

FIGURE B.7: Transportation Matrix for the Evaluation of the Denver–Chicago Route for Orion Electronics Using the Stepping Stone Method

TO FROM	LOS ANGELES (L)	CLEVELAND (CL)	CHICAGO (C)	PRODUCTION CAPACITY
Denver (D)	\$4	\$3	\$2	1,000
Milwaukee (M)	\$7	\$3	\$2	3,000
Columbia (CO)	\$8	\$6	\$4	3,000
Demand Requirement	3,000	2,000	2,000	7,000

Diagram illustrating the Stepping Stone Method for evaluating the Denver–Chicago route. The closed loop path is shown with the following adjustments:

- Denver (D): +1,000
- Milwaukee (M): -1,000
- Columbia (CO): +1,000
- Chicago (C): -2,000

The Demand Requirement row shows the total requirements for each destination: 3,000 for Los Angeles, 2,000 for Cleveland, 2,000 for Chicago, and a total of 7,000.