

# Memo 13

To: Sales Manager, Region 3  
From: Regional Manager, Region 3  
Re: Recession Question

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One of your MBA Interns sent the attached spreadsheet in response to a question I asked regarding the potential impact of the 2.85 percent decline in income that has been forecasted for our Region 3 market. This is nuts – do they not teach people how to speak in words any more?

What do the numbers mean? Can you help me out? All I need to know is this: If income declines by 2.85 percent as forecasted, how much will we have to cut price in order to maintain our existing base of customers?

Attachment: Output.xls