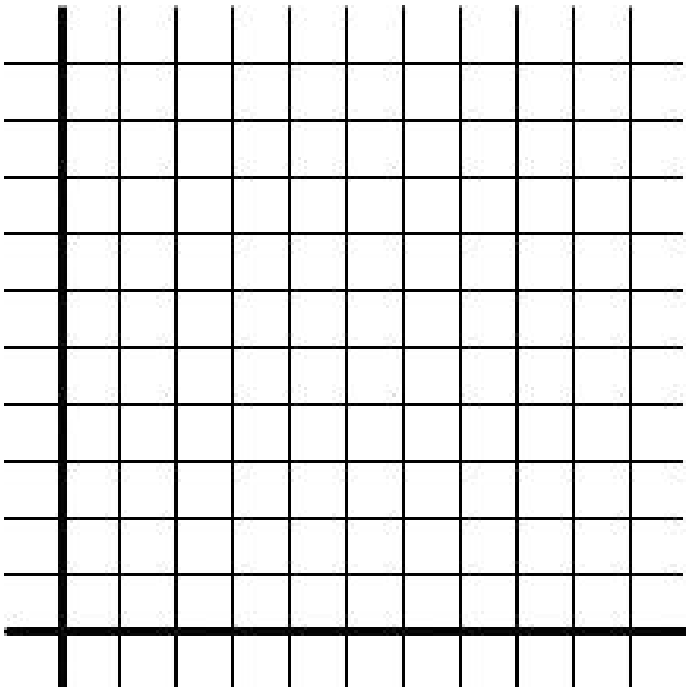
Finite Math NAMES:
Linear Function Application
Cost and Revenue

- You produce exotic candles. You have up-front costs of $20 (perhaps the rent of your studio or one-time equipment costs) and a cost of $4 per candle (perhaps the wax and supplies needed for each candle). You sell your candles for $9 each.
- Let x represent the number of candles you produce and sell. Determine algebraic equations for C(x), the total cost, and R(x), the total revenue. Also find the algebraic equation for P(x), your company's profit.
- Then graph both C(x) and R(x). Use a straight edge to draw these lines so your graph will be more accurate. Be sure to mark your scale on your axes.



Use the algebraic equations to find C(2) and R(2), or the cost and revenue for producing and selling 2 candles. Verify that the graph gives the same answers. Label these values somehow on your graph. Do you make or lose money if you produce and sell just 2 candles?

Use the algebraic equations to find C(5) and R(5), or the cost and revenue for producing and selling 5 candles. Verify that the graph gives the same answers. Label these values somehow on your graph. Do you make or lose money if you produce and sell just 5 candles?