

**Figure 7.1 Hierarchy of decisions for locations**

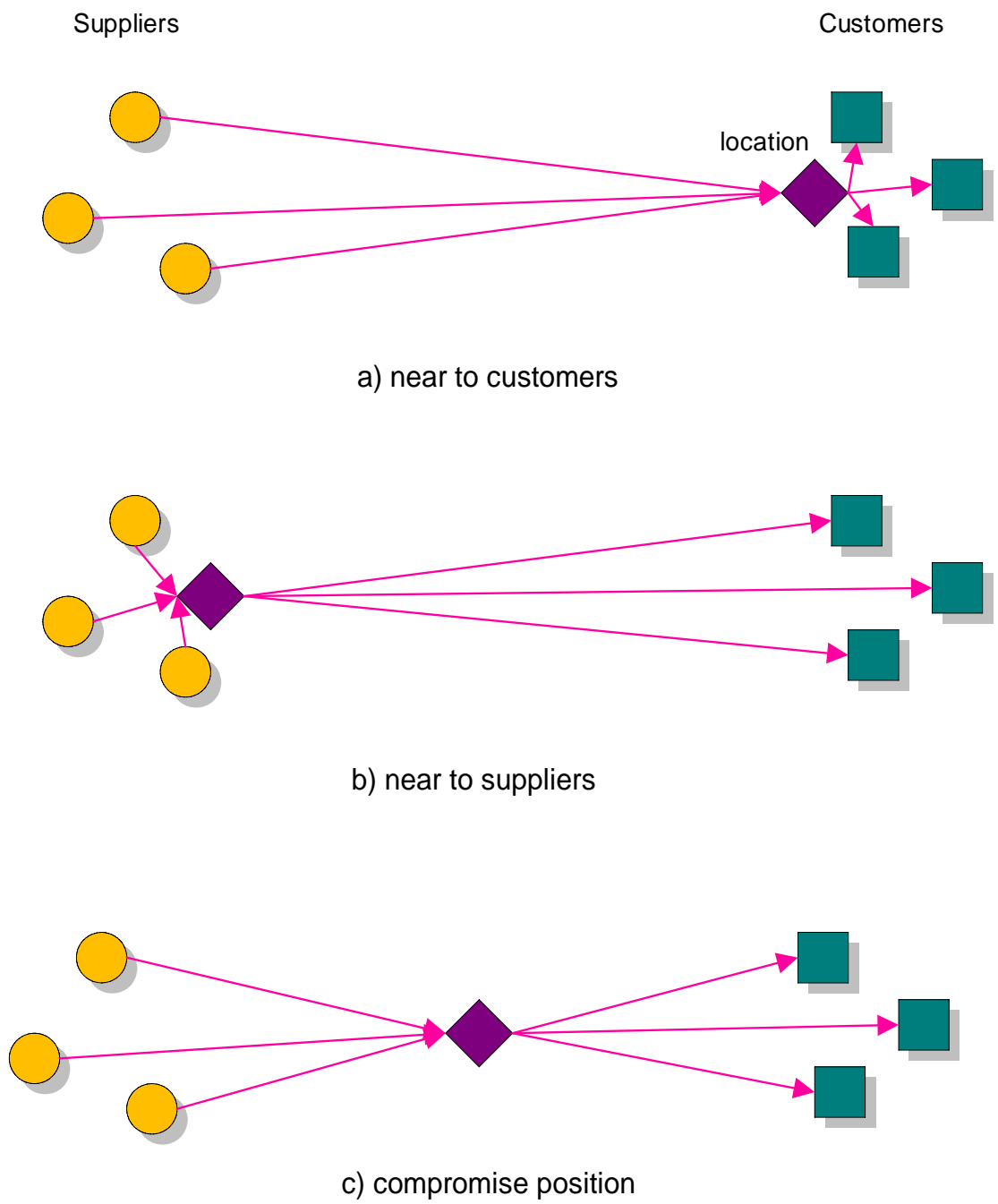


Figure 7.2 Alternative policies for location

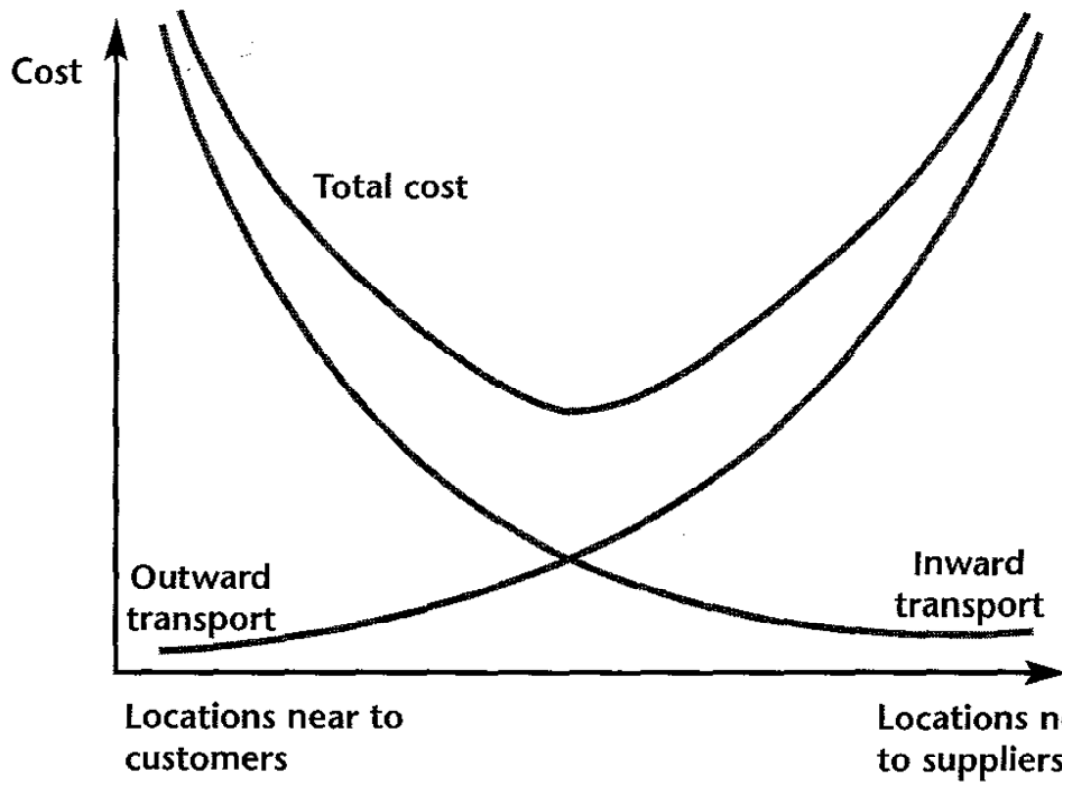
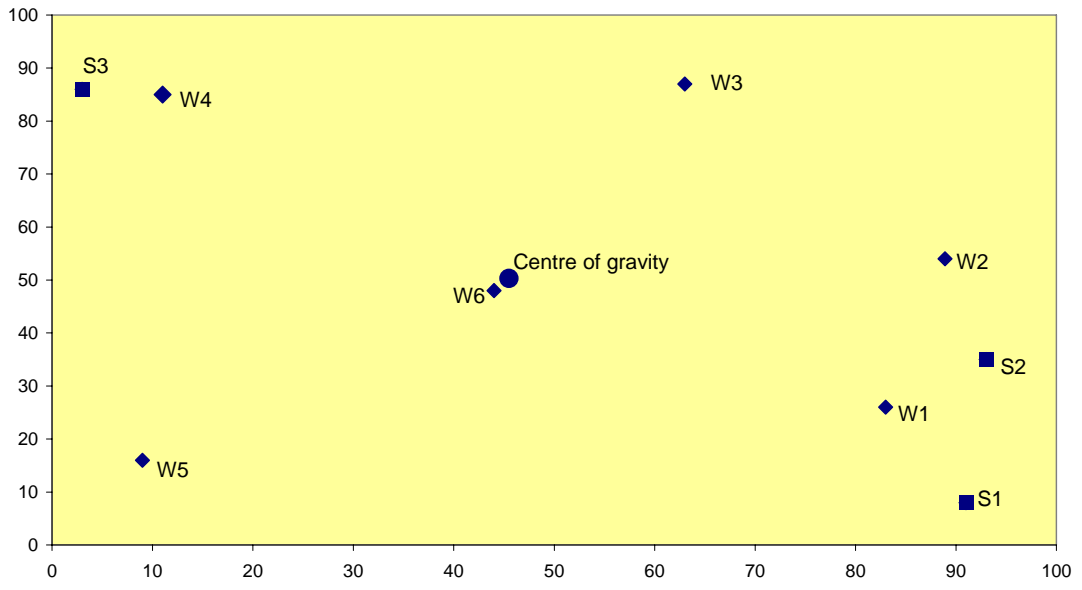


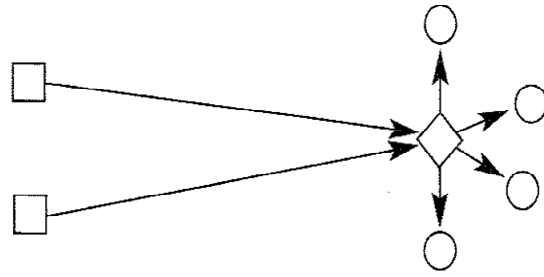
Figure 7.3 Variation in transport cost with location

Figure 7.6 Locations for van Hendrick Industries



	A	B	C	D	E	F	G
1	<b>Centre of gravity</b>						
2							
3							
4		<b>X</b>	<b>Y</b>	<b>Weight</b>	<b>X*Weight</b>	<b>Y*Weight</b>	
5	<b>Supplier</b>						
6	S1	91	8	40	3640	320	
7	S2	93	35	60	5580	2100	
8	S3	3	86	80	240	6880	
9							
10	<b>Warehouse</b>						
11	W1	83	26	24	1992	624	
12	W2	89	54	16	1424	864	
13	W3	63	87	22	1386	1914	
14	W4	11	85	38	418	3230	
15	W5	9	16	52	468	832	
16	W6	44	48	28	1232	1344	
17							
18	<b>Totals</b>			<b>360</b>	<b>16380</b>	<b>18108</b>	
19							
20	<b>Centre of</b>			<b>X =</b>	<b>45.5</b>		
21	<b>Gravity</b>			<b>Y =</b>	<b>50.3</b>		
22							

**(a) Few facilities give low cost for inward transport, but high cost for outward transport**



**(b) More facilities give high cost for inward transport, but low cost for outward transport**

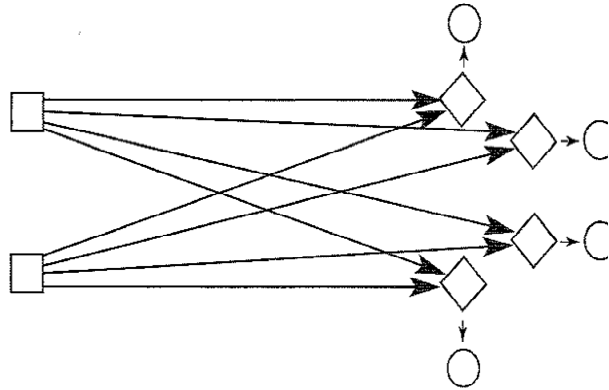


Figure 7.9 Variation in transport cost with the number of facilities