Assessing Conditions and Selecting Transformations

Exercise 1. The Name's Bond, James Bond.

The year is 2008. The new James Bond movie, *Quantum of Solace*, has just hit the theaters after costing around $200,000,00 to make—the most expensive James Bond movie ever made (to date)! Was it a good investment? How much money do we predict the film will make at the box office?

1. Fill out the following table as we make predictions, check regression conditions, and select appropriate transformation(s) as a class!

	Untransformed Model	Model with Transformation(s)
Conditions Met?		
Fitted Model for the Mean		
Predicted Gross (in millions of USD)		
95% Prediction Interval		

2. How would we interpret the 95% prediction interval from the fitted transformed model?

3. Which interval—the interval for the untransformed model or the interval for the transformed model—would you prefer to report to the Columbia Pictures executive board? Why?