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- b. Suppose that Glenside Bolt can sell up to 40 units of output per hour at a price of \$.60 per unit but cannot even get a penny for units produced in excess of 40 units per hour. How much output should Glenside Bolt produce each hour in order to maximize profits?
- c. At what price would Glenside Bolt find it profitable to shut down its operation?

6. You are the manager of a monopoly, and your demand and cost functions are given by $P = 480 - 8Q$ and $C(Q) = 500 + 4Q^2$, respectively.

- What price-quantity combination maximizes your firm's profits
- Calculate the maximum profits.
- Is demand elastic, inelastic, or unit elastic at the profit-maximizing price quantity combination?
- What price-quantity combination maximizes revenue?
- Calculate the maximum revenues.
- Is demand elastic, inelastic, or unit elastic at the revenue-maximizing price quantity combination?