

Exercise 23

For the following exercises, use the graph in Figure 3, showing the profit, y , in thousands of dollars, of a company in a given year, x , where x represents years since 1980.

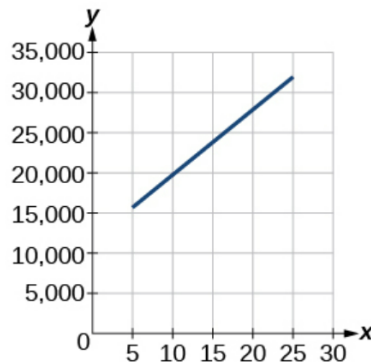
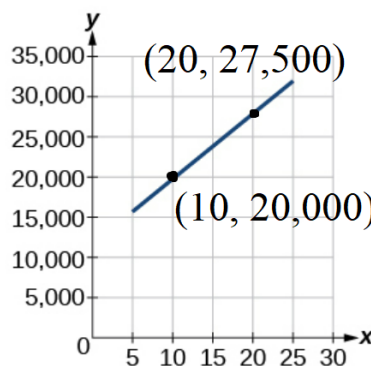


Figure 3

Find the linear function y , where y depends on x , the number of years since 1980.

Solution

Two points on this line are needed to write the equation for it.



Use them to determine the slope.

$$m = \frac{y_2 - y_1}{x_2 - x_1} = \frac{27\,500 - 20\,000}{20 - 10} = \frac{7\,500}{10} = 750$$

Use the point-slope formula with either of the points to get the equation of the line.

$$y - 20\,000 = 750(x - 10)$$

$$y - 20\,000 = 750x - 7\,500$$

$$y = 750x + 12\,500$$