

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	158.1017	9.6271	16.4226	0.0000
Quantity of Cattle Slaughtered	-0.0091	0.0009	-9.6736	0.0000
Real US Disposable Income	-0.0159	0.0021	-7.5532	0.0000
Real Hog Prices	0.1926	0.0712	2.7042	0.0087
Real Poultry Prices	0.4378	0.0761	5.7531	0.0000
Real Beef Advertising Expenditures Last Quarter	0.0004	0.0002	2.4918	0.0153

Indicates that \$1,000 (real 1982 dollars) spent on beef advertising increases live cattle prices by \$0.0004 per cwt. Each year about \$13,200,000 is spent, so each year advertising raises live cattle prices by  $(13,200,000 / 1,000) \times (0.0004) = \$5.28$  (1982 dollars) per cwt.

$p$ -value is less than 0.05 so beef advertising does indeed influence cattle prices.

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Figure 6.13

32p0 wide X 13p0 High