

A newspaper publisher uses roughly 850 feet of baling wire each day to secure bundles of newspapers while they are being distributed to carriers. The paper is published Monday through Saturday. Lead time is six workdays. What is the appropriate reorder point quantity, given that the company desires a service level of 95 percent, if that stockout risk for various levels of safety stock is as follows: 1,500 feet, .10; 2,000 feet, .05; 2,100 feet, .02; and 2,400 feet, .01?

Appropriate reorder point ft