

COMP406, Simulation and Modeling
HW-5 Due Dec. 7 2014

1. For the Birthday Cakes problem, Perform a manual simulation of ten days. Try a production quantity of 1,2,3,4,5. And suggest a production quantity to maximize the profit.
2. For the Birthday Cakes problem, Assume that we wished to generate a goodwill cost of \$2 for each unsatisfied daily order. (The customer is unsatisfied if he/she comes to order while the store ran out of the cakes, i.e. $d > x$)

Show the profit model for this problem when the goodwill cost is considered. Explain in details the conceptual and the specification models