Department of Mathematical Sciences
CARNEGIE MELLON UNIVERSITY

OPERATIONS RESEARCH II 21-393

Homework 4: Due Wednesday October 29.

1. Find the optimal ordering strategy for the following inventory system. If you order an amount Q, it costs $AQ^{1/2}$ and the inventory cost is I per unit per period. The demand is λ units per period and no stock-outs are allowed.

2. 16.6-5 of book.

3. 19.5-7 of book.