Chapter XII

A Tutorial Case Study: Pasta Company

This case study is intended as a tutorial. The case solution is given up to the end of the business process redesign stage. The SAP implementation (quite similar to that described for EA Cakes Ltd.) is left to the readers of the book (or to the students, if the book is used in education). The main lesson of this case is the following: though the company does not look like EA Cakes Ltd., and the goals of the production planning systems are different, nevertheless, analogous SAP solutions can be used to give computer support to the production planning staff.

Case Description

Tasty Pasta is a company that produces a range of products for wholesale, retail and restaurants. While the previous Cases one and two relate to more complex
production and organisational situations, the Tasty Pasta situation has only one production line and seven products. The case, therefore, provides a good example from which to calculate fully developed solutions to production planning problems.

The marketing policy is that all orders are accepted. For permanent customers the shipments are performed once or twice a week. For casual customers the shipment is performed within 24 hours, if necessary. Otherwise, the shipment is performed within a week, and the date of shipment is agreed with the customer. If for some reason the company cannot ship the order in the agreed time, it offers a 2% discount per day on the part of the order volume, which has been shipped after the due date.

**Products and Prices**

The company produces the following products shown in Table 12.1.

**Capacity**

The production facilities of the company are detailed as follows:

- Production line, productivity 1000 kg/hour (PL)
- Buffer storage, 1600 kg (BS)