

**TABLE 18.36:** Calculating Lot Size Using PPB Over Periods 6 to 8 of the Planning Horizon

Periods Combined	Lot Size (cumulative net requirements)	Setup Cost (in U.S. dollars)	Part-Periods	Inventory Carrying Cost (in U.S. dollars)
6	70	\$100	0	$0 \times \$2 = 0$
6, 7	110	\$100	$40 \times 1$	$40 \times \$2 = \$80$
6, 7, 8	140	\$100	$40 \times 1 + 30 \times 2$	$100 \times \$2 = \$200$