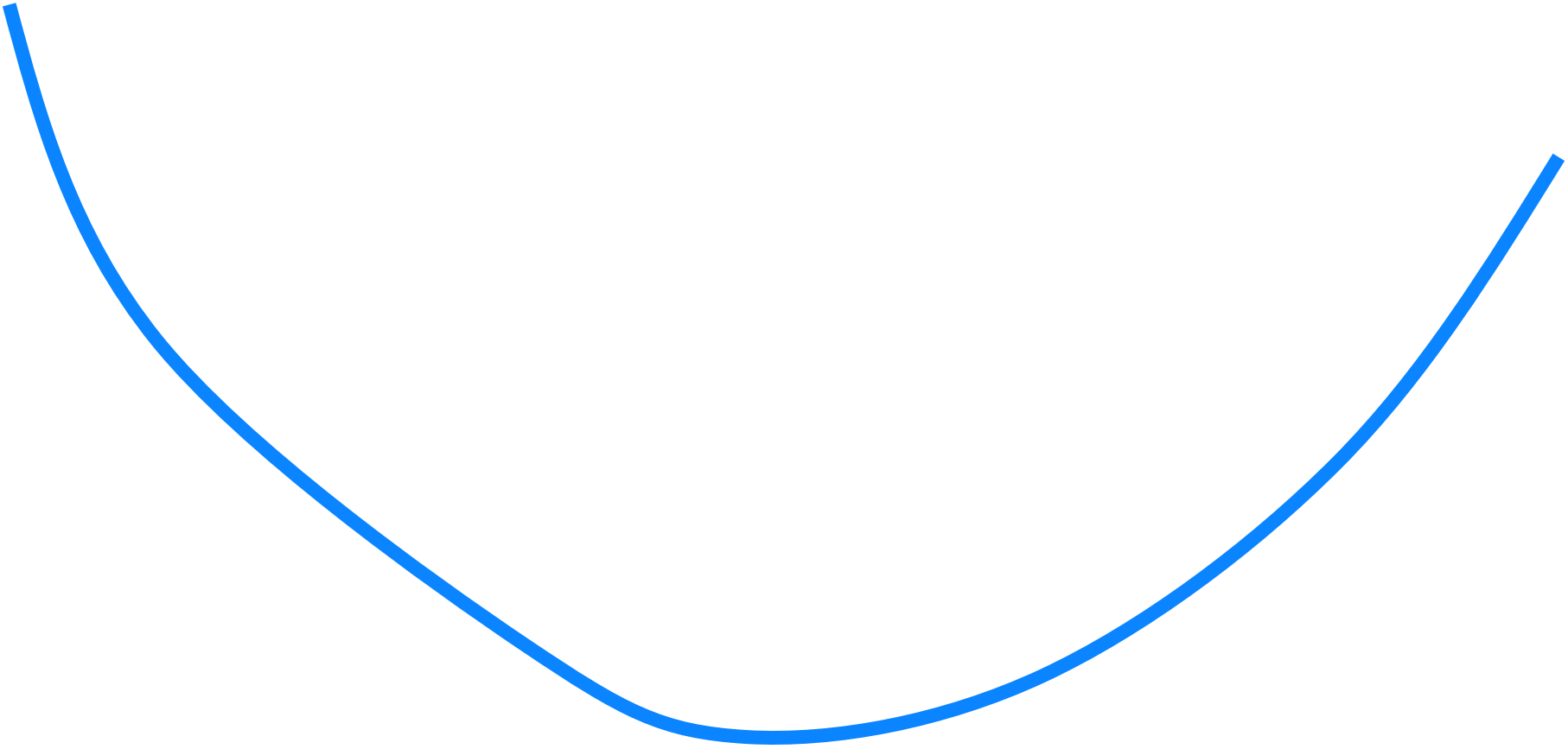


$2
pound

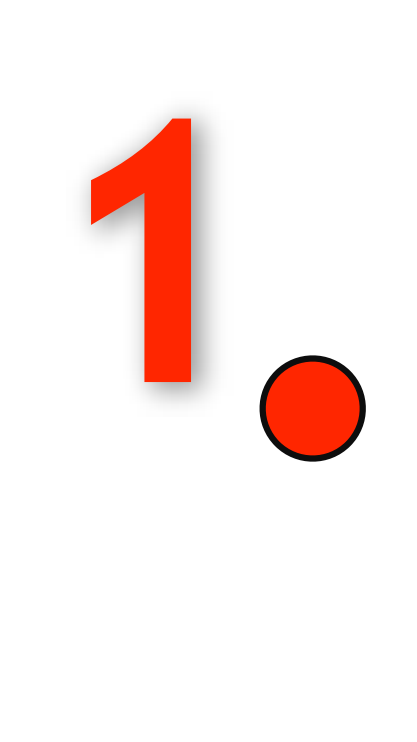
$1
pound

0.66

0.50

0.40

0.66.

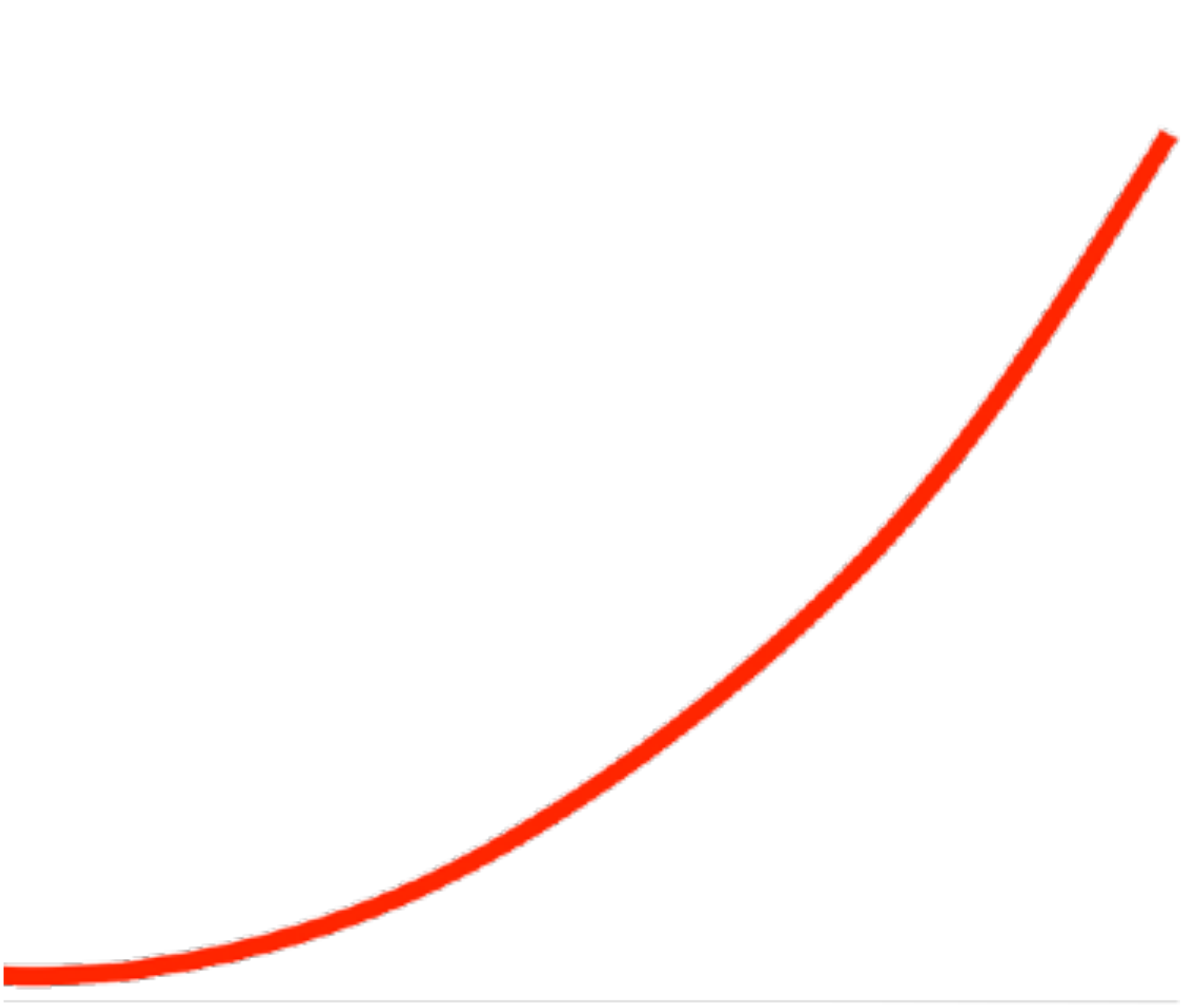

1.

Cost per unit

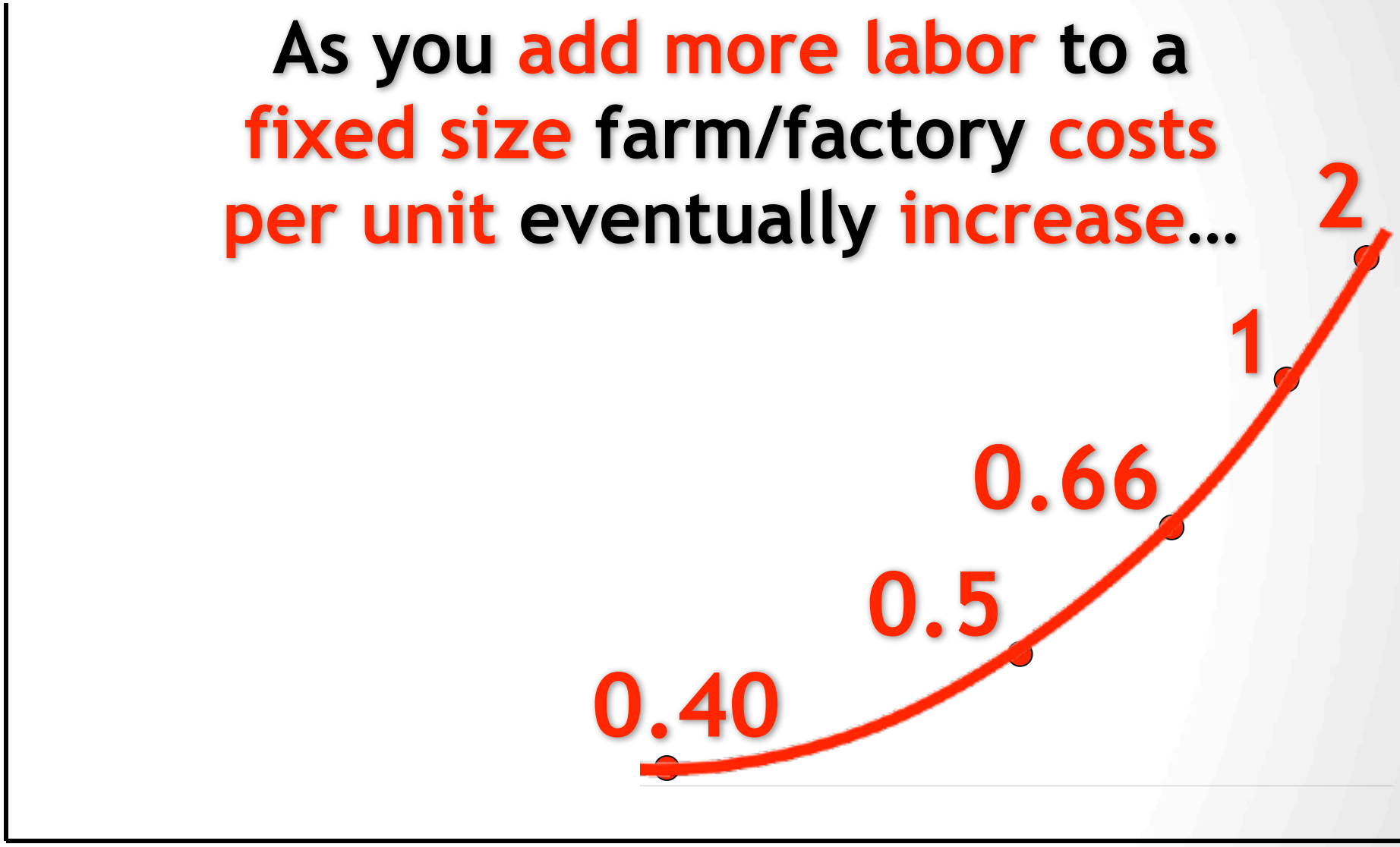
As you add more labor to a fixed size farm/factory costs per unit eventually increase...

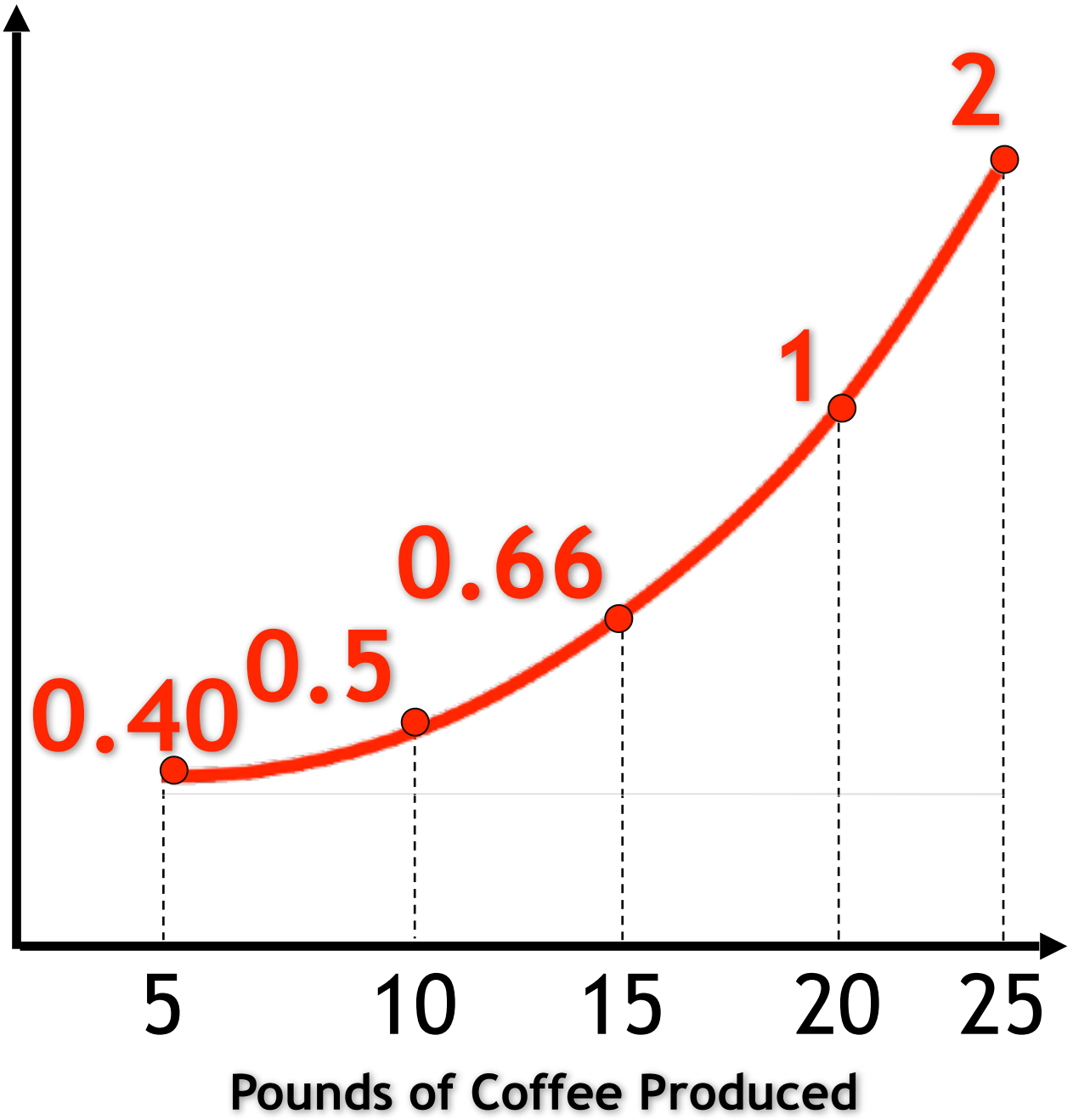
Pounds of Coffee Produced

0.5.



As you add more labor to a fixed size farm/factory costs per unit eventually increase…




2
1
0.66
0.5
0.40
5
10
15
20
25
Pounds of Coffee Produced