1) The first unit required 9800 hours to manufacture. The company expects to experience an 85% unit learning curve. Estimate the cost of the 20th unit. Round intermediate calculations to 4 decimal places.

a) 5408 hours

b) 4855 hours

c) 23112 hours

d) 4155 hours

2) Given the following information, determine the equation for the unit formulation. (Round intermediate calculations to 4 decimal places)

Unit Number (X) Unit Cost (Y)

1 600.00

2 578.00

3 565.51

4 555.81

1. Y = (600)(X)0.6931
2. Y = (600)(X)-0.0539
3. Y = (600)(X)-0.1047
4. Y = (600)(X)0.9300

3) Given the following unit learning curve equation, which statement is correct?

Y=1250(X)-0.184916

1. Y represents the cost of the 1250th unit
2. The slope equals 92%
3. The slope equals 87.97%
4. Y is the cost of the first unit.