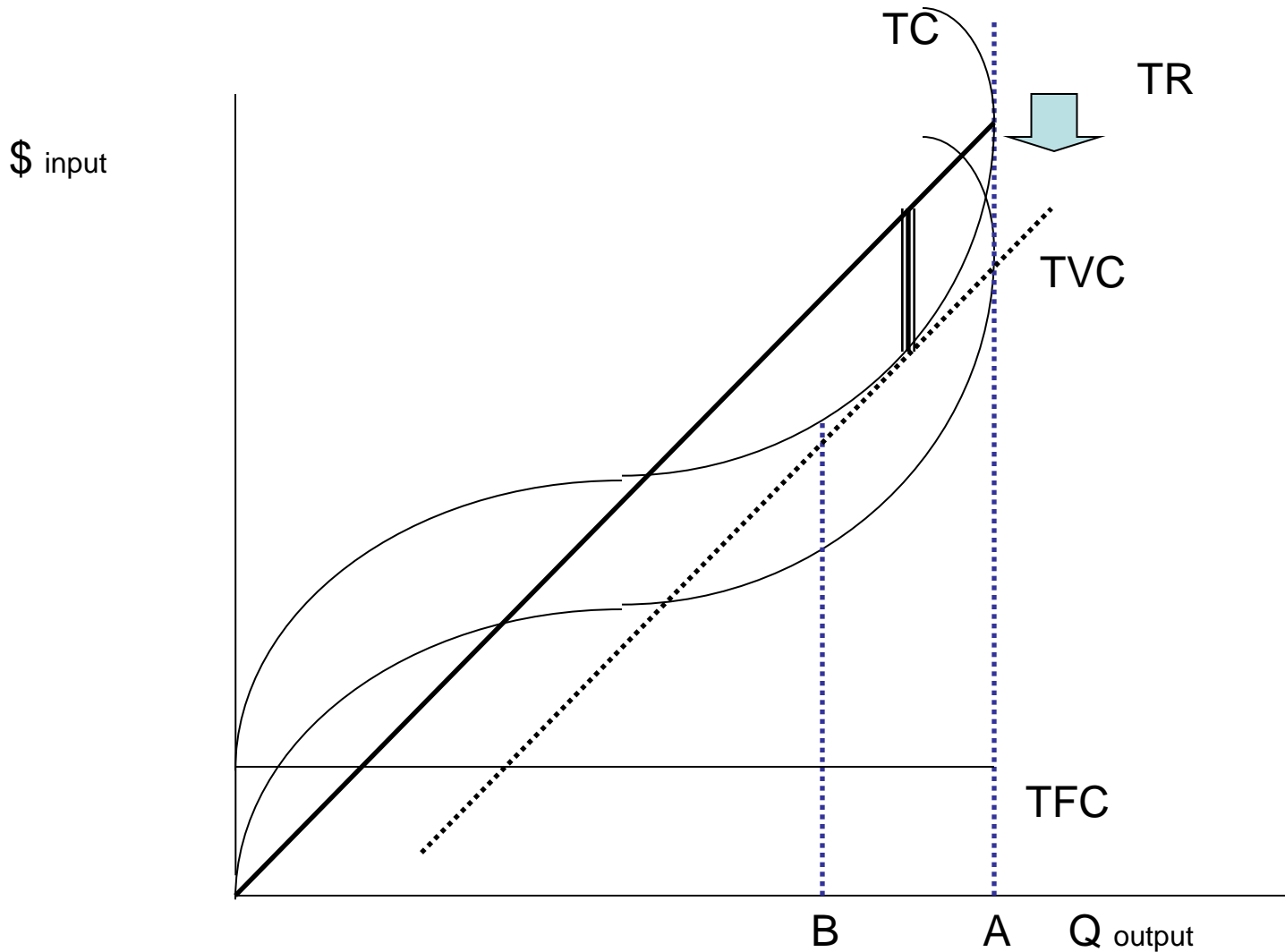
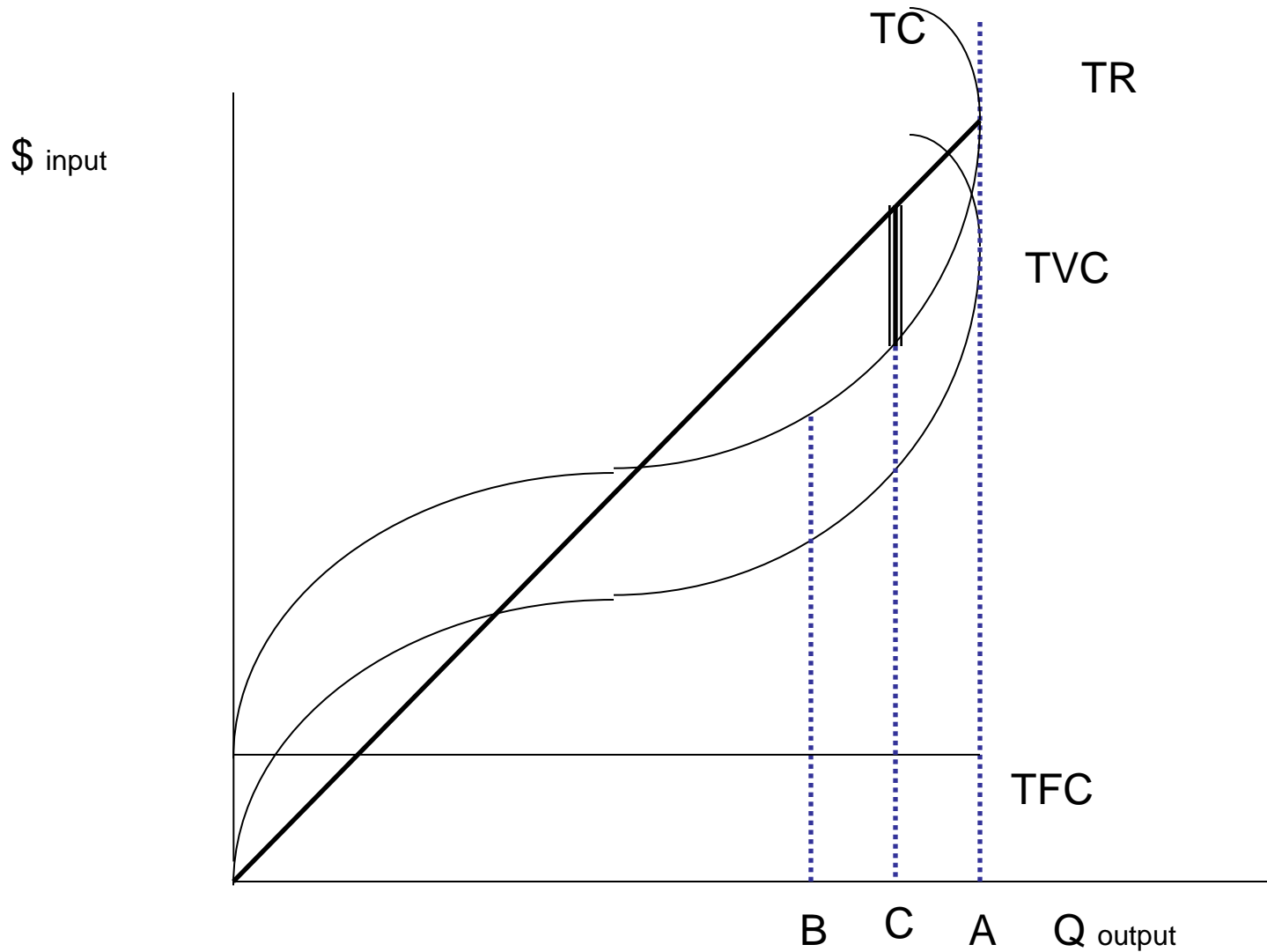


Total revenue (TR) illustrates the value of output or production.



Profit is the difference between total revenue (TR) and total cost (TC). Profit is maximized at the quantity of output where the difference is maximized. Level of output that maximizes profit can be identified on the graph by drawing **a line parallel to the TR and tangent to the TC curve**.



Profit is the difference between total revenue (TR) and total cost (TC). Profit is maximized at the quantity of output where the difference is maximized (C).