1.) Back Savers - Product Mix

Management wants to know the number of each backpack model they should produce (in order to maximize profit).

Notes to self from assignment:

Backpack Models	Material Required (SqFt)	Labor Hours Required	Sales Fcst	Profit / Unit
Collegiate	3	0.75	1,000	\$32.00
Mini	2	0.66	1,200	\$24.00

a. Decision Variables:

 X_1 = Number of Collegiates to produce

 X_2 = Number of Minis to produce

b. Goal (Objective Function):

Maximize — $Z = 32x_1 + 24x_2$

c. Subject to the following Constraints:

Constraint Note	Constraint Formula
Materials Available	$3x_1 + 2x_2 \le 5,000$
Collegiate Sales Forecast	x ₁ <=1,000
Mini Sales Forecast	x ₂ <=1,200
Labor Hours Available	$0.75x_1 + 0.66x_2 \le 1,400$
Non-Negativity	$x_1 >= 0, x_2 >= 0$

d. Full Mathematical Formulation:

Maximize

$$Z = 32x_1 + 24x_2$$

Subject to

$$3x_1 + 2x_2 \le 5,000$$
,

$$x_1 \le 1,000$$
,

$$x_2 \le 1,200,$$

$$0.75x_1 + 0.66x_2 \le 1,400,$$

And

$$x_1 > = 0, x_2 > = 0$$

2.) Weigelt Corp - Product/Plant Mix

How many of each size should be produced by each plant in order to maximize profit?

Notes to self from assignment:

Size	Profit Per Unit	Size of Unit (SqFt)	Sales Fcst
L	\$420.00	20	900
М	\$360.00	15	1,200
S	\$300.00	12	750

Plant	Excess Capacity (units)	Available Storage In Each Plant (SqFt)
1	750	13,000
2	900	12,000
3	450	5,000

^{*}Management Requests that the plants use the same percentage of their remaining capacities to produce the new product

a. Define the decision variables:

	Size L	Size M	Size S
Plant 1	X ₁	X ₄	X ₇
Plant 2	X ₂	X ₅	x ₈
Plant 3	X ₃	x ₆	X ₉

- x_1 = Number of L units to produce at Plant 1
- x_2 = Number of L units to produce at Plant 2
- x_3 = Number of L units to produce at Plant 3
- x_4 = Number of M units to produce at Plant 1
- x_5 = Number of M units to produce at Plant 2
- x_6 = Number of M units to produce at Plant 3
- x_7 = Number of S units to produce at Plant 1
- x_8 = Number of S units to produce at Plant 2
- x_9 = Number of S units to produce at Plant 3

Notes to self:

Z = Profit

Obj Function:

Maximize —
$$Z = 420(x_1 + x_2 + x_3) + 360(x_4 + x_5 + x_6) + 300(x_7 + x_8 + x_9)$$

Constraints:

Constraint Notes	Constraint Formula
$x_1 + x_4 + x_7 \le 750$	Plant 1 production cap
$x_2 + x_5 + x_8 \le 900$	Plant 2 production cap
$x_3 + x_6 + x_9 \le 450$	Plant 3 production cap
$x_1 + x_2 + x_3 \le 900$	Large Sales fcst
$x_4 + x_5 + x_6 \le 1,200$	Medium sales fcst
$x_7 + x_8 + x_9 \le 750$	Small sales fcst
$20x_1 + 15x_4 + 12x_7 \le 13,000$	Plant 1 storage cap
$20x_2 + 15x_5 + 12x_8 \le 12,000$	Plant 2 storage cap
$20x_3 + 15x_6 + 12x_9 \le 5,000$	Plant 3 storage cap
$(x_1 + x_4 + x_7)/750 = (x_2 + x_5 + x_8)/900 = (x_3 + x_6 + x_9)/450$	Equal percentage excess capacity used
$x_1>=0, x_2>=0, x_3>=0, x_4>=0, x_5>=0, x_6>=0, x_7>=0, x_8>=0, x_9>=0$	Non-Negativity

^{*}Note → This assumes that the products produced at a certain plant should only be stored at that plant, and cannot be stored at other plants. No information was given on how storage should be treated.

b. Formulate a linear programming model for this problem

Maximize

$$Z = 420(x_1 + x_2 + x_3) + 360(x_4 + x_5 + x_6) + 300(x_7 + x_8 + x_9)$$

Subject to

$$x_1 + x_4 + x_7 \le 750$$
,
 $x_2 + x_5 + x_8 \le 900$,
 $x_3 + x_6 + x_9 \le 450$,
 $x_1 + x_2 + x_3 \le 900$,
 $x_4 + x_5 + x_6 \le 1,200$,
 $x_7 + x_8 + x_9 \le 750$,
 $20x_1 + 15x_4 + 12x_7 \le 13,000$,
 $20x_2 + 15x_5 + 12x_8 \le 12,000$,
 $20x_3 + 15x_6 + 12x_9 \le 5,000$,
 $(x_1 + x_4 + x_7)/750 = (x_2 + x_5 + x_8)/900 = (x_3 + x_6 + x_9)/450$,

And

$$x_1 >= 0$$
, $x_2 >= 0$, $x_3 >= 0$, $x_4 >= 0$, $x_5 >= 0$, $x_6 >= 0$, $x_7 >= 0$, $x_8 >= 0$, $x_9 >= 0$