**1.** The following data are available for the Northwestern Division of Dempsey, Inc. and the single product it makes.

|  |  |
| --- | --- |
| Average operating assets  | $3,000,000 |
| Annual fixed costs  | 560,000 |
| Unit selling price  | 40 |
| Variable cost per unit  | 24 |

How many units must the division sell each year to achieve an ROI of 16%?