**Custom Ink: Design Lab** Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Custom Ink lets anyone design clothes online. Today it’s your turn.

**Phase 1: Design**

1. Describe the product your team is designing. (What kind of shirt is it? How are you customizing it?)

**Phase 2: Pricing**

Setting the price is important. If you charge too much, no one will buy it. If you price too low, you won’t make as much money as you could have.

1. What prices would people be willing to pay? (List all of the prices.)
2. What is the average price people would be willing to pay?
3. Do you think this is a good price to charge? Why?
4. Write an equation representing the money you can make from selling your shirts.

**Phase 3: Costs**

Price isn’t everything. If you’re going to make money, you have to invest in making your product.

|  |  |
| --- | --- |
| **Number of Shirts** | **Cost** |
| 25 |  |
| 250 |  |

1. Complete the table below.
2. Using two points, create an equation representing the cost of producing any number of shirts. Show your work.

**Phase 4: Profit**

You have your design, you know your costs, and you know what people will pay. Let’s see what it will take to cash in.

1. How much does it cost to make each shirt?
2. How many shirts do you need to sell to break even? Show your work.
3. How much money would you lose if you sell zero shirts?
4. How many shirts would it take to make $1,000 in profit (money you’ve made minus your costs)?
5. How much profit would you make if you sold 500 shirts?