

Ec303
Handout

Given a total cost function:

$$TC = 400Q - 7Q^2 + .05Q^3$$

1. What is the output (Q) at the minimum cost per unit that you can produce?
2. What is the minimum cost per unit at that output?
3. What is the cost of output per unit when $Q = 54$?
4. What is the marginal cost (the additional cost of producing the 55th unit) of the 55 unit?