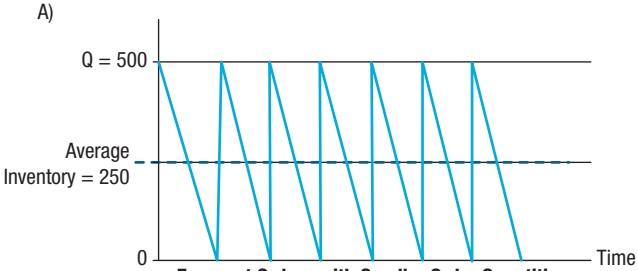
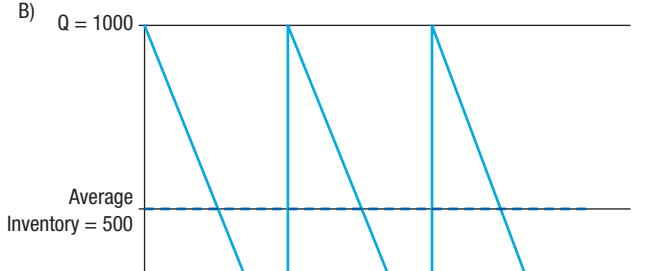
FIGURES 16.2: Inverse Relationship Between the Average Inventory Level and Number of Orders



Frequent Orders with Smaller Order Quantities Lead to Lower Average Inventory Levels



Fewer Orders with Larger Order Quantities Lead to Higher Average Inventory Levels