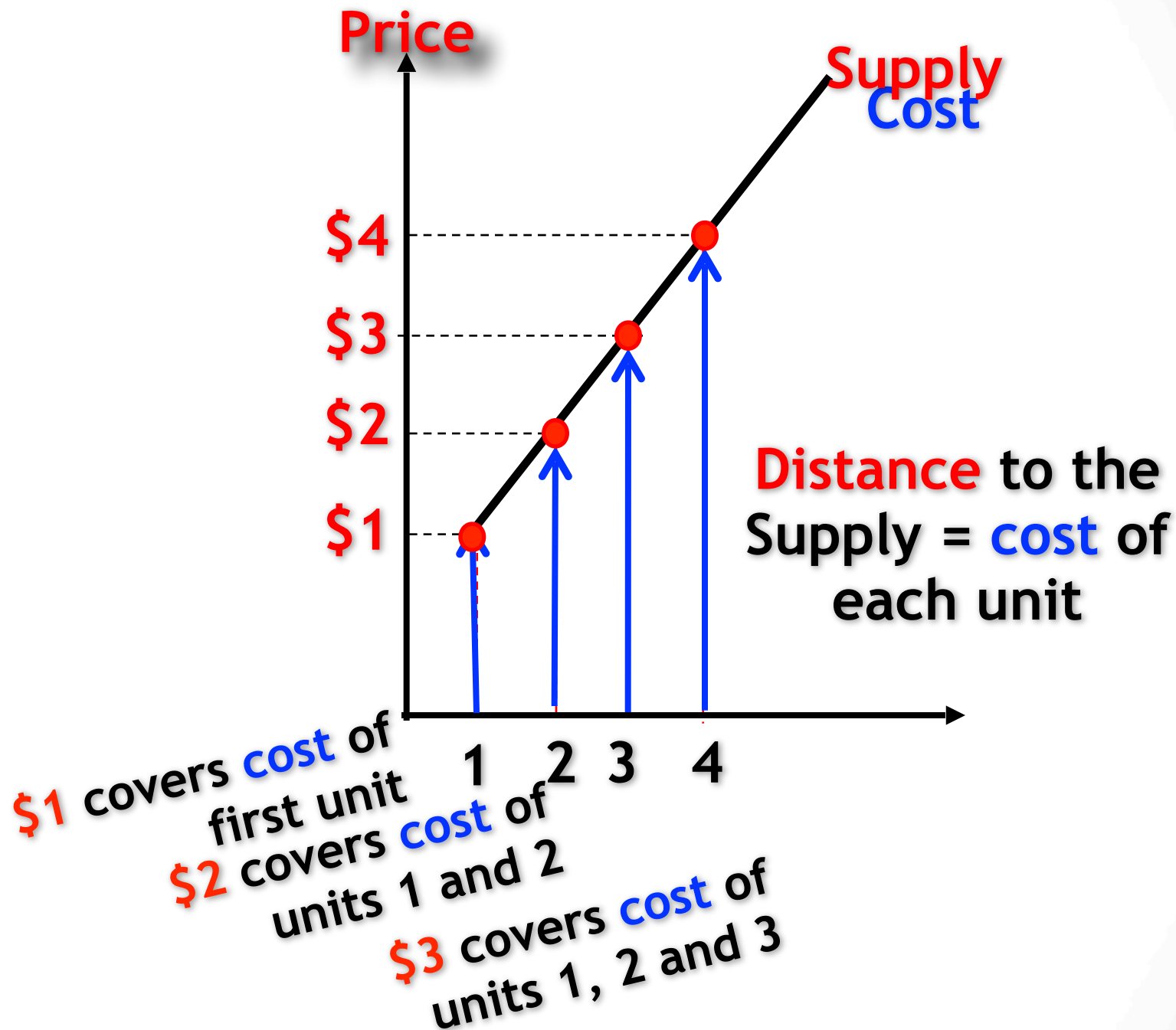








Supply





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