

Assignment 2

X = large, Y = Medium, Z = small

A) The Decision Variables:

The Storage space for each size for X1, Y1, Z1.

The Production per day X2, Y2, Z2

The Forecast of sales X3, Y3, Z3

Total 9 decision variables

B) LP formulation:

$$\text{Max } P = 420(X1+X2+X3) + 360 (Y1+Y2+Y3) + 300(Z1+Z2+Z3)$$

Constraints

$$X1+Y1+Z1 \leq 750$$

$$X2+Y2+Z2 \leq 900$$

$$X3+Y3+Z3 \leq 450$$

Productions :

$$20X1+15Y1+12Z1 \leq 13000$$

$$20X2+15Y2+12Z2 \leq 12000$$

$$20X3+15Y3+12Z3 \leq 5000$$

Storage:

$$X1+X2+X3 \leq 900$$

$$Y1+Y2+Y3 \leq 1200$$

$$Z1+Z2+Z3 \leq 7500$$

$$1/750(X1 + Y1 + Z1) - 1/900 (X2+Y2+Z2) = 0$$

$$1/750(X1 + Y1 + Z1) - 1/450(X3+Y3+Z3) = 0$$

Therefore: X1, X2, X3, Y1, Y2, Y3, Z1, Z2, Z3 ≥ 0