

Fixed Cost Assignment (Fixed Cost Game):

As discussed during class on Friday, the fixed cost assignment primarily tested your ability to distinguish 'real' fixed costs vs. 'sunk' fixed costs. Specifically, rent (the mobile RV unit) was an avoidable cash cost (if demand looked bad, you could avoid spending this money by choosing not to 'play' that round). In contrast, building costs (depreciation) were unavoidable after electing to 'play' for 10 rounds (all participants chose to pay for the building before each 10 round sequence with a building). As such, with relatively poor demand, you should 'play' more often when your fixed cost was a building vs. when your fixed cost was rent.

Each round contained uncertainty (actual costs were a random draw from a distribution similar to regression distributions we have seen in class); however, over 30 rounds, relatively 'good' decisions dominate relatively 'bad' decisions (good decisions lead to good outcomes over many trials, but not necessary after each trial). Again, relatively 'good decisions' considered the fact that depreciation requires no further cash outlay, but renting the mobile RV required further cash outlay. The posting below lists your total points for the assignment & the following corresponding grades:

Points	Grade	Number
> 5100	A	19
> 5000	A-	24
> 4900	B+	26
> 4800	B	10
> 4700	B-	4
> 4400	C+	2
> 4000	C	9
< 4000	C-	1
Total		95

If you did not record your ending point total & would like verification, or if you have questions about your point total on a decision-by-decision basis, please contact Tom Downen.

Point totals and grades by R Number:

	Total Points	Grade
R00029541	5,088	A-
R00030538	5,010	A-
R00034122	4,312	C
R00047127	4,998	A-
R00048958	4,922	B+
R00062851	5,102	A
R00063507	4,922	B+
R00064771	4,846	B
R00118565	5,162	A
R00184280	5,094	A-
R00247549	4,986	B+
R00274115	4,994	B+

R00299109	4,910	B+
R00311981	4,998	A-
R00312948	4,998	A-
R00340687	4,934	B+
R00356255	4,994	B+
R00360519	5,226	A
R00395570	4,998	A-
R00405120	4,334	C
R00409533	4,846	B
R00410669	4,310	C
R00413924	4,818	B
R00415085	4,232	C
R00420905	5,010	A-
R00422935	5,150	A
R00425573	4,998	A-
R00425609	4,600	C+
R00425852	4,946	B+
R00426332	4,962	B+
R00428238	4,934	B+
R00429510	4,918	B+
R00432727	4,762	B-
R00433417	5,114	A
R00444372	5,002	A-
R00446205	4,782	B-
R00448893	5,018	A-
R00450505	5,074	A-
R00452009	5,110	A
R00453708	4,782	B-
R00455616	4,918	B+
R00460189	4,050	C
R00462226	4,976	B+
R00464594	4,918	B+
R00467737	5,114	A
R00468993	4,998	A-
R00472535	4,434	C+
R00473430	5,102	A
R00480034	5,110	A
R00480050	4,902	B+
R00483168	5,114	A
R00484409	5,222	A
R00485651	4,946	B+
R00509637	5,038	A-

R00539381	5,222	A
R00546993	4,994	B+
R00576032	4,918	B+
R00611957	5,226	A
R00617405	5,098	A
R00644852	4,982	B+
R00739975	4,826	B
R00742941	3,606	C-
R00748260	4,882	B
R00750034	5,038	A-
R00750925	5,058	A-
R00766624	4,294	C
R00779608	4,730	B-
R00802449	4,250	C
R00810560	4,998	A-
R00815748	4,994	B+
R00821129	4,918	B+
R00824018	4,806	B
R00824246	5,002	A-
R00825672	5,102	A
R00834597	5,102	A
R00834916	4,908	B+
R00839099	5,186	A
R00844390	4,962	B+
R00846723	4,886	B
R00846986	5,102	A
R00847781	4,886	B
R00848750	4,974	B+
R00850408	4,806	B
R00853398	4,806	B
R00853950	5,050	A-
R00854341	5,054	A-
R00855750	4,998	A-
R00856322	4,954	B+
R00863268	4,336	C
R00864438	5,070	A-
R00873917	4,978	B+
R01949131	5,114	A
R01949528	5,028	A-
R01953186	4,226	C
R01965262	5,086	A-