## **SOLUTION 2.2**

1) Manufacturing costs: €5.30 per m<sup>2</sup> + 300,000 Purchasing costs: €26 per m<sup>2</sup>

If 15,000 m<sup>2</sup> are needed:

- Manufacturing costs: (5.30 x 15,000) + 300,000 = €379,500
- Purchasing costs: 26 x 15,000 = €390,000

Boxmov should manufacture the cardboard.

**2)** 379,500 = 15,000 P  $P = £25.30 \text{ per m}^2$ 

26 > 25.30 » Boxmov should manufacture the cardboard.



