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APPENDIX

The formula for computing experimental points is:

$$E^* = \frac{(F - C \cdot X)}{(y+1)^2}$$

where

E^* = Experimental points earned by you,

Y = The number of inspection failures (the number of plants for which the number of confirmations selected by you failed to detect 90% of defective products),

F = Free points = \$4,000,

C = \$1 per inspection, and

X = Total number of inspections chosen by you for all four plants.

TABLE OF EXPERIMENTAL POINTS

X	$Y=0$	$Y=1$	$Y=2$	$Y=3$	$Y=4$
200	3,800	950	422	238	152
400	3,600	900	400	225	144
600	3,400	850	378	213	136
800	3,200	800	356	200	128
1,000	3,000	750	333	188	120
1,200	2,800	700	311	175	112
1,400	2,600	650	289	163	104
1,600	2,400	600	267	150	96
1,800	2,200	550	244	138	88
2,000	2,000	500	222	125	80
2,200	1,800	450	200	113	72
2,400	1,600	400	178	100	64
2,600	1,400	350	156	88	56
2,800	1,200	300	133	75	48
3,000	1,000	250	111	63	40
3,200	800	200	89	50	32
3,400	600	150	67	38	24
3,600	400	100	44	25	16
3,800	200	50	22	13	8
4,000	0	0	0	0	0

Since the above table is only for informational purposes, you need not restrict your choices to the values of X shown above. Please review the table carefully. For example, if you choose a total of 200 inspections for the 4 plants, this will almost certainly result in 4 inspection failures. Also, you may choose 3,800 inspections and this will almost certainly result in 4 successful inspections, but the costs will be so high, you will almost certainly end up with only 200 points! Make sure you refer back to this table when making your choice!

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