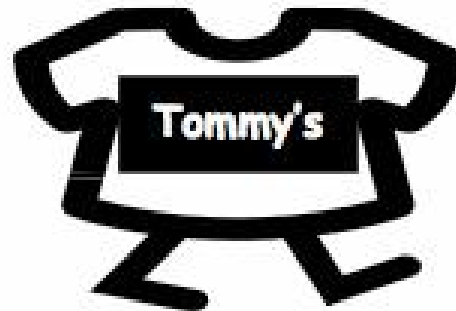


Tommy's T - Shirts



This past summer you were hired to work as a consultant for Tommy's T-Shirts, a company that produces custom t-shirts using their customer's own designs. They want you to help them decide how much they should charge for their shirts. Their major competitor is Custom T-Shirts. When a customer places an order for a special design, Custom T-Shirts charges a one-time fee of \$15 to set up the design plus \$8 for each t-shirt printed.

1. Create a plan for Tommy's T-Shirts that has a lower base fee than Custom T-Shirts but will charge the same for an order of 8 shirts. Explain how you arrived at your plan.
2. Create a new plan that will always cost a customer less than either of the other two plans. Explain your reasoning.