

Baron falcon dart, llc (case study)

Engineering



**ASSIGN
BUSTER**

Production Engineers Ralph W. Blackberries, Director RE: Master scheduling
August Information This is a summary of what Falcon King's production
schedule looked like in the month of August. The company is going out of
business at the end of October.

Production sequence

Begin inventory

Production

Demand

End

inventory

A dart

1, 200

0

1, 200

0

Third

B dart

0

600

650

0

Second

BLUE

0

1, 000

1, 000

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0

First

GREEN (was set up at beginning of month))

0

400

240

160

WHITE

0

0

0

0

Accepted orders

The company has accepted the following orders for the months of September and October.

Sept.

Oct.

A

100

1, 000

B

400

600

BLUE

200

1000

GREEN

100

1250

WHITE

200

300

Assignments

1) Develop a master schedule for the months of September and October. The objective is to maximize profits over these months. According to company policy, there must be zero inventories at the end of October as the company will have no room to store merchandise.

2) Provide recommendations from a LEAN PERSPECTIVE

A summary of setup, sales price, material cost, and estimated holding costs is provided in the table below.

Setup time, sales price, and cost info

Product

Set up time

Production rate

Sales price

Material cost

Shortage policy

Holding cost

A

40 hr

5 darts/hr

\$8/dart

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\$5/dart

Lost sale

(no backlogging)

\$100 flat fee if EndInv