

14. a)

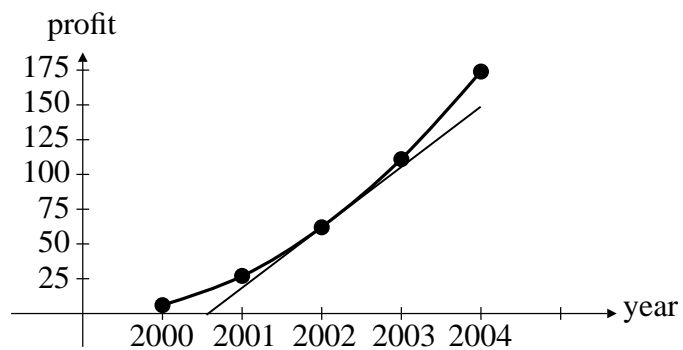


Fig. 1-14

b) Average rate of increase in profits between 2002 and 2004 is

$$\frac{174 - 62}{2004 - 2002} = \frac{112}{2} = 56 \text{ (thousand\$/yr).}$$

c) Drawing a tangent line to the graph in (a) at $t = 2002$ and measuring its slope, we find that the rate of increase of profits in 1992 is about 43 thousand\$/year.