

Supply_Chain_Optimization

July 27, 2024

```
[1]: import pandas as pd
```

1 OrderList

Contains historical records of orders, their respective routing, and costs.

```
[74]: df_OrderList= pd.read_csv("OrderList.csv")
df_OrderList.head()
```

```
[74]:      Order ID Order Date Origin Port Carrier  TPT Service Level \
0  1447296447  5/26/2013      PORT09  V44_3      1          CRF
1  1447158015  5/26/2013      PORT09  V44_3      1          CRF
2  1447138899  5/26/2013      PORT09  V44_3      1          CRF
3  1447363528  5/26/2013      PORT09  V44_3      1          CRF
4  1447363981  5/26/2013      PORT09  V44_3      1          CRF

      Ship ahead day count  Ship Late Day count  Customer  Product ID \
0                        3                    0  V55555_53    1700106
1                        3                    0  V55555_53    1700106
2                        3                    0  V55555_53    1700106
3                        3                    0  V55555_53    1700106
4                        3                    0  V55555_53    1700106

      Plant Code Destination Port  Unit quantity  Weight
0    PLANT16              PORT09           808    14.30
1    PLANT16              PORT09          3188    87.94
2    PLANT16              PORT09          2331    61.20
3    PLANT16              PORT09           847    16.16
4    PLANT16              PORT09          2163    52.34
```

```
[75]: df_OrderList.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 9215 entries, 0 to 9214
Data columns (total 14 columns):
#   Column                Non-Null Count  Dtype
---  -
0   Order ID              9215 non-null  int64
```

```

1  Order Date          9215 non-null  object
2  Origin Port         9215 non-null  object
3  Carrier             9215 non-null  object
4  TPT                 9215 non-null  int64
5  Service Level       9215 non-null  object
6  Ship ahead day count 9215 non-null  int64
7  Ship Late Day count 9215 non-null  int64
8  Customer            9215 non-null  object
9  Product ID          9215 non-null  int64
10 Plant Code          9215 non-null  object
11 Destination Port    9215 non-null  object
12 Unit quantity       9215 non-null  int64
13 Weight              9215 non-null  float64
dtypes: float64(1), int64(6), object(7)
memory usage: 1008.0+ KB

```

```
[76]: df_OrderList.describe()
```

```

[76]:
      count      Order ID      TPT  Ship ahead day count  Ship Late Day count  \
count  9.215000e+03  9215.000000      9215.000000      9215.000000
mean   1.447274e+09    1.717743          1.852306          0.039935
std    8.381629e+04    0.630500          1.922302          0.319625
min    1.447126e+09    0.000000          0.000000          0.000000
25%    1.447197e+09    1.000000          0.000000          0.000000
50%    1.447276e+09    2.000000          3.000000          0.000000
75%    1.447346e+09    2.000000          3.000000          0.000000
max    1.447425e+09    4.000000          6.000000          6.000000

      Product ID  Unit quantity      Weight
count  9.215000e+03  9215.000000  9215.000000
mean   1.680536e+06  3202.747151   19.871688
std    1.526593e+04  15965.622260   66.569064
min    1.613321e+06   235.000000    0.000000
25%    1.669702e+06   330.000000    1.407430
50%    1.683636e+06   477.000000    4.440000
75%    1.689554e+06  1275.500000   13.325673
max    1.702654e+06  561847.000000  2338.405126

```

```
[77]: df_OrderList.isnull().sum()
```

```

[77]: Order ID          0
      Order Date       0
      Origin Port     0
      Carrier         0
      TPT             0
      Service Level    0
      Ship ahead day count 0
      Ship Late Day count 0

```

```

Customer          0
Product ID        0
Plant Code        0
Destination Port   0
Unit quantity     0
Weight            0
dtype: int64

```

```
[78]: df_OrderList.columns
```

```
[78]: Index(['Order ID', 'Order Date', 'Origin Port', 'Carrier', 'TPT',
            'Service Level', 'Ship ahead day count', 'Ship Late Day count',
            'Customer', 'Product ID', 'Plant Code', 'Destination Port',
            'Unit quantity', 'Weight'],
           dtype='object')
```

```
[79]: df_OrderList.dtypes
```

```
[79]: Order ID          int64
Order Date          object
Origin Port         object
Carrier             object
TPT                int64
Service Level       object
Ship ahead day count int64
Ship Late Day count int64
Customer            object
Product ID          int64
Plant Code          object
Destination Port     object
Unit quantity       int64
Weight              float64
dtype: object

```

‘Order date’ should be converted to date time format

```
[84]: df_OrderList['Order Date'] = pd.to_datetime(df_OrderList['Order Date'])
df_OrderList['Plant Code'] = df_OrderList['Plant Code'].astype(str)
df_OrderList['Product ID'] = df_OrderList['Product ID'].astype(str)
```

```
[81]: df_OrderList.dtypes
```

```
[81]: Order ID          int64
Order Date          datetime64[ns]
Origin Port         object
Carrier             object
TPT                int64
Service Level       object

```

```

Ship ahead day count      int64
Ship Late Day count      int64
Customer                  object
Product ID                int64
Plant Code                object
Destination Port          object
Unit quantity             int64
Weight                    float64
dtype: object

```

```

[82]: # Get unique values for each column in df_OrderList individually
unique_values_df_OrderList = {col: df_OrderList[col].unique() for col in
    ['Origin Port', 'Carrier', 'Plant Code', 'Destination Port']}
print(unique_values_df_OrderList)

```

```

{'Origin Port': array(['PORT09', 'PORT04', 'PORT05'], dtype=object), 'Carrier':
array(['V444_3', 'V444_0', 'V444_1'], dtype=object), 'Plant Code':
array(['PLANT16', 'PLANT03', 'PLANT08', 'PLANT04', 'PLANT12', 'PLANT09',
      'PLANT13'], dtype=object), 'Destination Port': array(['PORT09'],
dtype=object)}

```

OrderList Deatials are avaiable for Only 'PLANT16', 'PLANT03', 'PLANT08', 'PLANT04', 'PLANT12', 'PLANT09' and Carriers 'V44_3', 'V444_0', 'V444_1'

2 FreightRates

Lists available couriers, their rates based on weight gaps for specific lanes, and estimated shipping times.

```

[108]: df_FreightRates= pd.read_csv("FreightRates.csv")
df_FreightRates.head()

```

```

[108]:  Carrier orig_port_cd dest_port_cd  minm_wgh_qty max_wgh_qty svc_cd \
0  V444_6      PORT08      PORT09          250.0      499.99  DTD
1  V444_6      PORT08      PORT09           65.0       69.99  DTD
2  V444_6      PORT08      PORT09           60.0       64.99  DTD
3  V444_6      PORT08      PORT09           50.0       54.99  DTD
4  V444_6      PORT08      PORT09           35.0       39.99  DTD

```

```

    minimum cost      rate mode_dsc  tpt_day_cnt Carrier type
0    $ 43.23    $ 0.71   AIR           2  V88888888_0
1    $ 43.23    $ 0.75   AIR           2  V88888888_0
2    $ 43.23    $ 0.79   AIR           2  V88888888_0
3    $ 43.23    $ 0.83   AIR           2  V88888888_0
4    $ 43.23    $ 1.06   AIR           2  V88888888_0

```

```

[12]: df_FreightRates.info()

```

```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 1540 entries, 0 to 1539
Data columns (total 11 columns):
#   Column                Non-Null Count  Dtype
---  -
0   Carrier                1540 non-null   object
1   orig_port_cd           1540 non-null   object
2   dest_port_cd           1540 non-null   object
3   minm_wgh_qty           1540 non-null   float64
4   max_wgh_qty            1540 non-null   object
5   svc_cd                 1540 non-null   object
6   minimum cost           1540 non-null   object
7   rate                   1540 non-null   object
8   mode_dsc               1540 non-null   object
9   tpt_day_cnt            1540 non-null   int64
10  Carrier type           1540 non-null   object
dtypes: float64(1), int64(1), object(9)
memory usage: 132.5+ KB

```

```
[13]: df_FreightRates.describe()
```

```

[13]:      minm_wgh_qty  tpt_day_cnt
count    1540.000000    1540.000000
mean      155.886637      2.186364
std       475.952049      2.000895
min         0.000000      0.000000
25%       15.010000      1.000000
50%       41.010000      2.000000
75%       67.229614      2.000000
max      10000.000000     14.000000

```

```
[14]: df_FreightRates.isnull().sum()
```

```

[14]: Carrier                0
      orig_port_cd          0
      dest_port_cd          0
      minm_wgh_qty          0
      max_wgh_qty           0
      svc_cd                0
      minimum cost          0
      rate                  0
      mode_dsc              0
      tpt_day_cnt           0
      Carrier type          0
      dtype: int64

```

```
[15]: df_FreightRates.dtypes
```

```
[15]: Carrier      object
      orig_port_cd  object
      dest_port_cd  object
      minm_wgh_qty  float64
      max_wgh_qty   object
      svc_cd        object
      minimum cost  object
      rate          object
      mode_dsc      object
      tpt_day_cnt   int64
      Carrier type  object
      dtype: object
```

As we can see the “minimum cost” and ” rat” are in object datatype and we will convert it to an integer

```
[109]: df_FreightRates['minimum cost'] = df_FreightRates['minimum cost'].str.
      ↪replace('$', '', regex=False).str.strip().astype(float)
      # Convert to int
      df_FreightRates['minimum cost'] = df_FreightRates['minimum cost'].astype(int)
      df_FreightRates['rate'] = df_FreightRates['rate'].str.replace('$', '',
      ↪regex=False).str.strip().astype(float)
      df_FreightRates['minm_wgh_qty'] = pd.
      ↪to_numeric(df_FreightRates['minm_wgh_qty'], errors='coerce')
      df_FreightRates['max_wgh_qty'] = pd.to_numeric(df_FreightRates['max_wgh_qty'],
      ↪errors='coerce')
```

```
[110]: df_FreightRates.head(2)
```

```
[110]: Carrier orig_port_cd dest_port_cd minm_wgh_qty max_wgh_qty svc_cd \
0 V444_6 PORT08 PORT09 250.0 499.99 DTD
1 V444_6 PORT08 PORT09 65.0 69.99 DTD

      minimum cost rate mode_dsc tpt_day_cnt Carrier type
0          43 0.71 AIR 2 V88888888_0
1          43 0.75 AIR 2 V88888888_0
```

```
[19]: # Get unique values for each column individually
      unique_values = {col: df_FreightRates[col].unique() for col in ['Carrier',
      ↪'orig_port_cd', 'dest_port_cd', 'svc_cd', 'mode_dsc', 'Carrier type']}
      print(unique_values)

      {'Carrier': array(['V444_6', 'V444_8', 'V444_9', 'V444_2', 'V444_1', 'V444_0',
      'V444_5', 'V444_4', 'V444_7'], dtype=object), 'orig_port_cd':
      array(['PORT08', 'PORT10', 'PORT09', 'PORT11', 'PORT04', 'PORT02',
      'PORT03', 'PORT07', 'PORT05', 'PORT06'], dtype=object), 'dest_port_cd':
      array(['PORT09'], dtype=object), 'svc_cd': array(['DTD', 'DTP'], dtype=object),
      'mode_dsc': array(['AIR', 'GROUND'], dtype=object), 'Carrier type':
```

```
array(['V88888888_0', 'V888888883_1'], dtype=object)}
```

3 PlantPorts

Specifies allowed links between warehouses and shipping ports.

```
[20]: df_PlantPorts= pd.read_csv("PlantPorts.csv")
      df_PlantPorts.head()
```

```
[20]:   Plant Code   Port
      0   PLANT01  PORT01
      1   PLANT01  PORT02
      2   PLANT02  PORT03
      3   PLANT03  PORT04
      4   PLANT04  PORT05
```

```
[21]: df_PlantPorts.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 22 entries, 0 to 21
Data columns (total 2 columns):
#   Column      Non-Null Count  Dtype
---  ---
0   Plant Code   22 non-null     object
1   Port         22 non-null     object
dtypes: object(2)
memory usage: 484.0+ bytes
```

```
[22]: df_PlantPorts.describe()
```

```
[22]:   Plant Code   Port
count         22     22
unique         19     11
top    PLANT01  PORT04
freq          2       7
```

```
[23]: df_PlantPorts.isnull().sum()
```

```
[23]: Plant Code    0
      Port        0
      dtype: int64
```

```
[24]: df_PlantPorts.dtypes
```

```
[24]: Plant Code    object
      Port        object
      dtype: object
```

4 ProductsPerPlant

Lists supported warehouse-product combinations.

```
[25]: df_ProductsPerPlant= pd.read_csv("ProductsPerPlant.csv")
df_ProductsPerPlant.head()
```

```
[25]:   Plant Code  Product ID
0    PLANT15    1698815
1    PLANT17    1664419
2    PLANT17    1664426
3    PLANT17    1672826
4    PLANT17    1674916
```

```
[26]: df_ProductsPerPlant.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 2036 entries, 0 to 2035
Data columns (total 2 columns):
#   Column          Non-Null Count  Dtype
---  -
0   Plant Code      2036 non-null   object
1   Product ID      2036 non-null   int64
dtypes: int64(1), object(1)
memory usage: 31.9+ KB
```

```
[27]: df_ProductsPerPlant.isnull().sum()
```

```
[27]: Plant Code      0
Product ID        0
dtype: int64
```

```
[28]: print(df_ProductsPerPlant['Plant Code'].nunique())
print(df_ProductsPerPlant['Plant Code'].unique())
```

```
19
['PLANT15' 'PLANT17' 'PLANT18' 'PLANT05' 'PLANT02' 'PLANT01' 'PLANT06'
 'PLANT10' 'PLANT07' 'CND9' 'PLANT14' 'PLANT16' 'PLANT12' 'PLANT11'
 'PLANT09' 'PLANT03' 'PLANT13' 'PLANT08' 'PLANT04']
```

```
[29]: df_ProductsPerPlant['Product ID'].nunique()
```

```
[29]: 1540
```

5 VmiCustomers

Lists special cases where a warehouse is only allowed to support specific customers.


```
[30]: df_VmiCustomers= pd.read_csv("VmiCustomers.csv")
df_VmiCustomers.head()
```

```
[30]:   Plant Code      Customers
0   PLANT02  V5555555555555_16
1   PLANT02  V55555555555555_29
2   PLANT02      V555555555_3
3   PLANT02  V55555555555555_8
4   PLANT02      V55555555_9
```

```
[123]: df_VmiCustomers.info()
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 14 entries, 0 to 13
Data columns (total 2 columns):
#   Column      Non-Null Count  Dtype
---  -
0   Plant Code  14 non-null    object
1   Customers   14 non-null    object
dtypes: object(2)
memory usage: 356.0+ bytes
```

```
[32]: df_VmiCustomers.describe()
```

```
[32]:   Plant Code  Customers
count         14         14
unique         4         10
top    PLANT02  V55555_10
freq          7          3
```

6 WhCapacities

Specifies the maximum number of orders that can be processed by each warehouse per day.

```
[125]: df_WhCapacities= pd.read_csv("WhCapacities.csv")
df_WhCapacities.head()
```

```
[125]:   Plant ID  Daily Capacity
0   PLANT15             11
1   PLANT17              8
2   PLANT18            111
3   PLANT05            385
4   PLANT02            138
```

```
[37]: # Strip trailing spaces from column names
df_WhCapacities.columns = df_WhCapacities.columns.str.strip()
```

```
[38]: df_WhCapacities.info()
```

```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 19 entries, 0 to 18
Data columns (total 2 columns):
#   Column          Non-Null Count  Dtype
---  -
0   Plant ID        19 non-null    object
1   Daily Capacity  19 non-null    int64
dtypes: int64(1), object(1)
memory usage: 436.0+ bytes

```

```
[39]: df_WhCapacities.describe()
```

```

[39]:      Daily Capacity
count      19.000000
mean       304.789474
std        323.513280
min         7.000000
25%        31.500000
50%       209.000000
75%       473.500000
max      1070.000000

```

7 WhCosts

Lists the cost associated with storing products in each warehouse.

```
[131]: df_WhCosts= pd.read_csv("WhCosts.csv")
df_WhCosts.head()
```

```

[131]:      WH  Cost/unit
0  PLANT15      1.42
1  PLANT17      0.43
2  PLANT18      2.04
3  PLANT05      0.49
4  PLANT02      0.48

```

```
[44]: df_WhCosts.info()
```

```

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 19 entries, 0 to 18
Data columns (total 2 columns):
#   Column          Non-Null Count  Dtype
---  -
0   WH              19 non-null    object
1   Cost/unit       19 non-null    float64
dtypes: float64(1), object(1)
memory usage: 436.0+ bytes

```

```
[45]: df_WhCosts.describe()
```

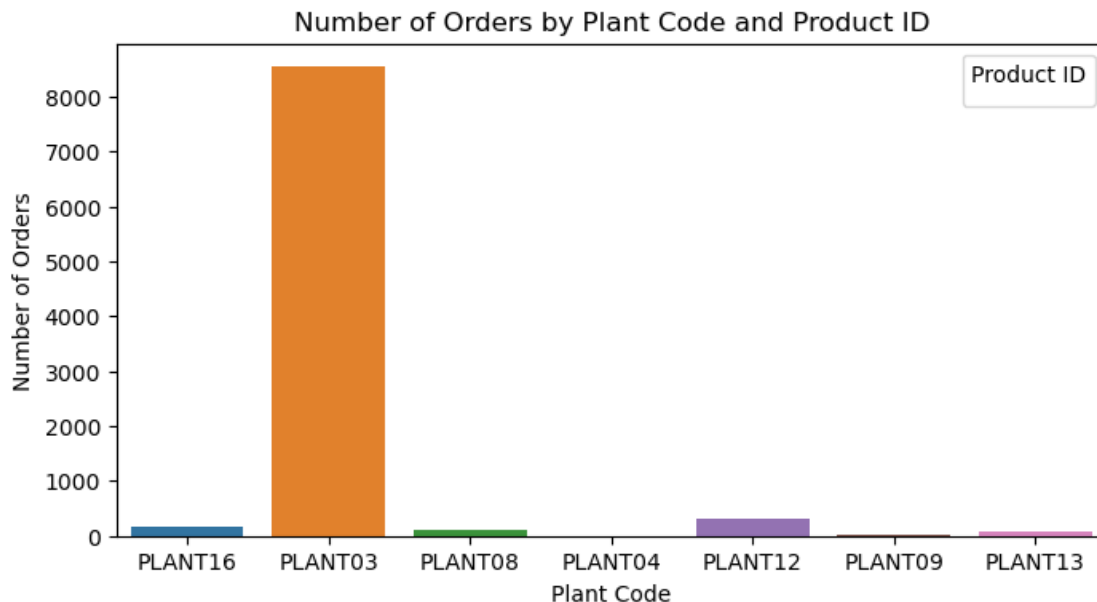
```
[45]:      Cost/unit  
count  19.000000  
mean    0.724737  
std     0.495820  
min     0.370000  
25%     0.475000  
50%     0.520000  
75%     0.635000  
max     2.040000
```

8 Exploratory Data Analysis(EDA)

```
[71]: import matplotlib.pyplot as plt  
import seaborn as sns
```

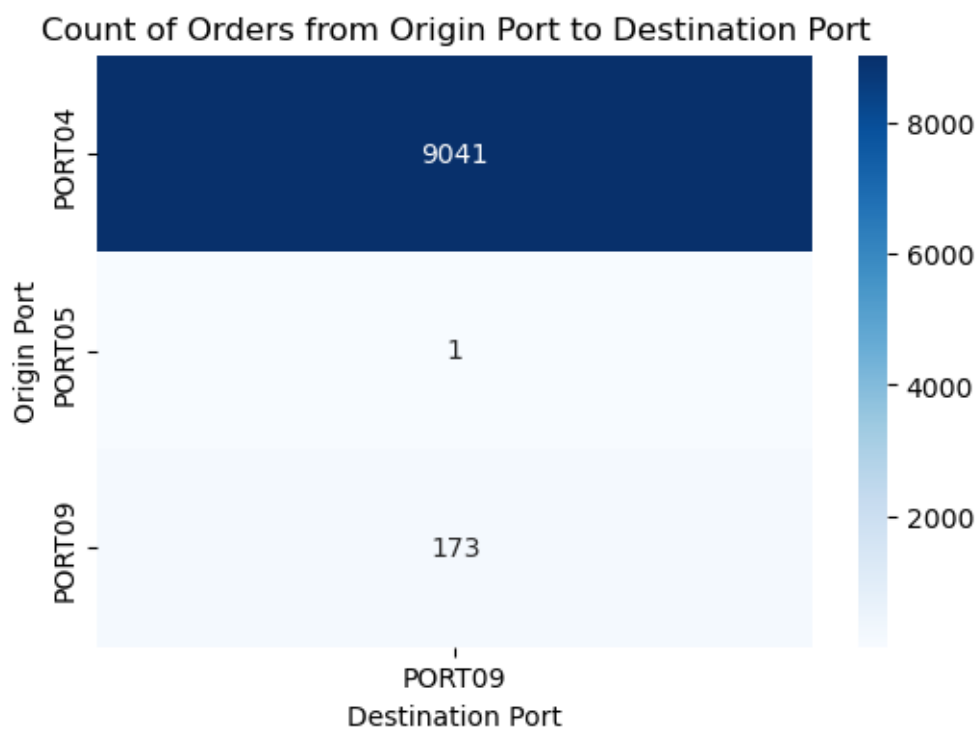
```
[87]: # Bar plot: Count of orders per Plant Code  
plt.figure(figsize=(8, 4))  
sns.countplot(x='Plant Code', data=df_OrderList)  
plt.title('Number of Orders by Plant Code and Product ID')  
plt.xlabel('Plant Code')  
plt.ylabel('Number of Orders')  
plt.legend(title='Product ID')  
plt.show()
```

No artists with labels found to put in legend. Note that artists whose label start with an underscore are ignored when legend() is called with no argument.



```
[94]: pivot_table = df_OrderList.pivot_table(index='Origin Port',
        ↪columns='Destination Port', aggfunc='size', fill_value=0)

# Plot heatmap
plt.figure(figsize=(6, 4))
sns.heatmap(pivot_table, annot=True, cmap='Blues', cbar=True, fmt='d')
plt.title('Count of Orders from Origin Port to Destination Port')
plt.xlabel('Destination Port')
plt.ylabel('Origin Port')
plt.show()
```

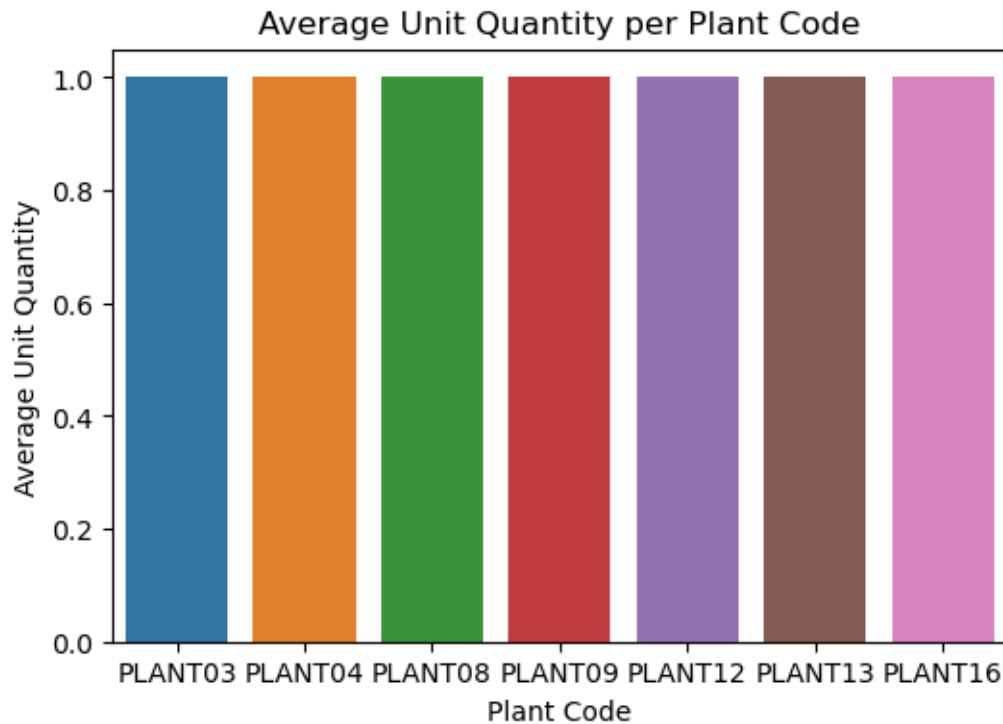


```
[97]: # Calculate the average of Unit quantity per Plant Code
average_unit_quantity = df_OrderList.groupby('Plant Code')['Unit quantity'].
        ↪mean().reset_index()

# Rename columns for clarity
average_unit_quantity.columns = ['Plant Code', 'Average Unit Quantity']

# Plot heatmap
plt.figure(figsize=(6, 4))
```

```
sns.countplot(x='Plant Code', data=average_unit_quantity)
plt.title('Average Unit Quantity per Plant Code')
plt.xlabel('Plant Code')
plt.ylabel('Average Unit Quantity')
plt.show()
```



```
[112]: # Calculate the average of minm_wgh_qty and max_wgh_qty
averages = df_FreightRates[['minm_wgh_qty', 'max_wgh_qty']].mean().reset_index()
averages
```

```
[112]:      index      0
0  minm_wgh_qty  155.886637
1   max_wgh_qty  4570.091943
```

```
[114]: # Rename columns for clarity
averages.columns = ['Weight Category', 'Average']

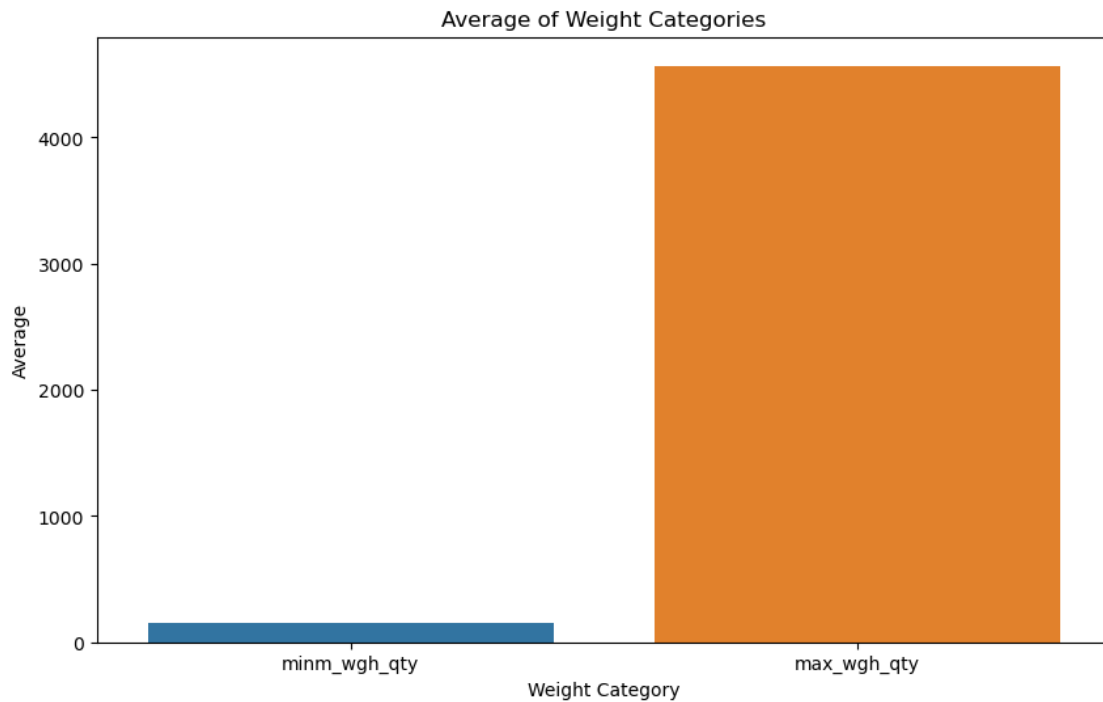
# Prepare data for plotting
plot_data = averages.melt(id_vars='Weight Category', var_name='Category',
    ↳value_name='Avg_Value')

# Plot
plt.figure(figsize=(10, 6))
```

```

sns.barplot(x='Weight Category', y='Avg_Value', data=plot_data)
plt.title('Average of Weight Categories')
plt.xlabel('Weight Category')
plt.ylabel('Average')
plt.show()

```

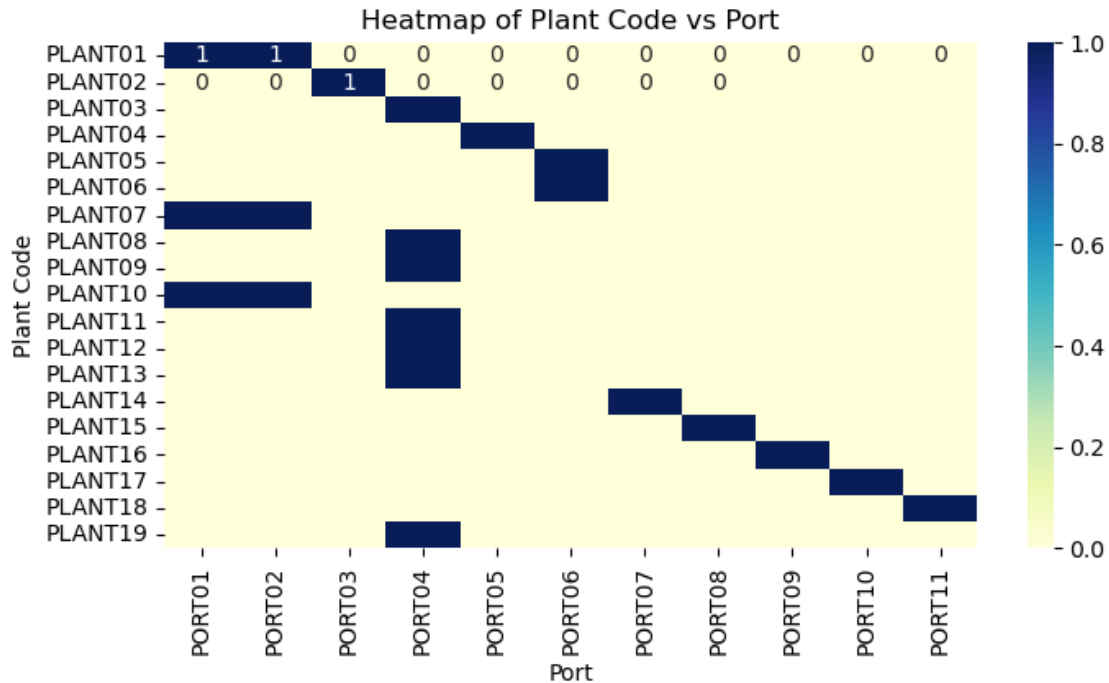


```

[117]: # Aggregate data by count
heatmap_data = pd.crosstab(df_PlantPorts['Plant Code'], df_PlantPorts['Port'])

plt.figure(figsize=(8, 4))
sns.heatmap(heatmap_data, annot=True, cmap='YlGnBu', fmt='d')
plt.title('Heatmap of Plant Code vs Port')
plt.xlabel('Port')
plt.ylabel('Plant Code')
plt.show()

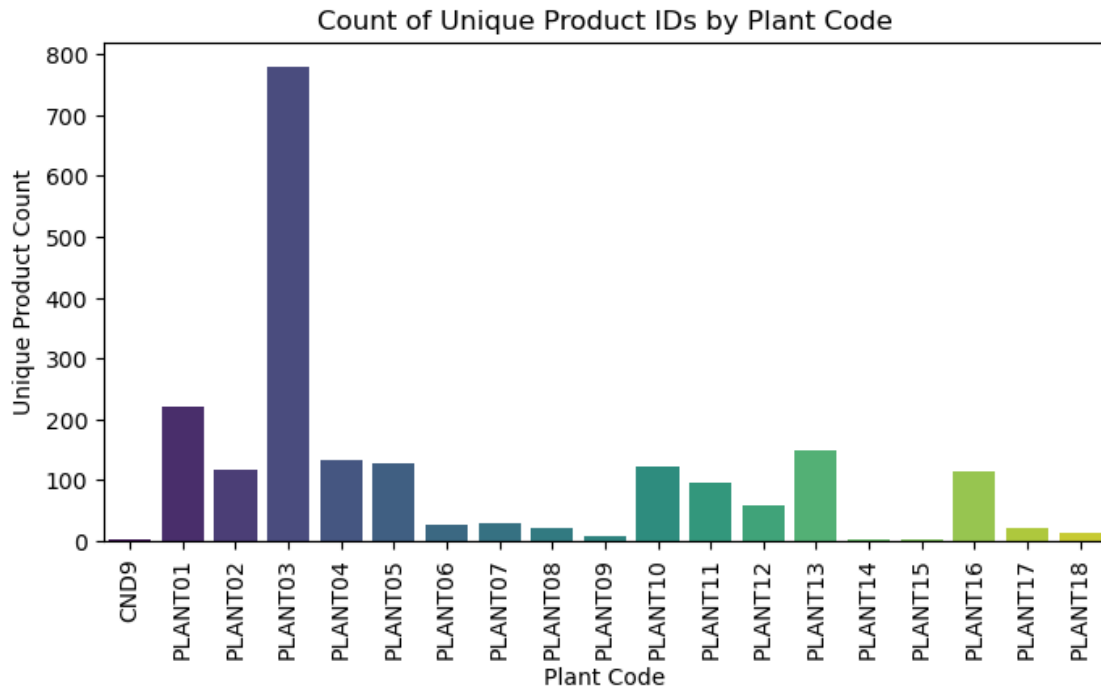
```



```
[118]: # Count unique Product IDs for each Plant Code
unique_product_counts = df_ProductsPerPlant.groupby('Plant Code')['Product ID'].
    ↪nunique().reset_index()
unique_product_counts.columns = ['Plant Code', 'Unique Product Count']
```

```
[120]: plt.figure(figsize=(8, 4))
sns.barplot(x='Plant Code', y='Unique Product Count',
    ↪data=unique_product_counts, palette='viridis')
plt.title('Count of Unique Product IDs by Plant Code')
plt.xlabel('Plant Code')
plt.ylabel('Unique Product Count')
plt.xticks(rotation=90)

plt.show()
```

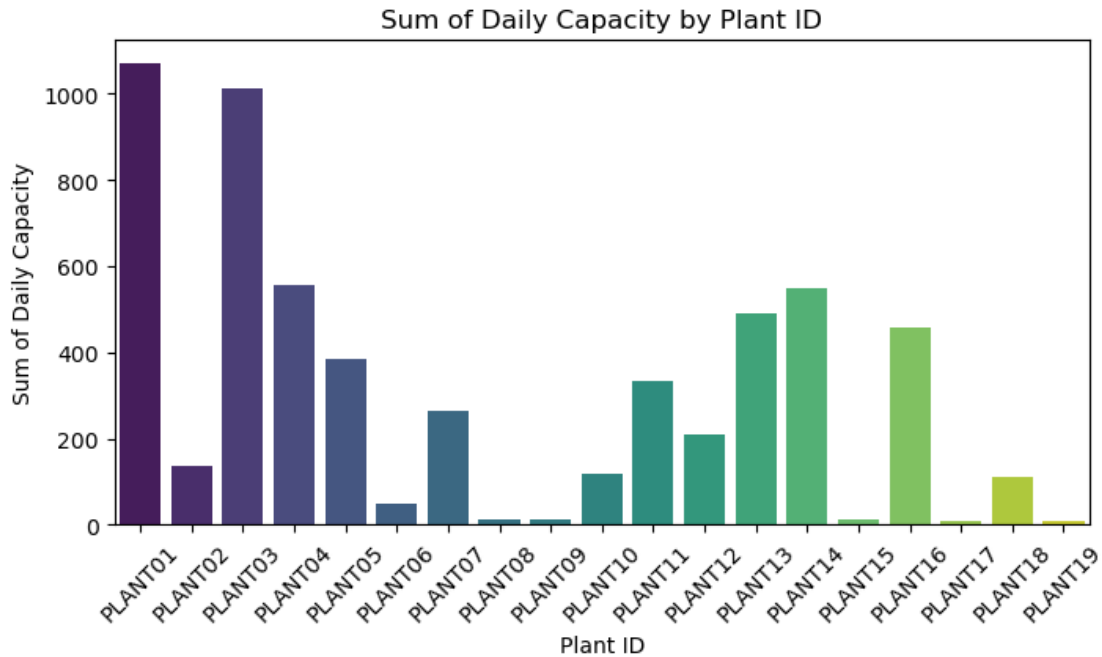


```
[128]: # Aggregate the data
capacity_sum = df_WhCapacities.groupby('Plant ID')['Daily Capacity '].sum().
        ↪reset_index()

# Plot
plt.figure(figsize=(8, 4))
sns.barplot(x='Plant ID', y='Daily Capacity ', data=capacity_sum,
            ↪palette='viridis')
plt.title('Sum of Daily Capacity by Plant ID')
plt.xlabel('Plant ID')
plt.ylabel('Sum of Daily Capacity')

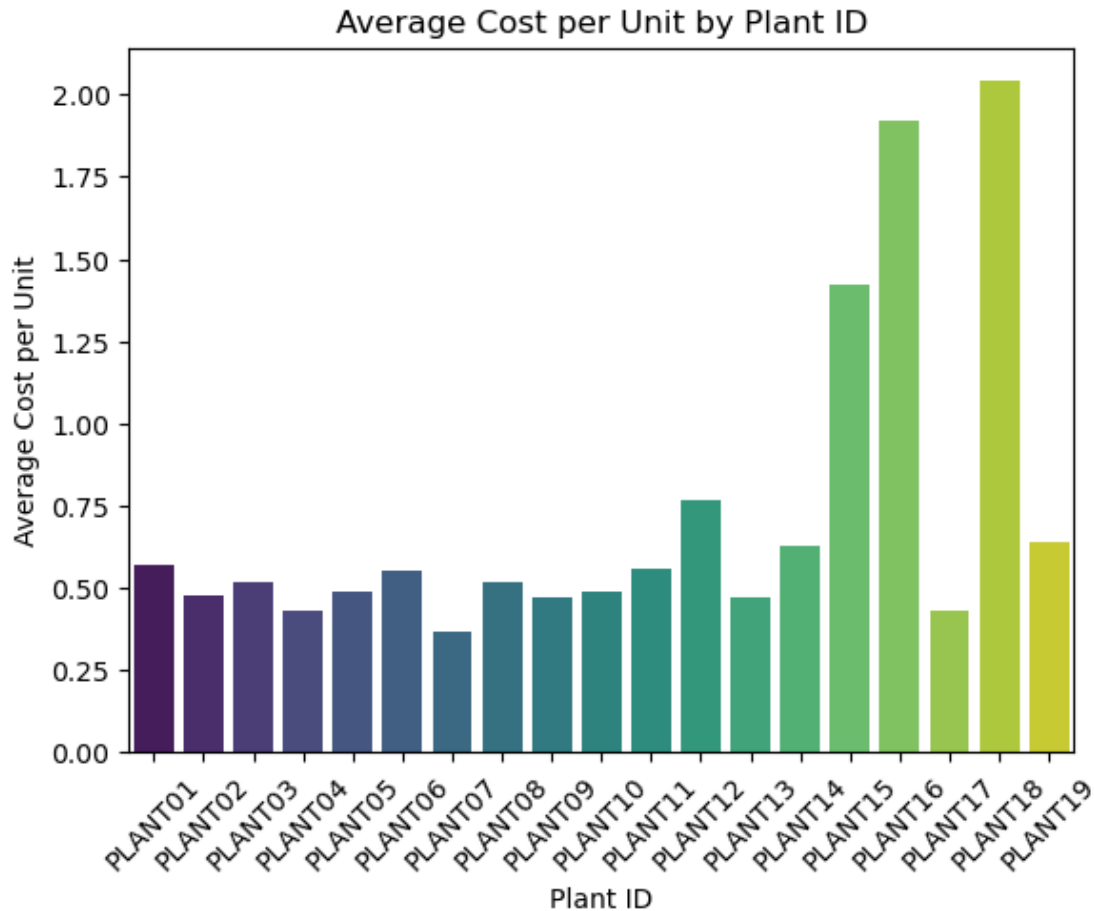
# Rotate x-axis
plt.xticks(rotation=45)

plt.show()
```

```
[135]: # Calculate the average cost per unit by Plant ID
average_cost_per_unit = df_WhCosts.groupby('Plant ID')['Cost/unit'].mean().
    ↪reset_index()
average_cost_per_unit.columns = ['Plant ID', 'Average Cost per Unit']

# Plot
sns.barplot(x='Plant ID', y='Average Cost per Unit',
    ↪data=average_cost_per_unit, palette='viridis')
plt.title('Average Cost per Unit by Plant ID')
plt.xlabel('Plant ID')
plt.ylabel('Average Cost per Unit')
plt.xticks(rotation=45)
plt.show()
```



[]:

9 1. Historical Cost Calculation:

```
[140]: # Rename column 'Plant Code' from df_OrderList for consistency
df_OrderList = df_OrderList.rename(columns={'Plant Code': 'Plant ID'})
df_WhCosts = df_WhCosts.rename(columns={'WH': 'Plant ID'})
```

```
[141]: # Merge the dataframes on 'WH' and 'Product ID'
merged_df = pd.merge(df_OrderList, df_WhCosts, on='Plant ID')
```

```
[142]: # Calculate the total historical cost
merged_df['Total Cost'] = merged_df['Unit quantity'] * merged_df['Cost/unit']

# Sum up the total costs to get the overall historical cost of order fulfillment
total_historical_cost = merged_df['Total Cost'].sum()
```

```
print(f"Total Historical Cost of Order Fulfillment: {total_historical_cost}")
```

Total Historical Cost of Order Fulfillment: 15704718.23

10 2.Capacity Utilization:

```
[143]: # Group the orders by warehouse and date, and count the number of orders per day
daily_order_counts = df_OrderList.groupby(['Plant ID', 'Order Date']).size().
    ↪reset_index(name='Daily Orders')
daily_order_counts
```

```
[143]:   Plant ID Order Date  Daily Orders
0  PLANT03 2013-05-26          8541
1  PLANT04 2013-05-26             1
2  PLANT08 2013-05-26           102
3  PLANT09 2013-05-26            12
4  PLANT12 2013-05-26           300
5  PLANT13 2013-05-26            86
6  PLANT16 2013-05-26           173
```

```
[144]: # Merge the daily order counts with warehouse capacities
merged_df = pd.merge(daily_order_counts, df_WhCapacities, on='Plant ID')
merged_df
```

```
[144]:   Plant ID Order Date  Daily Orders  Daily Capacity
0  PLANT03 2013-05-26          8541             1013
1  PLANT04 2013-05-26             1              554
2  PLANT08 2013-05-26           102              14
3  PLANT09 2013-05-26            12              11
4  PLANT12 2013-05-26           300             209
5  PLANT13 2013-05-26            86             490
6  PLANT16 2013-05-26           173             457
```

```
[147]: # Calculate capacity utilization
merged_df['Capacity Utilization'] = (merged_df['Daily Orders'] /
    ↪merged_df['Daily Capacity']) * 100

# Group by Plant ID to get average capacity utilization for each plant
capacity_utilization_summary = merged_df.groupby('Plant ID')['Capacity_
    ↪Utilization'].mean().reset_index()

print(capacity_utilization_summary)
```

```
   Plant ID  Capacity Utilization
0  PLANT03          843.139191
1  PLANT04           0.180505
2  PLANT08          728.571429
```

3	PLANT09	109.090909
4	PLANT12	143.540670
5	PLANT13	17.551020
6	PLANT16	37.855580

11 3.Freight Cost Analysis:

```
[149]: # Ensuring columns match for merge
df_OrderList.rename(columns={'Origin Port': 'orig_port_cd', 'Destination Port': 'dest_port_cd'}, inplace=True)

# Merge the DataFrames
df_merged = pd.merge(df_OrderList, df_FreightRates, how='left', on=['Carrier', 'orig_port_cd', 'dest_port_cd'])
df_merged.head(2)
```

```
[149]:      Order ID Order Date orig_port_cd Carrier  TPT Service Level \
0  1447296447 2013-05-26      PORT09    V44_3    1          CRF
1  1447158015 2013-05-26      PORT09    V44_3    1          CRF

      Ship ahead day count  Ship Late Day count  Customer Product ID ... \
0                3                0  V55555_53    1700106 ...
1                3                0  V55555_53    1700106 ...

      Unit quantity Weight  minm_wgh_qty  max_wgh_qty  svc_cd  minimum cost rate \
0          808  14.30          NaN          NaN    NaN          NaN  NaN
1         3188  87.94          NaN          NaN    NaN          NaN  NaN

      mode_dsc  tpt_day_cnt Carrier type
0          NaN          NaN          NaN
1          NaN          NaN          NaN

[2 rows x 22 columns]
```

```
[153]: # Calculate the freight cost for each order
df_merged['Freight Cost'] = df_merged['minimum cost'] + (df_merged['Weight'] * df_merged['rate'])
df_merged.head(2)
```

```
[153]:      Order ID Order Date orig_port_cd Carrier  TPT Service Level \
0  1447296447 2013-05-26      PORT09    V44_3    1          CRF
1  1447158015 2013-05-26      PORT09    V44_3    1          CRF

      Ship ahead day count  Ship Late Day count  Customer Product ID ... \
0                3                0  V55555_53    1700106 ...
1                3                0  V55555_53    1700106 ...
```

	Weight	minm_wgh_qty	max_wgh_qty	svc_cd	minimum cost	rate	mode_dsc	\
0	14.30	NaN	NaN	NaN	NaN	NaN	NaN	
1	87.94	NaN	NaN	NaN	NaN	NaN	NaN	

	tpt_day_cnt	Carrier	type	Freight	Cost
0	NaN		NaN		NaN
1	NaN		NaN		NaN

[2 rows x 23 columns]

```
[164]: # Summarize the total freight costs
total_freight_cost = df_merged['Freight Cost'].sum()
print(f"The total Freight Cost is:${total_freight_cost}")
```

The total Freight Cost is:\$2461358.2234439584

12 4. Optimization Model:

Before building Optimization model, Lets take a look at the constraints of the given data:

Problem Constraints: Warehouse Capacities: Each warehouse has a maximum capacity of orders it can handle per day (WhCapacities).

Product-Warehouse Compatibility: Only specific products can be stored in specific warehouses (ProductsPerPlant).

Customer-Warehouse Restrictions: Some customers can only be served by specific warehouses (VmiCustomers).

Freight Costs: Transportation costs depend on the weight of the shipment and the distance between source and destination (FreightRates).

Transportation Time: Estimated shipping time is considered for optimal route planning (tpt_day_cnt in FreightRates).

Storage Costs: Costs associated with storing products in warehouses (WhCosts).

```
[165]: from pulp import LpMinimize, LpProblem, LpVariable, lpSum, LpStatus
```

```
[183]: def run_optimization(wh_capacities, wh_costs, df_FreightRates, df_OrderList,
    ↪products_per_warehouse, customer_warehouse_restrictions):
    # Initialize the LP problem
    prob = LpProblem("OrderRoutingOptimization", LpMinimize)

    # Create list of orders with needed details
    orders = df_OrderList[['Customer', 'Product ID', 'Unit quantity', 'Weight',
    ↪'orig_port_cd', 'dest_port_cd', 'Carrier']].values.tolist()

    # Create the decision variables
```

```

x = LpVariable.dicts("ship", [(order[0], order[1], warehouse) for order in orders
↪ for warehouse in wh_capacities.keys()], 0, None, cat='Continuous')

# Objective function: Minimize total cost (storage + freight)
objective_terms = []

HIGH_DEFAULT_COST = 1e6 # High but finite default cost

for order in orders:
    for warehouse in wh_capacities.keys():
        wh_cost = wh_costs.get(warehouse, HIGH_DEFAULT_COST) # Use
↪ HIGH_DEFAULT_COST if no cost found

        rate_query = df_FreightRates[
            (df_FreightRates['orig_port_cd'] == order[4]) &
            (df_FreightRates['dest_port_cd'] == order[5]) &
            (df_FreightRates['Carrier'] == order[6])
        ]

        if not rate_query.empty:
            rate = rate_query['rate'].values[0]
        else:
            rate = HIGH_DEFAULT_COST

        if not pd.isna(wh_cost) and not pd.isna(rate):
            objective_terms.append(x[(order[0], order[1], warehouse)] *
↪ (wh_cost + rate))

prob += lpSum(objective_terms)

# Constraints
# 1. Warehouse Capacities
for warehouse in wh_capacities.keys():
    prob += lpSum([x[(order[0], order[1], warehouse)] for order in orders])
↪ <= wh_capacities[warehouse]

# 2. Product-Warehouse Compatibility
for order in orders:
    for warehouse in wh_capacities.keys():
        if (warehouse, order[1]) not in products_per_warehouse:
            prob += x[(order[0], order[1], warehouse)] == 0

# 3. Customer-Warehouse Restrictions
for order in orders:
    for warehouse in wh_capacities.keys():
        if (warehouse, order[0]) not in customer_warehouse_restrictions:
            prob += x[(order[0], order[1], warehouse)] == 0

```



```
'PLANT17', 60306.0), ('V55555_2', '1664051', 'PLANT17', 60306.0), ('V55555_2',
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469247.0), ('V55555555_5', '1684862', 'PLANT04', 469247.0), ('V55555555_5',
'1684862', 'PLANT04', 469247.0), ('V55555555_5', '1684862', 'PLANT04',
469247.0), ('V55555555_5', '1684862', 'PLANT04', 469247.0), ('V55555555_5',
'1684862', 'PLANT04', 469247.0)]}
```

13 5.Scenario Analysis:

```
[185]: import copy

# Define base parameters
base_wh_capacities = df_WhCapacities.set_index('Plant ID')['Daily Capacity'].
    to_dict()
base_wh_costs = df_WhCosts.set_index('Plant ID')['Cost/unit'].to_dict()
base_products_per_warehouse = {(row['Plant Code'], row['Product ID']): True for
    index, row in df_ProductsPerPlant.iterrows()}
base_customer_warehouse_restrictions = {(row['Plant Code'], row['Customers']):
    True for index, row in df_VmiCustomers.iterrows()}
```



```
[186]: # Scenario 1: Increase warehouse capacities by 20%
scenario_1_wh_capacities = {k: v * 1.2 for k, v in base_wh_capacities.items()}
scenario_1_results = run_optimization(scenario_1_wh_capacities, base_wh_costs,
    ↪df_FreightRates, df_OrderList, base_products_per_warehouse,
    ↪base_customer_warehouse_restrictions)

# Scenario 2: Decrease freight rates by 10%
scenario_2_FreightRates = df_FreightRates.copy()
scenario_2_FreightRates['rate'] *= 0.9
scenario_2_results = run_optimization(base_wh_capacities, base_wh_costs,
    ↪scenario_2_FreightRates, df_OrderList, base_products_per_warehouse,
    ↪base_customer_warehouse_restrictions)

# Scenario 3: Change product compatibility (add one more compatible
    ↪product-warehouse pair)
scenario_3_products_per_warehouse = copy.deepcopy(base_products_per_warehouse)
scenario_3_products_per_warehouse[('PLANT18', 'ProductC')] = True
scenario_3_results = run_optimization(base_wh_capacities, base_wh_costs,
    ↪df_FreightRates, df_OrderList, scenario_3_products_per_warehouse,
    ↪base_customer_warehouse_restrictions)

# Print results for comparison
print("Base Scenario Total Cost:", run_optimization(base_wh_capacities,
    ↪base_wh_costs, df_FreightRates, df_OrderList, base_products_per_warehouse,
    ↪base_customer_warehouse_restrictions)['total_cost'])
print("Scenario 1 Total Cost (20% increase in warehouse capacities):",
    ↪scenario_1_results['total_cost'])
print("Scenario 2 Total Cost (10% decrease in freight rates):",
    ↪scenario_2_results['total_cost'])
print("Scenario 3 Total Cost (additional product compatibility):",
    ↪scenario_3_results['total_cost'])
```

Base Scenario Total Cost: 1396895732949.3647

Scenario 1 Total Cost (20% increase in warehouse capacities): 1396895732946.175

Scenario 2 Total Cost (10% decrease in freight rates): 1396895679487.88

Scenario 3 Total Cost (additional product compatibility): 1396895732949.3647

```
[190]: # save the dataframes to csv for creating dashboard

df_OrderList.to_csv('OrderList.csv', index=False)
df_FreightRates.to_csv('FreightRates.csv', index=False)
df_PlantPorts.to_csv('PlantPorts.csv', index=False)
df_ProductsPerPlant.to_csv('ProductsPerPlant.csv', index=False)
df_VmiCustomers.to_csv('VmiCustomers.csv', index=False)
df_WhCapacities.to_csv('WhCapacities.csv', index=False)
df_WhCosts.to_csv('WhCosts.csv', index=False)
```

[]: