Summit Paintball Supply manufactures paintballs used by recreational gamers. The cost of producing a box of 2,500 paintballs is as follows:

Direct materials	$12.50
Direct labor	6.25
Variable factory overhead	18.75
Fixed factory overhead	25.00
Variable selling, general, and administrative costs	18.75
Fixed selling, general, and administrative costs	4.00

The fixed factory overhead and fixed SG&A cost is allocated based on an assumption that the business will produce 400,000 boxes of paintballs per year. The company has capacity to produce 500,000 boxes without impacting either category of fixed cost.

(a) The market for paintballs has become very competitive. Management has requested to know the break-even price that can be charged for a box of paintballs, assuming production and sale of 400,000 boxes.

(b) Management has received a special order request for 100,000 boxes of "private label" paintballs. The order specifies a per box price of $75. How will profitability be impacted if the order is accepted?