**Question One:**

|  |  |  |
| --- | --- | --- |
| **Month** | **Production of Units** |  **Production Days** |
| **Jan** |  **100** |  **22** |
| **Feb** |  **70** |  **18** |
| **Mar** |  **150** |  **20** |

Cost of producing one unit on regular basis is = 5 USD

Subcontracting one unit is = 8 USD

and the inventory cost is = 0.5 for *1 unit per Month*

**Answer the following:**

A. Using “Plan 1”

You produce the average and play with the inventory “ see slide 24 – 25 ”

B. Using “plan 2”

Produce minimum

Remaining subcontracting “ see slide 28 “

**Question two:**

How the automobile industry is preparing their aggregate plan

Write an example of excessing company