













# The Concept of Plant Size

We measure plant size as “capacity to produce in a given period of time”



Examples:

A Farm can produce  $X$  Bushels of wheat/month

An Advertising Agency can handle  $X$  Number  
of clients/month

A Restaurant can produce  $X$  Number of meals/  
month

A Factory can produce  $X$  Units/month



# The Concept of Plant Size

We measure plant size as “**capacity** to produce in a given period of time”

Examples:

A Farm can produce X Bushels of wheat/month

An Advertising Agency can handle X Number of clients/month

A Restaurant can produce X Number of meals/month

A Factory can produce X Units/month

Do not equate **Plant** and **Factory**

