

31. The following appeared in a memorandum from the business office of the Lovin' Cupful, a national restaurant chain:

"The Lovin' Cupful franchises in our northeast region have begun serving customers Almost, a brand new powdered instant tea, in place of brewed tea. Waiters report that only about 2 percent of the customers have complained and that customers who want refills typically ask for 'more tea.' It appears, then, that 98 percent of the customers are perfectly happy with the switch, or else they cannot tell powdered instant from brewed tea. Therefore, in order to take advantage of the lower price per pound of Almost, all of our restaurants should begin substituting it for brewed tea."

Discuss how well reasoned . . . etc.

32. The following appeared as a memorandum from the vice-president of the Dolci candy company:

"Given the success of our premium and most expensive line of

chocolate candies in a recent taste test and the consequent increase in sales, we should shift our business focus to producing additional lines of premium candy rather than our lower-priced, ordinary candies. When the current economic boom ends and consumers can no longer buy major luxury items, such as cars, they will still want to indulge in small luxuries, such as expensive candies.”

Discuss how well reasoned . . . etc.

33. The following appeared in a memorandum from the director of research and development at Ready-to-Ware, a software engineering firm:

“The package of benefits and incentives that Ready-to-Ware offers to professional staff is too costly. Our quarterly profits have declined since the package was introduced two years ago, at the time of our incorporation. Moreover, the package had little positive effect, as we have had only marginal success in recruiting and training high-quality professional staff. To become more profitable again, Ready-to-Ware should, therefore, offer the reduced benefits package that was in place

two years ago and use the savings to fund our current research and development initiatives.”

Discuss how well reasoned . . . etc.

34. The following appeared in a memorandum from the assistant manager of Pageturner Books:

“Over the past two years, Pageturner’s profits have decreased by 5 percent, even though we have added a popular café as well as a music section selling CDs and tapes. At the same time, we have experienced an increase in the theft of merchandise. We should, therefore, follow the example of Thoreau Books, which increased its profits after putting copies of its most frequently stolen books on a high shelf behind the payment counter. By doing likewise with copies of the titles that our staff reported stolen last year, we too can increase profitability.”

Discuss how well reasoned . . . etc.

35. The following appeared in a memorandum to a team developing accounting software for SmartPro Software, Inc.:

"Currently, more professional accountants use SmartPro accounting software than any other brand. However, in the market for personal accounting software for non-professionals to use in preparing their income tax returns, many of our competitors are outselling us. In surveys, our professional customers repeatedly say that they have chosen SmartPro Software because our most sophisticated software products include more advanced special features than competing brands. Therefore, the most effective way for us to increase sales of our personal accounting software for home users would clearly be to add the advanced special features that our professional software products currently offer."

Discuss how well reasoned . . .etc.