Name: ________________________________

Remember: You can make a profit when

cost < revenue

Your revenue is the price that you sell each thing for, multiplied by the number that you sell.

**Business Plan**- You and your friends are selling root beer floats to raise money for an after-school club. They ask you how much they should sell each root beer float for. (Answer the following, use the back side of the page if needed)

1) What items do you need to buy, how many will you need, and how much will they cost? See the back side of this page for a list of items.

2) What is your total cost?

3) Estimate how many root beer floats you can make with what you buy. Explain why you made this estimate.

4) Let $p$ be the price of a single root beer float. If you sell ever root beer float that you can make, what is your revenue?

5) Write down an equation for calculating if you make a profit.

6) Solve that equation. What is the minimum price that you must charge to earn a profit?

7) Your friend suggests selling the root beer floats for $1 each. Does this seem like a good idea? Explain why.

| Item | Price |
|---|---|
| Bananas | $0.39 / lb. |
| Lemon Juice | $2.99 / 1 L (1 Qt) |
| Oatmeal | $2.50 / 1.5 kg (3 lb) |
| Fancy Soda | $1.99 / 2 L bottle |
| Discount Soda | $0.79 / 2 L bottle |
| Corn Chips | $2.00 / bag |
| Frozen Cherries | $3.99 / lb. |
| Paper towel | $1.99 / roll |

| Item | Price |
|---|---|
| Fancy Ice Cream | $5.99 / half gallon |
| Discount Ice Cream | $3.49 / half gallon |
| 24 Plastic Spoons | $1.69 / 24 spoons |
| 144 Plastic Spoons | $4.29 / 144 spoons |
| Whipped Cream | $2.99 / can |
| 50 cups | $2.50 / 50 cups |
| 100 cups | $6.59 / 100 cups |
| Straws | $2.49 / 100 straws |