

Harry Potter Exclusive!



The Scenario

You have decided to set up a discount book operation at your local shopping complex. To begin with, you've been given exclusive licence to the next Harry Potter book, *Harry Potter and the Mad Mathematicians*. (For those of you familiar with Harry Potter, Hermione is preparing her NEWT level studies in Numeracy and Ron and Harry have been forced to join her. Harry soon discovers that there is much more to the subject than just Mathematics...)

It's even thicker than the last book and at 975 pages, you've decided that a selling price of \$35 will be more than reasonable. The centre management agreed to give you a special one year lease of \$500 to set up your stall.

Griffin Press in Australia have given you the exclusive rights in your district for one year. This licence will cost you \$200 for one year and they will provide you the books for \$20 each.

Over the course of the project we'll use some mathematics to analyse the profitability of this deal.

Business is booming!

Your business has picked up and you decide to sell accessories including Harry Potter bookmarks (which cost you \$2 each and will sell for \$4), Harry Potter stickers that come in two sizes. The small stickers cost you \$1 each (and sell for \$2 each) while the large stickers cost \$2 each and sell for \$3 each.