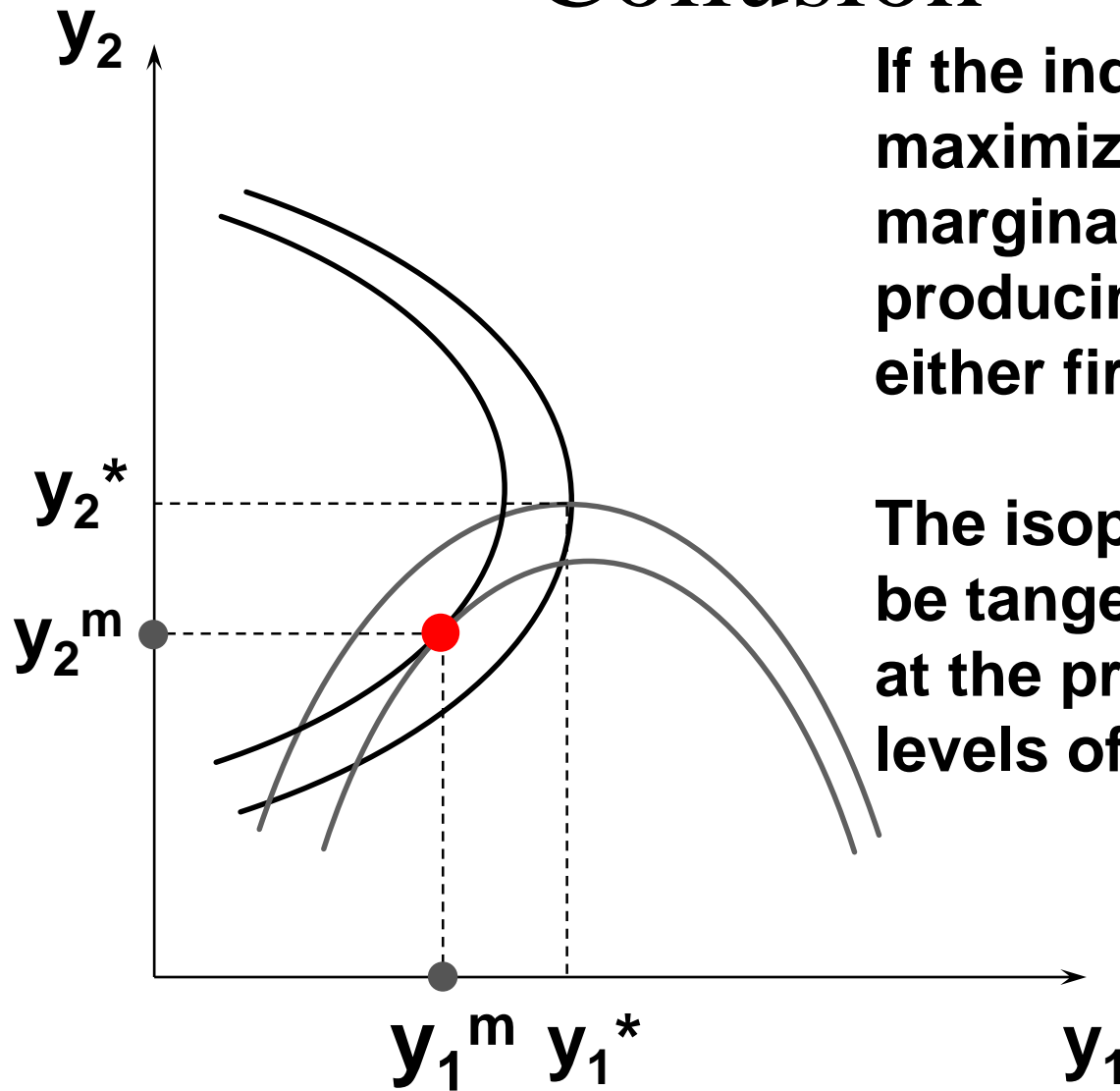


# Collusion



If the industry profits are maximized, then the marginal profit from producing more output in either firm is the same.

The isoprofit curves must be tangent to one another at the profit-maximizing levels of output.