Activity 1: Drawing and Interpreting Graphs

Work through the following activity, considering concepts from the text.

The table below provides data on revenues and costs for Four Seasons Sportswear, a fictitious casual clothing company, from 2001 through 2004.

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues in Thousands</td>
<td>$6,500</td>
<td>$9,200</td>
<td>$9,600</td>
<td>$10,300</td>
</tr>
<tr>
<td>Costs in Thousands</td>
<td>$3,900</td>
<td>$5,500</td>
<td>$6,100</td>
<td>$7,200</td>
</tr>
<tr>
<td>Profits in Thousands</td>
<td>$2,600</td>
<td>$3,700</td>
<td>$3,500</td>
<td>$3,100</td>
</tr>
</tbody>
</table>

1. Plot the data for revenues on the grid below. Then connect the points to make a line graph. Repeat the process with the data for costs. Label the graphs “Revenues” and “Costs,” respectively.

2. Calculate Four Seasons Sportswear’s profit for each year (revenues minus costs) and complete the profits row of the table above. Plot this data on the grid above and connect the points to make a line graph. Label this graph “Profits.”

3. What is the percentage increase in revenue from 2002 to 2003? __________

4. What is the percentage increase in cost from 2002 to 2003? __________

5. What is the percentage change in profit from 2002 to 2003? Was this an increase or a decrease? __________

6. What is the percentage change in profit from 2003 to 2004? Was this an increase or a decrease? __________

7. What does this data suggest for the future of Four Seasons Sportswear’s profits?

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Chapter 1  Math Practice