

A Replenishment Policy for Deteriorating Items with Linear Trend Demand and Shortages When Payment

Chung-Yuan Dye

Shu-Te University

R.O.C.

Horng-Jinh Chang

Tamkang University

R.O.C.

Abstract

An economic order quantity system consisting of time-varying demand and deteriorating items with conditions of permissible delay in payments is discussed in the present study. The replenishment number and fraction of each period in which there is no shortage as a decision variable under various cases of credit period in the inventory model is considered. Numerical examples are presented to demonstrate the proposed method.

Keywords: Inventory, Time-Varying Demand, Deteriorating Items, Permissible Delay in Payments.