

**Profit** The profit for a product is given by the function  $P(x) = 939x - 12,207$ , where  $x$  is the number of units produced and sold. Find the marginal profit for the product.<sup>1</sup>

The rate of change, or slope, of a profit function is called the marginal profit. This vocabulary is also true for total cost and total revenue functions. Take a look at page 53 of your textbook:

### Marginal Cost, Revenue, and Profit

For total cost, total revenue, and profit functions\* that are linear, the rates of change are called **marginal cost**, **marginal revenue**, and **marginal profit**, respectively.

When you see the word “marginal”, you should think “slope” of the associated function.

In our case, the function  $P(x)$  is already in the form  $y = mx + b$  so it’s easy to read the slope,  $m$ , directly from the equation.

$$m = 939$$

The marginal profit for the product is \$939 per unit.

\* In this College Algebra text, “total cost” and “total revenue” are frequently used interchangeably with “cost” and “revenue” respectively.

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<sup>1</sup>Harshbarger/Yocco, *College Algebra In Context*, 5e, p. 58, #62.