Chapter Outline

# Chapter 16: Inventory Control Models

***See pages: 558-598.***

Operations Profile: Walgreens Fights to Stay Profitable Through Inventory Management

 Introduction

 How Much to Order: Continuous Review Systems

 Basic Economic Order Quantity (EOQ) Model

 Economic Production Quantity (EPQ) Model

 EOQ Model with Quantity Discounts

 When to Order: Reorder Point for Continuous Review Systems (EOQ Model)

Operations Management: Lessons Learned: Inventory Mismanagement Helps Sink Target Canada

 Reorder Point Model for Constant Demand and Constant Lead Time

 Reorder Point Model for Variable Demand and Constant Lead Time

 Reorder Point Model for Constant Demand and Variable Lead Time

 Reorder Point Model for Variable Demand and Variable Lead Time

 How Much to Order: Periodic Review Systems

 How Much to Order: Single-Period Inventory Systems

 Chapter Summary

 Key Terms

 Discussion and Review Questions

 Solved Problems

 Problems

 Case Study 16.1: When Your Customers Steer You Wrong: Wal-Mart’s Project Impact Disaster

 Video case

 Critical Thinking Exercises