BUYING DECISION FOR PAINTED SHEET METAL

Decision Context: Your firm needs to consider vendors for awarding annual purchase agreements. The contract to supply the annual requirement of painted sheet metal may be awarded to one of several vendors described below.

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| --- | --- | --- | --- | --- |
| **L \_\_\_\_ pts.** |  | **T \_\_\_\_ pts.** |  | **P \_\_\_\_ pts.** |
| Quality of Paint Work\*: 92% |  | Quality of Paint Work\*: 95% |  | Quality of Paint Work\*: 99% |
| Lead Time per Order: 8 weeks |  | Lead Time per Order: 8 weeks |  | Lead Time per Order: 8 weeks |
| In-House Vendor Service Rating: A+ |  | In-House Vendor Service Rating: A |  | In-House Vendor Service Rating: B |
| Price per piece: $25 |  | Price per piece: $20 |  | Price per piece: $14 |
|  |  |  |  |  |
| **F \_\_\_\_ pts.** |  | **M \_\_\_\_ pts.** |  | **S \_\_\_\_ pts.** |
| Quality of Paint Work\*: 92% |  | Quality of Paint Work\*: 95% |  | Quality of Paint Work\*: 99% |
| Lead Time per Order: 6 weeks |  | Lead Time per Order: 6 weeks |  | Lead Time per Order: 6 weeks |
| In-House Vendor Service Rating: A |  | In-House Vendor Service Rating: B |  | In-House Vendor Service Rating: A+ |
| Price per piece: $14 |  | Price per piece: $25 |  | Price per piece: $20 |
|  |  |  |  |  |
| **W \_\_\_\_ pts.** |  | **G \_\_\_\_ pts.** |  | **B \_\_\_\_ pts.** |
| Quality of Paint Work\*: 92% |  | Quality of Paint Work\*: 95% |  | Quality of Paint Work\*: 99% |
| Lead Time per Order: 3 weeks |  | Lead Time per Order: 3 weeks |  | Lead Time per Order: 3 weeks |
| In-House Vendor Service Rating: B |  | In-House Vendor Service Rating: A+ |  | In-House Vendor Service Rating: A |
| Price per piece: $20 |  | Price per piece: $14 |  | Price per piece: $25 |

\* Percentage of pieces usable per truckload.