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d)

	0.65 A_1 Success	0.35 A_2 Failure
Publish	750,000*	-250,000
Reject	0	0*

$$EV \text{ w PI} = 0.65(750,000) + 0.35(0) = \$487,500$$

$$EV \text{ wo PI} = \$400,000$$

Therefore,

$$EUPI = 487,500 - 400,000$$

$$= \$87,500$$

They need a better procedure for evaluating the market potential for the textbook.