Math 16A
Kouba
An Example from Economics

     You have a small business which sells boxes of greeting cards. Assume that the demand x for boxes is inversely proportional to the square of the price p of a box of cards. If you charge $20 per box, 125 boxes are sold. Your initial investment is $750 and the cost to you for each box is $5. Find the price p and the number of boxes x which will result in the maximum profit to you.

price p

Demand x