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~~Berkkan Rengiber~~

Wild West produces two types of cowboy hats. A type 1 hat requires three times as much labor time as a type 2. If the all available labor time is dedicated to Type 2 alone, the company can produce a total of 450 Type 2 hats a day. The market limits for the two types are 100 and 300 hats per day for Type 1 and Type 2, respectively. The profit is \$8 per Type 1 hat and \$5 per Type 2 hat. Determine the number of hats of each type that would maximize profit.

- i. Build the mathematical model of the problem.
- ii. Solve the problem graphically.

	<u>Labor</u>	<u>Limit</u>	<u>Profit</u>
Type 1	3+	100	\$8
Type 2	+	300	\$5

450+ max labour

### Decision Variables

- $x_1$  : Number of Type 1 hat  
 $x_2$  : Number of Type 2 hat

### Objective Function

To maximize profit

$$z = 8x_1 + 5x_2$$

## S.t. Constraints

$$3x_1 + x_2 \leq 450$$

$$x_1 \leq 100$$

$$x_2 \leq 300$$

$$x_1, x_2 \in \mathbb{N}$$

$$x_1, x_2 \geq 0$$

## Graphically

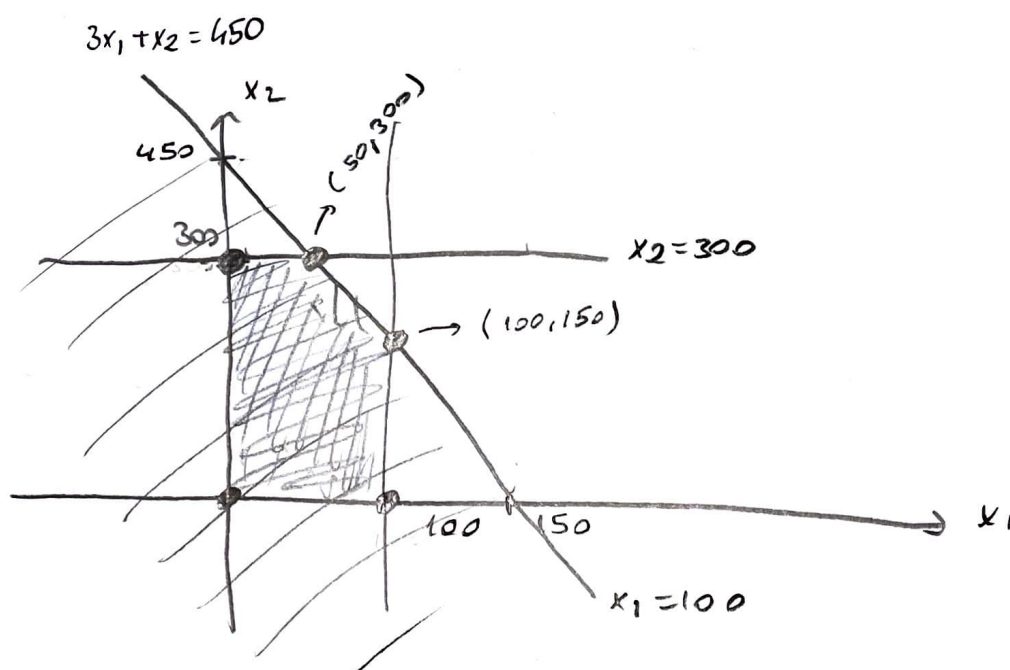
$$3x_1 + x_2 = 450$$

$$x_1 = 0 \Rightarrow x_2 = 450$$

$$x_2 = 0 \Rightarrow x_1 = 150$$

$$x_1 = 100$$

$$x_2 = 300$$



### Solution 1

$$x_1 = 0, x_2 = 0$$

$$z = 0 + 0 = 0 \text{ \$ feasible solution}$$

### Solution 2

$$x_1 = 0, x_2 = 300$$

$$z = 0 + 1500 = 1500 \text{ \$ feasible solution}$$

### Solution 3

$$x_1 = 100, x_2 = 0$$

$$z = 800 + 0 = 800 \text{ \$ feasible solution}$$

### Solution 4

$$x_1 = 100, x_2 = 150$$

$$z = 800 + 750 = 1550 \text{ \$ feasible solution}$$

### Solution 5

$$x_1 = 50, x_2 = 300$$

$$z = 400 + 1500 = 1900 \text{ \$ optimal solution}$$

To maximize profit it should produce 50 type 1, 300 type 2 and so its profit will be 1900 \$.