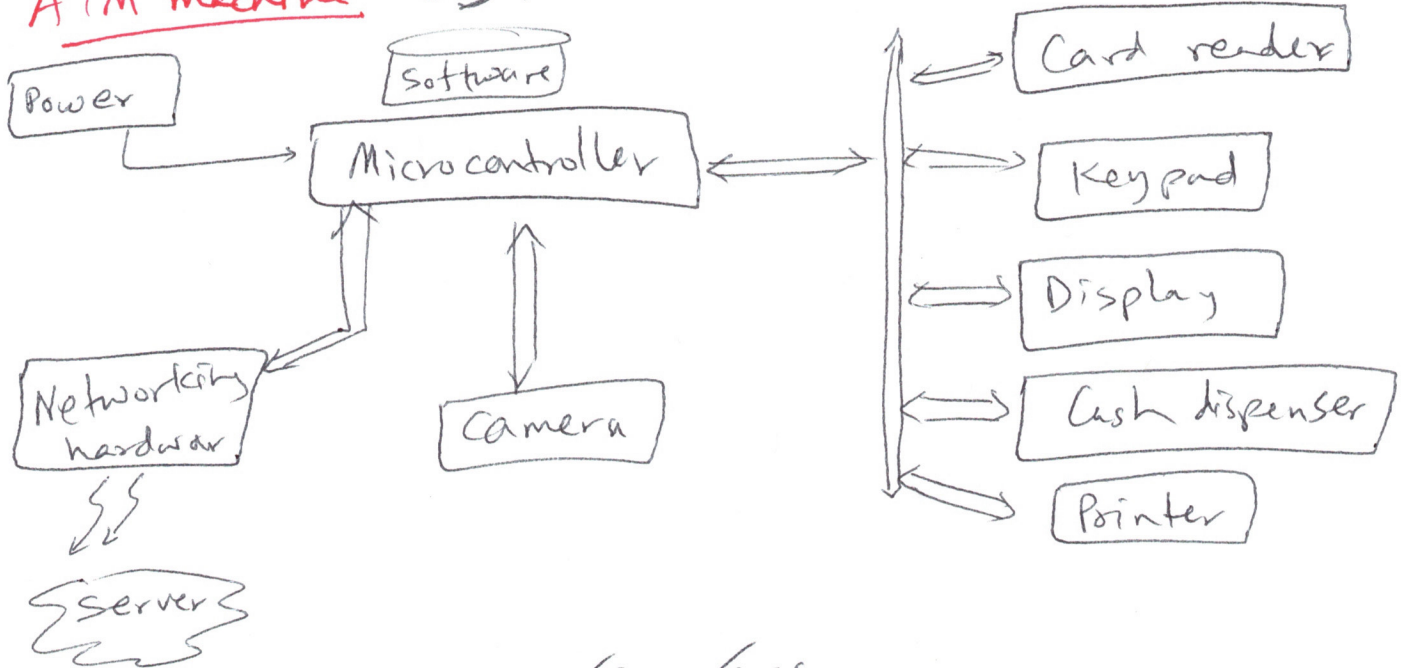


Topic 1 (Introduction)

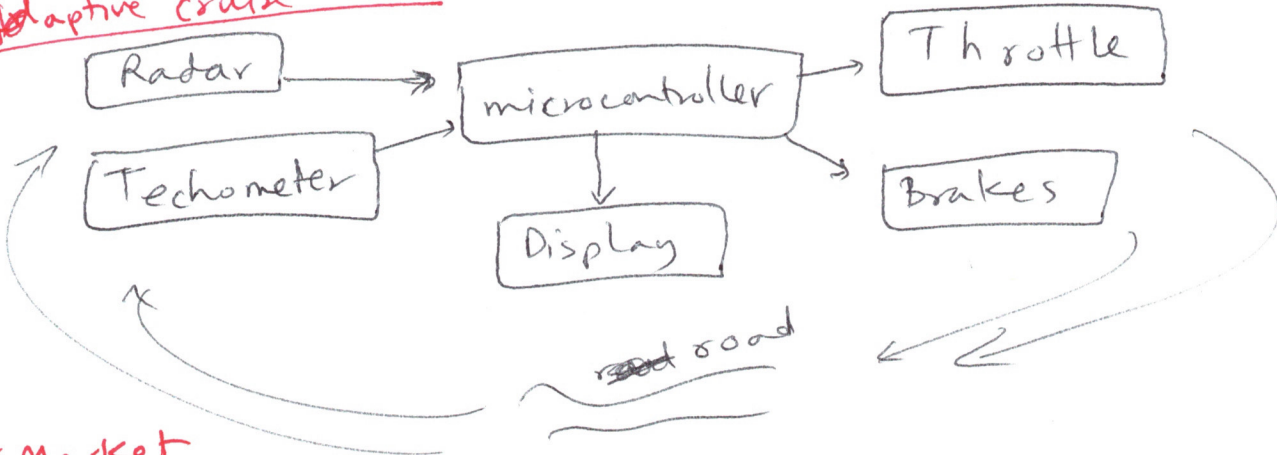
ATM machine

✓ES ✗CPS



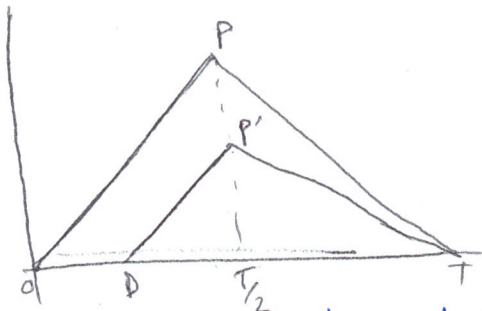
Adaptive cruise control

✓ES ✓CPS



ES Market

Delayed product



$$\frac{P}{T/2} = \frac{P'}{T/2 - D} \Rightarrow P' = \frac{2P}{T} \left(\frac{T}{2} - D \right)$$

Revenue for on-time product:

$$R = \frac{1}{2} * P * T = \frac{PT}{2}$$

Revenue for delayed product:

$$R' = \frac{1}{2} * \frac{2P}{T} \left(\frac{T}{2} - D \right) * (T - D) = \frac{P}{T} \left(\frac{T}{2} - D \right) (T - D)$$

% Revenue loss for delayed product:

$$\frac{R - R'}{R} = \frac{3TD - 2D^2}{T^2} = \frac{(3T - 2D)D}{T^2} * 100\%$$

Ex. 1.1

$T = 52$ months

$D = 4$ months

% Revenue loss = ?

$$\% \text{ Revenue loss} = \frac{3TD - 2D^2}{T^2} * 100\%$$

$$= \frac{3 * 52 * 4 - 2 * 4^2}{52^2} * 100\%$$

$$= \frac{624 - 32}{2704} * 100\%$$

$$\approx 0.22 * 100\% = 22\%$$

Ex. 1.2

$T = 4$ yrs 4 months

$D = 10$ months

% of revenue loss?

$$T = 48 + 4 = 52 \text{ month}$$

$$\% \text{ Rev. loss} = \frac{3 * 52 * 10 - 2 * 10^2}{52^2} * 100\%$$

$$= 50\%$$

$D_1 = 4$ month, $D_2 = 10$ months \rightarrow diff. = 6 months

R_1 loss = 22%, R_2 loss = 50% \rightarrow diff. = 28% loss

Ex. 1.3

$T =$ ~~4 years~~ 4 years

~~6 months~~

% Rev. loss = 25%

max. $D = ?$

$$T = 4 * 12 = 48 \text{ months}$$

$$\% \text{ Rev. loss} = 25\% = 0.25 = \frac{3TD - 2D^2}{T^2} = \frac{3 * 48 * D - 2D^2}{48^2}$$

$$\Rightarrow D^2 - 72D + 288 = 0$$

$$\Rightarrow D = 4.25 \text{ months}$$

in market

$$\frac{T-D}{T} = \frac{52-4}{52} * 100\%$$

$$= \frac{48}{52} * 100\%$$

$$= 92.3\%$$

$$\text{Not in market} = 7.7\%$$