Jessica, the financial manager at Chila restaurant, is checking to see if there is any relationship between newspaper advertising and sales revenues at the restaurant. She has accumulated the following data for the past 10 months:

Month Revenues Advertising Costs

March $150,000 $20,000

April 170,000 30,000

May 155,000 15,000

June 165,000 35,000

July 155,000 10,000

August 165,000 20,000

September 145,000 15,000

October 180,000 40,000

November 155,000 25,000

December 160,000 25,000

***Required:***

a*.* Use Excel’s regression features to determine the regression line. What is the increase in revenues for each $1,000 spent on advertising? Use Excel’s built-in function to determine the R-squared value for this regression line.

b. Use Excel’s conditional formatting feature to place borders around all months with sales greater than $150,000.

c. Would you recommend that Chila continue advertising? Why or why not? Using Word and an appropriate memo format, write a short (1-2 paragraph) memo to Jessica summarizing your recommendation and the reasons for your recommendation. Grammar counts