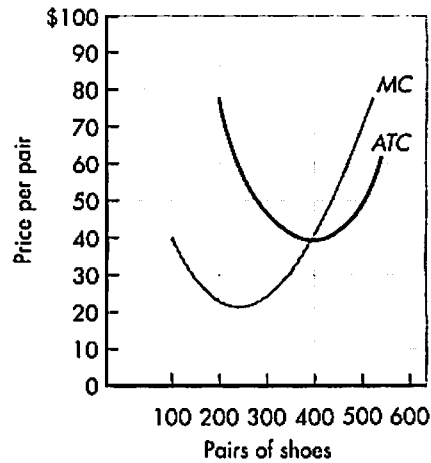


Use the accompanying graph, which shows the marginal cost and average total cost curves for the shoe store Zapateria, a perfectly competitive firm.

- How many pairs of shoes will Zapateria produce if the market price of shoes is \$70 a pair?
- What is the total profit Zapateria will earn if the market price of shoes is \$70 a pair?
- Should Zapateria expect more shoe stores to enter this market? Why or why not?
- What is the long-run equilibrium price in the shoe market assuming it is a constant-cost industry? LO4, LO7



Can you please help answer this question.  
I believe a. is 500 but I'm stuck on the rest.