Video Game Company

The percentage of $195,750 that each partner contributed:

\[
\text{Jae Eun} \quad \frac{87,750}{195,750} \times 100 = 44.8\% \\
\text{Ted} \quad \frac{108,000}{195,750} \times 100 = 55.2\%
\]

Therefore, Jae Eun should receive 45% (or 44.8%) of the sale price, while Ted should receive 55% (or 55.2%).

Jae Eun: \[750,000 \times 0.45 = 337,500 \text{ (or } 336,000 \text{ using decimal %)}\]
Ted: \[750,000 \times 0.55 = 412,500 \text{ (or } 414,000 \text{ using decimal %)}\]

Solution 2

This solution is based on splitting the profit of the sale after deducting the partners’ contributions.

The same initial calculations as in Solution 1:

Jae Eun: \[50,000 + 8,500 = 58,500 \]
\[58,500 \times 1.5 = 87,750 \text{ (Jae Eun’s initial contribution weighted at 1.5x)}\]
Ted: \[22,000 \times 1.5 = 33,000 \text{ (Ted’s initial contribution weighted at 1.5x)}\]

Ted continued to contribute $1250/month for 5 years.

\[1250 \times 5 \text{ years } \times 12 \text{ months/year} = 75,000\]

In total, Ted invested: \[33,000 + 75,000 = 108,000\]

Total Partner contributions: \[87,750 + 108,000 = 195,750\]

Sale price of Company less Total Partner contributions: \[750,000 - 195,750 = 554,250\]

Profit split equally: \[554,250 \div 2 = 277,125 \text{ for each partner}\]

Therefore:

Jae Eun: \[87,750 + 277,125 = 364,875\]
Ted: \[108,000 + 277,125 = 385,125\]