

4.4 BREAK-EVEN POINT

Chapter 4 A Venture Into Business

Goals

- ▶ **Graph cost and revenue functions**
- ▶ **Find break-even point graphically and algebraically.**



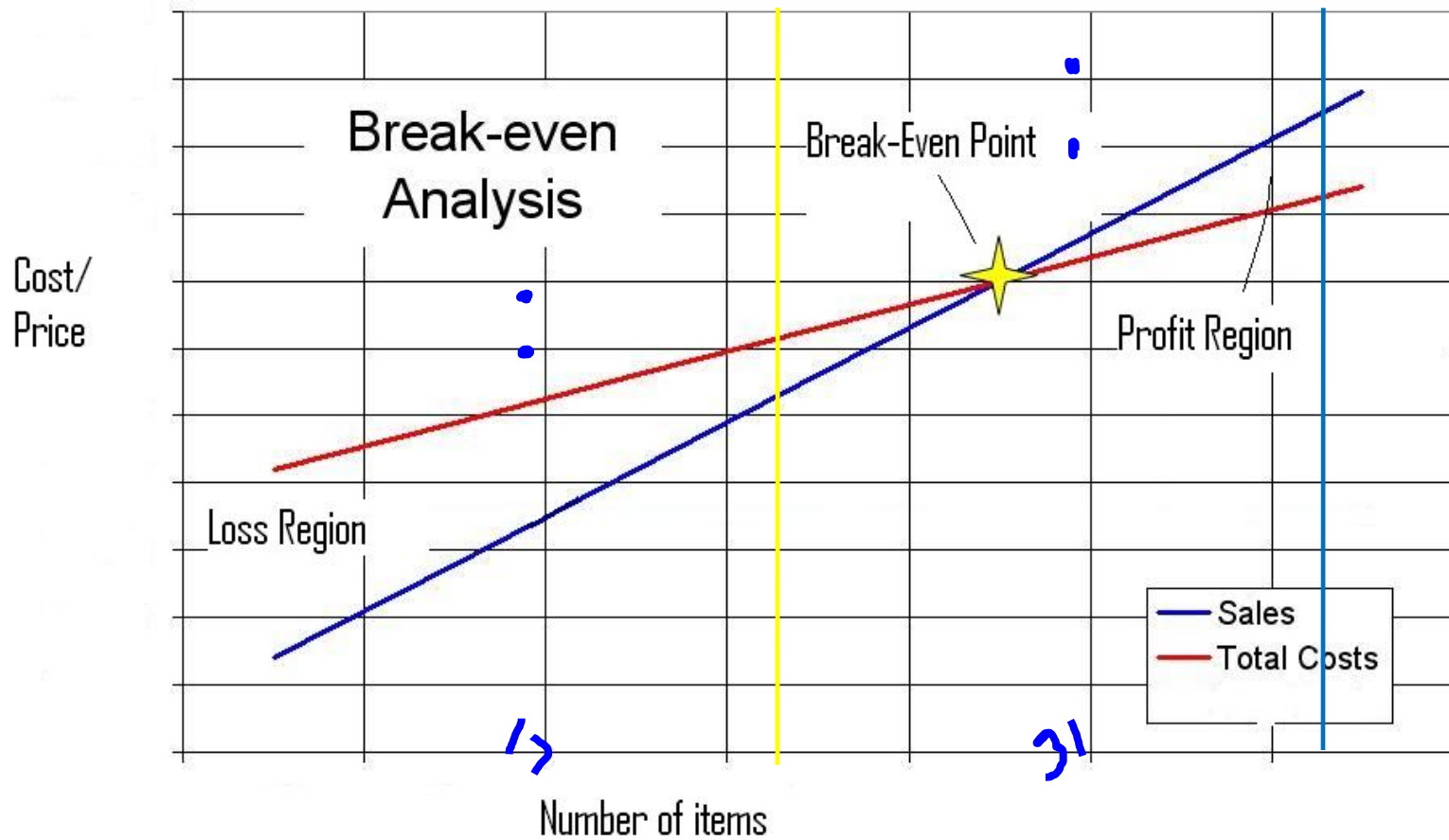
▶ **BREAK-EVEN POINT-**

- ▶ The point at which the cost and revenue are equal.
- ▶ The point is given numerically by the number of products sold at a given price



▶ If you graph the cost line and revenue line the “BEP” is where the two lines intersect





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- ▶ The region between the lines above the BEP is known as
 - ▶ profit region
 - ▶ The region between the lines below the BEP is known as
 - ▶ loss region



What factors determine the break-even point?

- ▶ **Cost**
 - ▶ **Revenue**
 - ▶ **Number of products sold**
 - ▶ **Selling price**
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Assignment

- ▶ Pg 162 Algebra Review 7-10
- ▶ Pg 164 TYS 1-4

