Case Question 7\_Orin Bus Industries

Due on Oct 30 (Tuesday); one data file is available

Each team should present solutions to the question as followed:

1. Build a model that will help Orion to predict winning bids and allow the company to maximize total contribution (profit).
2. What are the advantages and limitations of your model?
3. The city of Louisville, Kentucky is interested in purchasing five 30-foot, low-floor, diesel-fuelled buses. As the vice-president of sales for Orion, how much would you bid for this contract, based on Orion’s estimated cost of $234,229 per bus?

In order to answer the above, students may need to consider several problems in their analysis:

* How might you determine the probability of a particular bid winning the contract?
* What product attributes are most costly to customers?
* How does the number of buses in the contract affect prices, markup and bidding?
* What insight does your model provide on Orion’s ability to fill its 500 open production slots?