**Cloth Manufacturing Company**

A clothing company faces the following demands during the next four months: month 1, 600 units; month 2, 800 units; month 3, 1200 units; month 4, 900 units. The unit production costs during each month are as follows: month 1, $80; month 2, $100; month 3, $105; month 4, $90. A holding cost of $20 per unit is assessed against each month’s ending inventory. It is estimated that each unit on hand at the end of month 4 can be sold for $60. Assuming there is no beginning inventory,

1. Determine how to minimize the net cost incurred in meeting the demands for the next four months.
2. Use Solver Table to see what happens to the decision variables and the total cost when the initial inventory varies from 0 to 1000 in 100-unit increments. How much lower would the total cost be if the company started with 100 units in inventory, rather than none? Would this same cost decrease occur for every 100-unit increase in initial inventory?