

Progress in Linear and Integer Programming and Emergence of Constraint Programming

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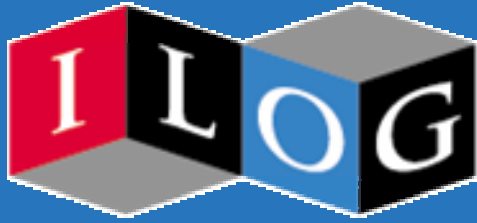
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ILOG Direct

Outline

- ❑ **Mathematical Programming**
 - ❑ Improvements in Performance
- ❑ **Constraint Programming**
 - ❑ A Quick Tutorial
- ❑ **Constraint Programming Successes**



Mathematical Programming

Some material courtesy of Bob Bixby

Mathematical Programs

Linear Programming

Minimize $c^T x$

Objective
Function

Subject to $Ax = b$

Constraints

$l \leq x \leq u$

Lower
Bounds

Upper
Bounds

Decision
Variables

Linear Programming

$$\begin{aligned} &\text{Minimize } \mathbf{c}^T \mathbf{x} \\ &\text{Subject to } \mathbf{Ax} = \mathbf{b} \quad (\text{LP}) \\ &\quad \quad \quad \mathbf{l} \leq \mathbf{x} \leq \mathbf{u} \end{aligned}$$

Maximize

$$\mathbf{x}_1 + 2 \mathbf{x}_2 + 3 \mathbf{x}_3$$

Subject To

$$- \mathbf{x}_1 + \mathbf{x}_2 + \mathbf{x}_3 \leq 20$$

$$\mathbf{x}_1 - 3 \mathbf{x}_2 + \mathbf{x}_3 \leq 30$$

$$0 \leq \mathbf{x}_1 \leq 40$$

$$\mathbf{x}_2, \mathbf{x}_3 \geq 0$$

Linear Programming

□ George Dantzig, 1947

- Introduces LP and recognized it as more than a conceptual tool: Computing answer important.
- Invented “primal” simplex algorithm.
- First LP solved: Laderman, 9 cons., 77 vars., 120 MAN-DAYS.

□ What is the single most important event in LP since Dantzig?

- We have (since ~1990) 3 algorithms to solve LPs
 - Primal Simplex Algorithm (Dantzig, 1947)
 - Dual Simplex Algorithm (Lemke, 1954)
 - Barrier Algorithm (Karmarkar, 1984 and others)

Linear Programming

PDS Models

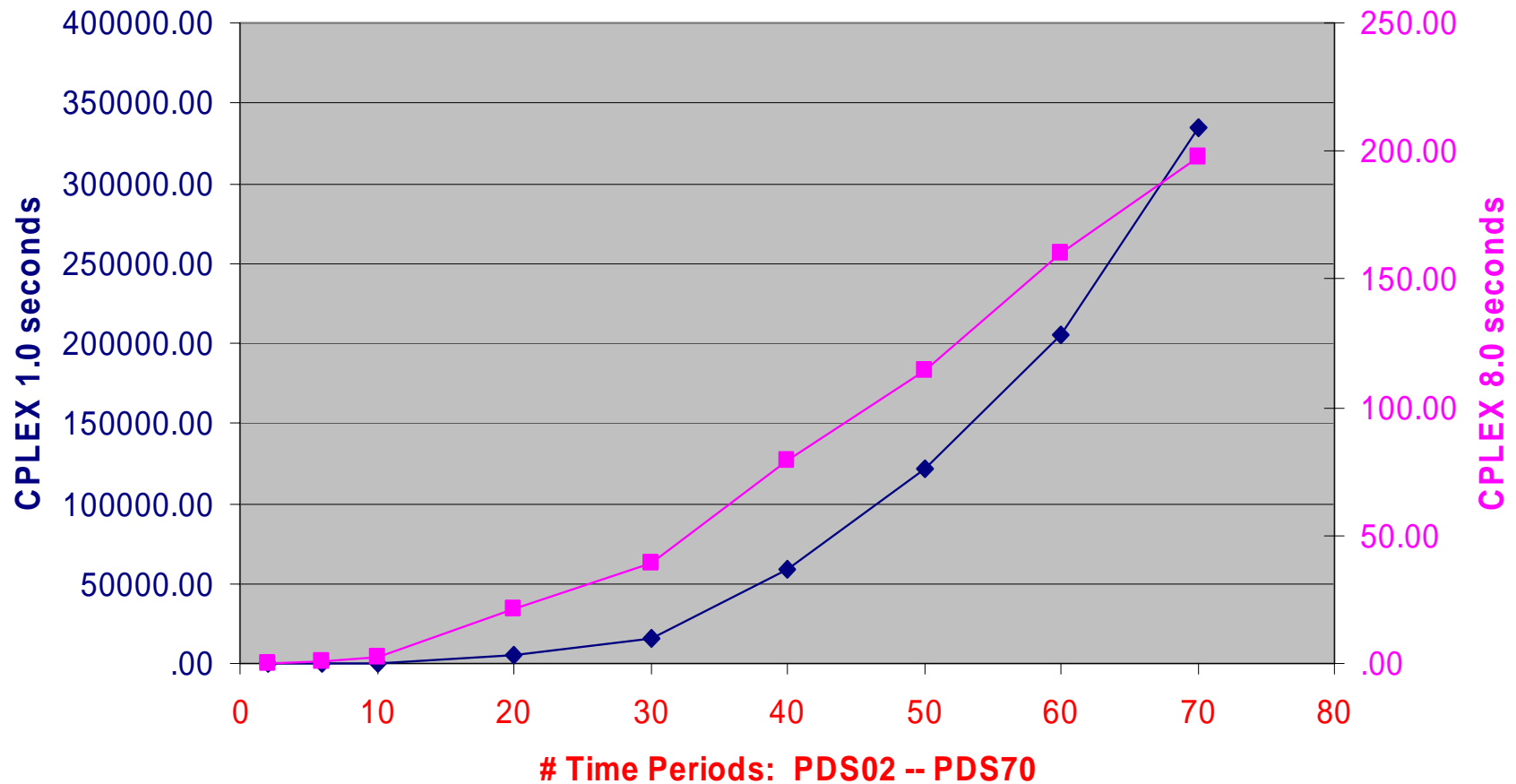
“Patient Distribution System”: Carolan, Hill, Kennington, Niemi, Wichmann, *An empirical evaluation of the KORBX algorithms for military airlift applications*, Operations Research 38 (1990), pp. 240-248

MODEL	ROWS	CPLEX1.0	CPLEX5.0	CPLEX8.0	SPEEDUP
		1988	1997	2002	1.0→8.0
<i>pds02</i>	2953	0.4	0.1	0.1	4.0
<i>pds06</i>	9881	26.4	2.4	0.9	29.3
<i>pds10</i>	16558	208.9	13.0	2.6	80.3
<i>pds20</i>	33874	5268.8	232.6	20.9	247.3
<i>pds30</i>	49944	15891.9	1154.9	39.1	406.4
<i>pds40</i>	66844	58920.3	2816.8	79.3	743.0
<i>pds50</i>	83060	122195.9	8510.9	114.6	1066.3
<i>pds60</i>	99431	205798.3	7442.6	160.5	1282.2
<i>pds70</i>	114944	335292.1	21120.4	197.8	1695.1
		Primal Simplex	Dual Simplex	Dual Simplex	



Linear Programming

Not just faster -- Growth with size:
Quadratic *then* & Linear *now*!



BIG TEST: The testing methodology

- ❑ **Not possible for one test to cover 10+ years:
Combined several tests.**
- ❑ **The biggest single test:**
 - ❑ Assembled 680 real LPs (up to 7 million consts.)
 - ❑ Test runs: Using a time limit (4 days per LP), two chosen methods would be compared as follows:
 - Run method 1: Generate 680 solve times
 - Run method 2: Generate 680 solve times
 - Compute 680 ratios and form GEOMETRIC MEAN (not arithmetic mean!)

The same methodology was applied throughout.

Progress: 1988 – Present

- ❑ Algorithms
 - ❑ Best simplex **960x**
 - ❑ Best simplex + barrier **2360x**
- ❑ Machines
 - ❑ Simplex algorithms **800x**
 - ❑ Barrier algorithms **13000x**

Algorithm comparison: Extracted from the previous results ...

- ❑ Dual simplex vs. primal: Dual 2x faster
- ❑ Best simplex vs. barrier: About even
- ❑ Best of three vs. primal: Best 7.5x faster

Mixed Integer Programming

$$\begin{aligned} &\text{Minimize } c^T x \\ &\text{Subject to } Ax = b \quad (\text{MIP}) \\ &\quad \quad \quad l \leq x \leq u \end{aligned}$$

Some x are integer

$$\begin{aligned} &\text{Maximize } x_1 + 2x_2 + 3x_3 + x_4 \\ &\text{Subject To} \\ &\quad -x_1 + x_2 + x_3 + 10x_4 \leq 20 \\ &\quad \quad x_1 - 3x_2 + x_3 \leq 30 \\ &\quad \quad \quad x_2 - 3.5x_4 = 0 \end{aligned}$$

$$0 \leq x_1 \leq 40 \quad x_2, x_3 \geq 0$$

$$2 \leq x_4 \leq 3$$

$$x_4 \text{ integer}$$



Computational History: 1950 –1998

- ❑ **1954 Dantzig, Fulkerson, S. Johnson: 42 city TSP**
 - ❑ Solved to optimality using cutting planes and LP
- ❑ **1957 Gomory**
 - ❑ Cutting plane algorithm: A complete solution
- ❑ **1960 Land, Doig, 1965 Dakin**
 - ❑ Branch-and-bound (B&B)
- ❑ **1971 MPSX/370, Benichou et al.**
- ❑ **1972 UMPIRE, Forrest, Hirst, Tomlin (Beale)**
- ❑ **1972 – 1998 Good B&B remained the state-of-the-art in commercial codes, in spite of**
 - ❑ 1973 Padberg
 - ❑ 1974 Balas (disjunctive programming)
 - ❑ 1983 Crowder, Johnson, Padberg: PIPX, pure 0/1 MIP
 - ❑ 1987 Van Roy and Wolsey: MPSARX, mixed 0/1 MIP
 - ❑ Grötschel, Padberg, Rinaldi ...TSP (120, 666, 2392 city models solved)

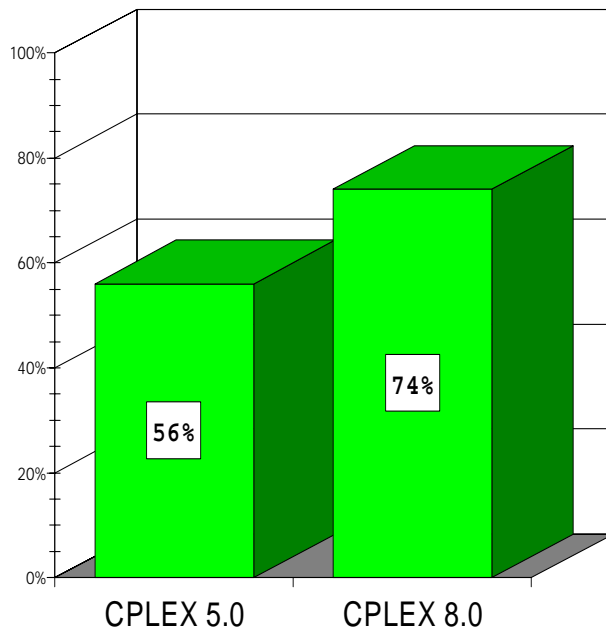
1998... A new generation of MIP codes

- ❑ **Linear programming**
 - ❑ Stable, robust dual simplex
- ❑ **Variable/node selection**
 - ❑ Influenced by traveling salesman problem
- ❑ **Primal heuristics**
 - ❑ 8 different tried at root
 - ❑ Retried based upon success
- ❑ **Node presolve**
 - ❑ Fast, incremental bound strengthening (very similar to Constraint Programming)
- ❑ **Presolve – numerous small ideas**
 - ❑ Probing in constraints:
 - ❑ $\sum x_j \leq (\sum u_j) y, y = 0/1$
 - ❑ $\rightarrow x_j \leq u_j y$ (for all j)
- ❑ **Cutting planes**
 - ❑ **Gomory**, knapsack covers, flow covers, mix-integer rounding, cliques, GUB covers, implied bounds, path cuts, disjunctive cuts
 - ❑ Various extensions
 - Aggregation

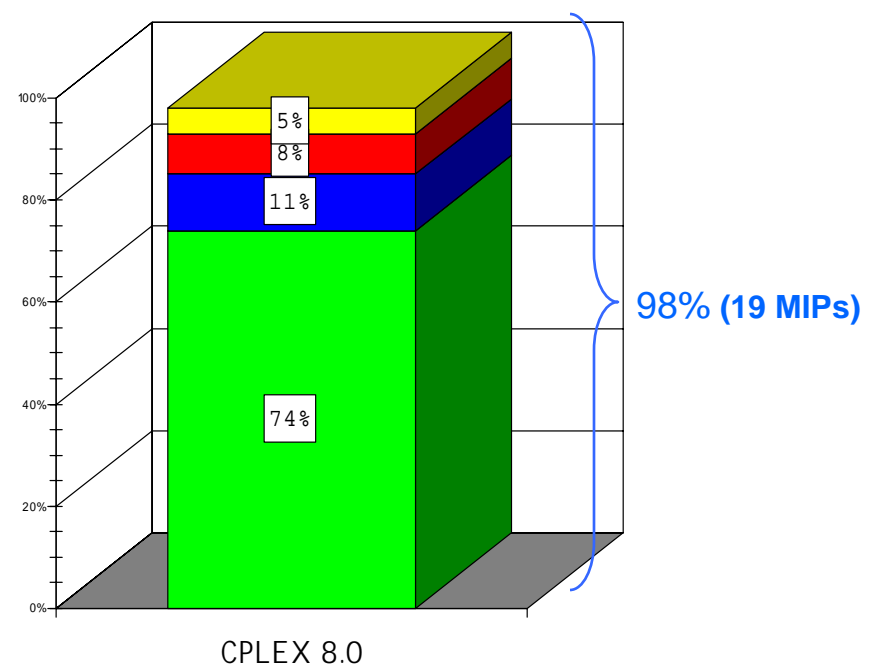
Mixed Integer Programming

Computational Results I: 964 models (30 hour time limit)

Solving to Optimality



Finding Feasible Solutions



- Setting: "MIP emphasis feasibility"
- Integer Solution with > 10% Gap
- Integer Solution with < 10% Gap
- Solved to provable optimality



Computational Results II: 651 models (all solvable to optimality)

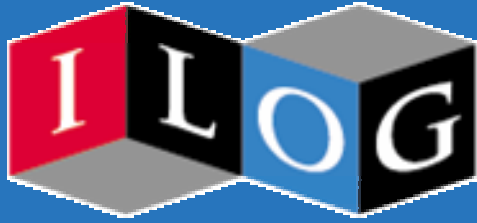
- ❑ Ran for 30 hours using defaults

- ❑ Relative speedups:

- ❑ All models (651): **12x**
- ❑ CPLEX 5.0 > 1 second (447): **41x**
- ❑ CPLEX 5.0 > 10 seconds (362): **87x**
- ❑ CPLEX 5.0 > 100 seconds (281): **171x**

Summary of Progress

- ❑ **Through a combination of advances in algorithms and computing machines, combined with developments in data availability and modern modeling languages, what is possible today could only have been dreamed of even 10 years ago.**
- ❑ **The result is that whole new application domains have been enabled**
 - ❑ Larger, more accurate models and multiple scenarios
 - ❑ Tactical and day-of-operations are possible, not just planning
 - ❑ Disparate components of the extended enterprise can now be “optimized” in concert.



Constraint Programming

Problem Definition

- ❑ Minimize (or maximize) an *Objective Function*
- ❑ Subject to *Constraints*
- ❑ Over a set of values of *Decision Variables*

- ❑ Usual Requirements
 - ❑ Objective function and constraints have closed mathematical forms (linear, quadratic, nonlinear, etc.)
 - ❑ Decision variables are real or integer-valued
 - Each variable takes values over an interval

Problem Types

- ❑ Linear Program
- ❑ (Mixed) Integer Program
- ❑ Quadratic Program
- ❑ Nonlinear Program
- ❑ ...

A **program** is a *problem*

Computer Programming

- ❑ **Knuth, 1968, The Art of Computer Programming**
 - ❑ “An expression of a computational method in a computer language is called a **program**.”
- ❑ **Programming Paradigms**
 - ❑ Procedural Programming
 - ❑ Object-oriented Programming
 - ❑ Functional Programming
 - ❑ Logic Programming
 - ❑

Definition

- ❑ **A computer programming methodology**
- ❑ **Solves**
 - ❑ Constraint satisfaction problems
 - ❑ Combinatorial optimization problems
- ❑ **Methodology**
 - ❑ Represent a model of a problem in a computer programming language
 - ❑ Describe a search strategy for solving the problem

Constraint Satisfaction Problems

- ❑ Find a *Feasible Solution*
- ❑ Subject to *Constraints*
- ❑ Over a set of values of *Decision Variables*

- ❑ **Usual Requirements**
 - ❑ Constraints are easy to evaluate
 - Closed mathematical forms or table lookups
 - ❑ Decision variables are values over a discrete set

Combinatorial Optimization Problems

- ❑ Minimize (or maximize) an *Objective Function*
- ❑ Subject to *Constraints*
- ❑ Over a set of values of *Decision Variables*

- ❑ Usual Requirements
 - ❑ Objective Function and Constraints are easy to evaluate
 - Closed mathematical forms or table lookups
 - ❑ Decision variables are values over a discrete set

What is a potential representation?

- ❑ Let x_1, x_2, \dots, x_n be the *decision variables*
- ❑ Each x_j ($j = 1, 2, \dots, n$) has a domain D_j of allowable values
 - ❑ Note that a domain may be finite or infinite
 - ❑ A domain may have “holes” (e.g., even numbers between 0 and 100)
 - ❑ The allowable values could be elements of a particular set
- ❑ A *constraint* is a function f
 - $f(x_1, x_2, \dots, x_n) \in \{0, 1\}$
 - ❑ The function may just be a table of values!

Constraint Satisfaction Problem

- A **constraint satisfaction problem** is

Find values of x_1, x_2, \dots, x_n such that

$$x_j \in D_j \quad (j = 1, 2, \dots, n) \quad (\text{CSP})$$

$$f_k(x_1, x_2, \dots, x_n) = 1 \quad (k=1, \dots, m)$$

- A ***solution*** of this problem is any set of values satisfying the above conditions

Optimization Problem

- Suppose you have an *objective function*

$$g(x_1, x_2, \dots, x_n)$$

that you wish to minimize.

- **Optimization Problem is then**

minimize $g(x_1, x_2, \dots, x_n)$

subject to

$$x_j \in D_j \quad (j = 1, 2, \dots, n)$$

$$f_k(x_1, x_2, \dots, x_n) = 1 \quad (k=1, \dots, m)$$

Examples of Constraints

❑ Logical constraints

- ❑ If x is equal to 4, then y is equal to 5
- ❑ Either "Activity a" precedes "Activity B" OR "Activity B" precedes "Activity A"

❑ Global constraints

- ❑ All of the values in the array x are different
- ❑ Element i of the array `card` is the number of times that the i th element of the array `value` appears in the array `base`

❑ Meta constraints

- ❑ The number of times that the array x has the value 5 is exactly 3

❑ Element constraint

- ❑ The cost of assigning person i to job j is `cost[job[i]]`, when `job[i]` is j

Constraint Programming Provides:

- ❑ A *modeling methodology* for stating decision variables, constraints, and objective functions
- ❑ A *programming language* for stating a *search algorithm* for finding values of the variables that satisfy the constraints and optimize the objective
- ❑ A *programming system* that includes
 - ❑ Predefined constraints with powerful *filtering algorithms* for reducing the size of the search space
 - ❑ Functionality to allow definitions of new constraints and filtering algorithms

Examples of Constraints

□ Logical constraints

- $(x = 4) \Rightarrow (y = 5)$

- $(a.end \leq b.start) \setminus / (b.end \leq a.start)$

□ Global constraints

- **alldifferent**(x)

- **distribute**(card,value,base)

 - card[i] is the number of times value[i] appears in base

□ Meta constraints

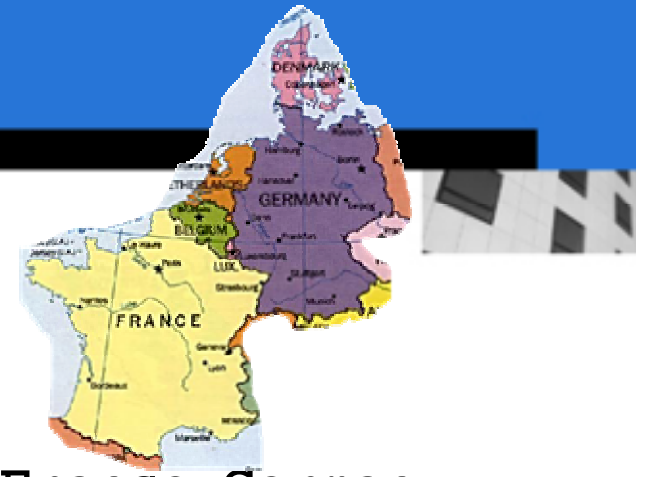
- **sum** (i in S) (x[i] < 5) = 3;

□ Element constraint

- $z = y[x[i]]$

Example

Map Coloring Example



- Have a list of countries

```
enum Country {Belgium, Denmark, France, Germany,  
              Netherlands, Luxembourg};
```

- Have a set of colors to use on a map to color the countries

```
enum Colors {blue, red, yellow, gray};
```

- Want to decide how to assign the colors to the countries so that no two bordering countries have the same color

```
var Colors color[Country];
```

The decision variables
are values from a *set*

Example

Constraint Programming Model

```
enum Country {Belgium,Denmark,France,Germany,  
              Netherlands,Luxembourg};  
enum Colors {blue,red,yellow,gray};
```

Data

```
var Colors color[Country];
```

Decision
Variables

```
solve {
```

Find all Solutions

```
color[France] <> color[Belgium];  
color[France] <> color[Luxembourg];  
color[France] <> color[Germany];  
color[Luxembourg] <> color[Germany];  
color[Luxembourg] <> color[Belgium];  
color[Belgium] <> color[Netherlands];  
color[Belgium] <> color[Germany];  
color[Germany] <> color[Netherlands];  
color[Germany] <> color[Denmark];
```

```
};
```

Constraints



Example

Constraint Satisfaction

```
enum Country {Belgium,Denmark,France,Germany,  
              Netherlands,Luxembourg};  
enum Colors {blue,red,yellow,gray};  
  
var Colors color[Country];  
  
solve {  
  
    color[France] <> color[Belgium];  
    color[France] <> color[Luxembourg];  
    color[France] <> color[Germany];  
    color[Luxembourg] <> color[Germany];  
    color[Luxembourg] <> color[Belgium];  
    color[Belgium] <> color[Netherlands];  
    color[Belgium] <> color[Germany];  
    color[Germany] <> color[Netherlands];  
    color[Germany] <> color[Denmark];  
  
};
```

Example

Constraint Satisfaction

```
enum Country {Belgium,Denmark,France,Germany,  
              Netherlands,Luxembourg};  
enum Colors {blue,red,yellow,gray};  
var Colors color[Country];
```

```
solve {  
    color[France] <> color[Belgium];  
    color[France] <> color[Luxembourg];  
    color[France] <> color[Germany];  
    color[Luxembourg] <> color[Germany];  
    color[Luxembourg] <> color[Belgium];  
    color[Belgium] <> color[Netherlands];  
    color[Belgium] <> color[Germany];  
    color[Germany] <> color[Netherlands];  
    color[Germany] <> color[Denmark];  
};
```

Example

Optimization

```
enum Country {Belgium,Denmark,France,Germany,
              Netherlands,Luxembourg};
enum Colors {blue,red,yellow,gray};
var Colors color[Country];
var int colorcount[Colors] in 0..card(Country);
maximize colorcount[yellow]
subject to {
    forall (i in Colors)
        colorcount[i] = sum(j in Country) (color[j] = i);
    color[France] <> color[Belgium];
    color[France] <> color[Luxembourg];
    color[France] <> color[Germany];
    color[Luxembourg] <> color[Germany];
    color[Luxembourg] <> color[Belgium];
    color[Belgium] <> color[Netherlands];
    color[Belgium] <> color[Germany];
    color[Germany] <> color[Netherlands];
    color[Germany] <> color[Denmark];
};
```

Problem Description

- ❑ **From Bradley, Hax, Magnanti, *Applied Mathematical Programming*, Chapter 9, Exercise 24**
 - ❑ Custom Pilot Chemical Company is a chemical manufacturer that produces batches of specialty chemicals to order. Principal equipment consists of eight interchangeable reactor vessels, five interchangeable distillation columns, four large interchangeable centrifuges, and a network of switchable piping and storage tanks. Customer demand comes in the form of orders for batches of one or more specialty chemicals, normally to be delivered simultaneously for further use by the customer.
 - ❑ An order consists of a set of jobs. Each job has an optional precedence requirement, arrival week of the job, duration of the job in weeks, the week that the job is due, the number of reactors required, distillation columns required, and centrifuges required.
 - ❑ Find a schedule of the orders and jobs to minimize the completion time of all orders

Production Scheduling

Problem Data

<i>Order Number</i>	<i>Job number</i>	<i>Precedence relations</i>	<i>Arrival Week</i>	<i>Duration in weeks</i>	<i>Week due</i>	<i>Resource requirements</i>		
						<i>Reactors</i>	<i>Distillation columns</i>	<i>Centrifuges</i>
AK14	1	None	15	4	22	5	3	2
	2	1	15	3	22	0	1	1
	3	None	15	3	22	2	0	2
AK15	1	None	16	3	23	1	1	1
	2	None	16	2	23	2	0	0
	3	1	16	2	23	2	2	0
AK16	1	None	17	5	23	2	1	1
	2	None	17	1	23	1	3	0

Data input

```
struct JobIndex {
    string ordernumber;
    int jobnum;
};
struct JobInfo {
    int jobprec;
    int arrival;
    int duration;
    int weekdue;
    int reactors;
    int columns;
    int centrifuges;
};
struct JobData {
    JobIndex ind;
    JobInfo info;
};

setof(JobData) jobs = ...;
```

```
jobs =
{
< < "AK14", 1 >, < 0, 15, 4, 22, 5, 3, 2 > >,
< < "AK14", 2 >, < 1, 15, 3, 22, 0, 1, 1 > >,
< < "AK14", 3 >, < 0, 15, 3, 22, 2, 0, 2 > >,
< < "AK15", 1 >, < 0, 16, 3, 23, 1, 1, 1 > >,
< < "AK15", 2 >, < 0, 16, 2, 23, 2, 0, 0 > >,
< < "AK15", 3 >, < 1, 16, 2, 23, 2, 2, 0 > >,
< < "AK16", 1 >, < 0, 17, 5, 23, 2, 1, 1 > >,
< < "AK16", 2 >, < 0, 17, 1, 23, 1, 3, 0 > >
};
```

Data organization

```
setof(JobIndex) joblist = { i | <i,j> in jobs };
```

```
assert ( card(joblist) = card(jobs) );
```

```
JobInfo datarray[joblist];
```

```
initialize {
```

```
  forall (j in jobs)
```

```
    datarray[j.ind] = j.info;
```

```
};
```

```
datarray[<"AK14", 1>] = < 0, 15, 4, 22, 5, 3, 2 >
```

```
datarray[<"AK14", 2>] = < 1, 15, 3, 22, 0, 1, 1 >
```

```
datarray[<"AK14", 3>] = < 0, 15, 3, 22, 2, 0, 2 >
```

```
datarray[<"AK15", 1>] = < 0, 16, 3, 23, 1, 1, 1 >
```

```
datarray[<"AK15", 2>] = < 0, 16, 2, 23, 2, 0, 0 >
```

```
datarray[<"AK15", 3>] = < 1, 16, 2, 23, 2, 2, 0 >
```

```
datarray[<"AK16", 1>] = < 0, 17, 5, 23, 2, 1, 1 >
```

```
datarray[<"AK16", 2>] = < 0, 17, 1, 23, 1, 3, 0 >
```

```
int reactors = ...;
```

```
int columns = ...;
```

```
int centrifuges = ...;
```

```
reactors = 8;
```

```
columns = 5;
```

```
centrifuges = 4;
```

Production Scheduling

Model

```
scheduleOrigin = min(j in jobs) j.info.arrival;
scheduleHorizon = max(j in jobs) j.info.weekdue;

Activity makespan(0);
Activity a[j in joblist](datarray[j].duration);
DiscreteResource Reactors(reactors);
DiscreteResource Columns(columns);
DiscreteResource Centrifuges(centrifuges);

minimize makespan.end
subject to
{
    forall (j in joblist) {
        a[j] precedes makespan;
        if (datarray[j].jobprec > 0) then
            a[<j.ordernumber,datarray[j].jobprec>] precedes a[j]
        endif;
        a[j] requires(datarray[j].reactors) Reactors;
        a[j] requires(datarray[j].columns) Columns;
        a[j] requires(datarray[j].centrifuges) Centrifuges;
        a[j].start >= datarray[j].arrival;
        a[j].end <= datarray[j].weekdue;
    };
};
```


Production Scheduling

Solution for activities

Optimal Solution with Objective Value: 22

makespan = [22 -- 0 --> 22]

a[#<ordernumber:"AK14",jobnum:1>#] = [15 -- 4 --> 19]

a[#<ordernumber:"AK14",jobnum:2>#] = [19 -- 3 --> 22]

a[#<ordernumber:"AK14",jobnum:3>#] = [19 -- 3 --> 22]

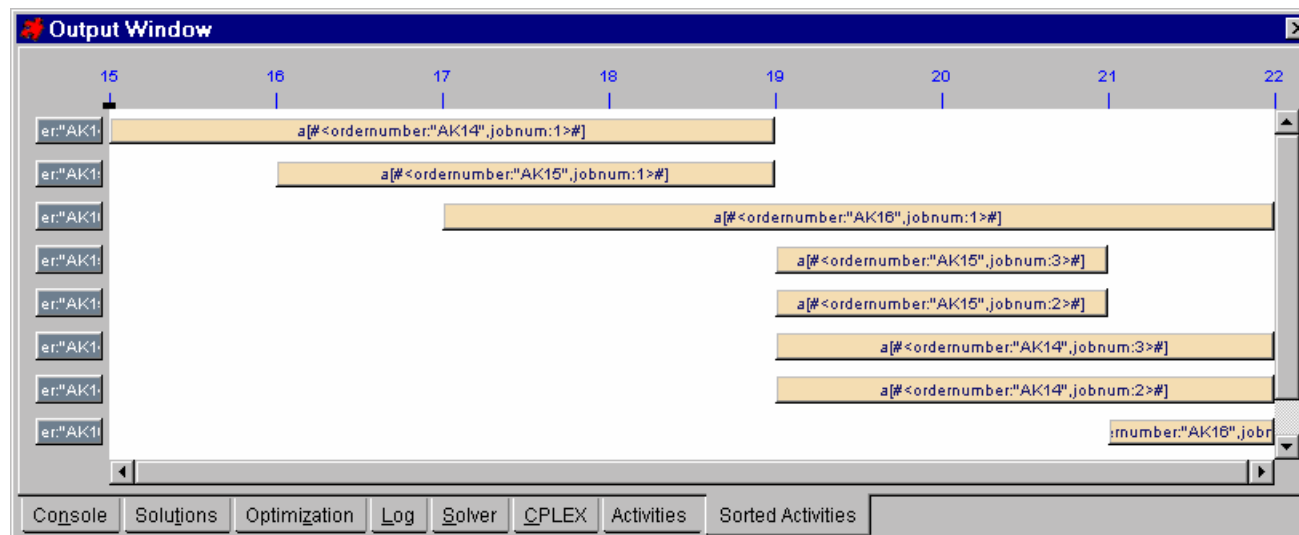
a[#<ordernumber:"AK15",jobnum:1>#] = [16 -- 3 --> 19]

a[#<ordernumber:"AK15",jobnum:2>#] = [19 -- 2 --> 21]

a[#<ordernumber:"AK15",jobnum:3>#] = [19 -- 2 --> 21]

a[#<ordernumber:"AK16",jobnum:1>#] = [17 -- 5 --> 22]

a[#<ordernumber:"AK16",jobnum:2>#] = [21 -- 1 --> 22]



Resource allocation (text)

Reactors = Discrete Resource

```
required by a[#<ordernumber:"AK16",jobnum:2>#] over [21,22] in capacity 1
required by a[#<ordernumber:"AK16",jobnum:1>#] over [17,22] in capacity 2
required by a[#<ordernumber:"AK15",jobnum:3>#] over [19,21] in capacity 2
required by a[#<ordernumber:"AK15",jobnum:2>#] over [19,21] in capacity 2
required by a[#<ordernumber:"AK15",jobnum:1>#] over [16,19] in capacity 1
required by a[#<ordernumber:"AK14",jobnum:3>#] over [19,22] in capacity 2
required by a[#<ordernumber:"AK14",jobnum:1>#] over [15,19] in capacity 5
```

Columns = Discrete Resource

```
required by a[#<ordernumber:"AK16",jobnum:2>#] over [21,22] in capacity 3
required by a[#<ordernumber:"AK16",jobnum:1>#] over [17,22] in capacity 1
required by a[#<ordernumber:"AK15",jobnum:3>#] over [19,21] in capacity 2
required by a[#<ordernumber:"AK15",jobnum:1>#] over [16,19] in capacity 1
required by a[#<ordernumber:"AK14",jobnum:2>#] over [19,22] in capacity 1
required by a[#<ordernumber:"AK14",jobnum:1>#] over [15,19] in capacity 3
```

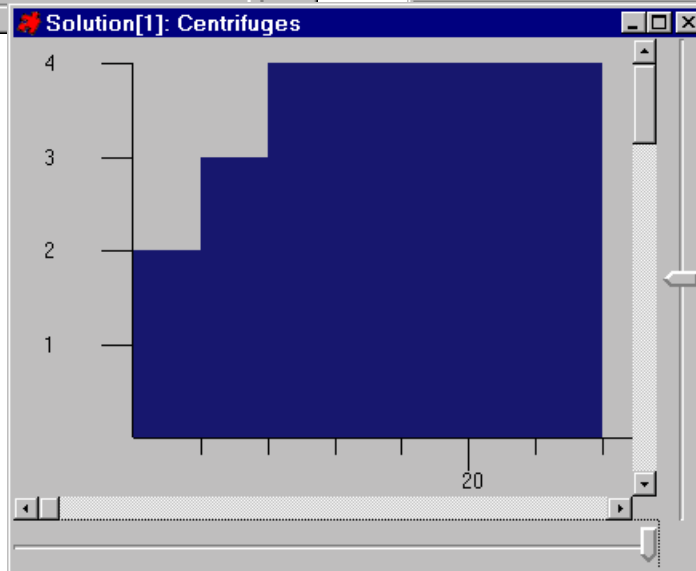
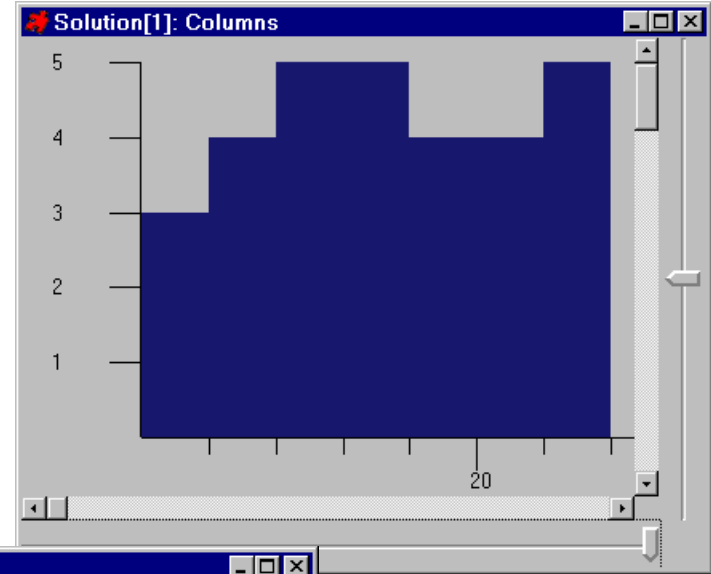
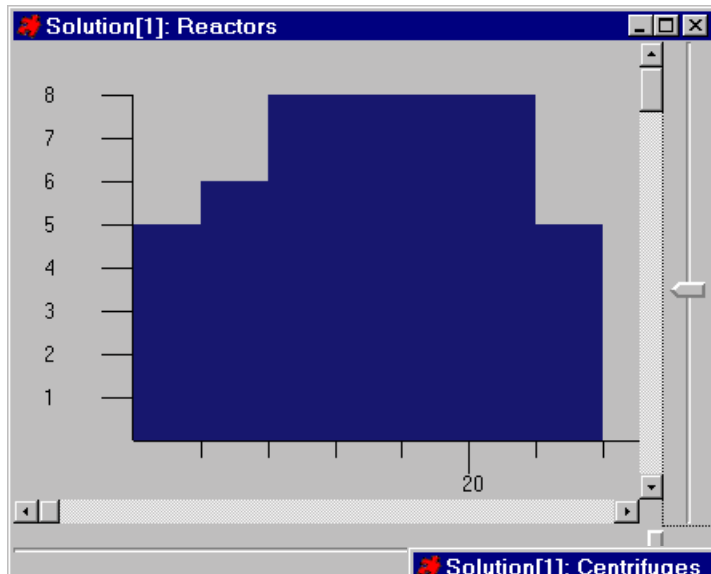
Centrifuges = Discrete Resource

```
required by a[#<ordernumber:"AK16",jobnum:1>#] over [17,22] in capacity 1
required by a[#<ordernumber:"AK15",jobnum:1>#] over [16,19] in capacity 1
required by a[#<ordernumber:"AK14",jobnum:3>#] over [19,22] in capacity 2
required by a[#<ordernumber:"AK14",jobnum:2>#] over [19,22] in capacity 1
required by a[#<ordernumber:"AK14",jobnum:1>#] over [15,19] in capacity 2
```



Production Scheduling

Resource allocation (graphs)



Which is BETTER????

- ❑ It depends upon the data
- ❑ It depends on the search strategy
- ❑ It depends on the combinatorial nature of the problem

- ❑ For general applications, you need tools that allow you to try both methodologies!

What is a solution?

- ❑ **Linear programs and integer programs always have objective functions**
- ❑ **A constraint satisfaction problem may simply be a feasibility problem**
 - ❑ It may have many possible solutions!
- ❑ **People in constraint programming say that they have a “solution” when people in mathematical programming would say they have a “feasible solution”**

Vocabulary Differences

Mathematical Programming

Feasible Solution

Optimal Solution

Decision Variable

Fixed Variable

Bound Strengthening

Iterative Presolve

Constraint Programming

Solution

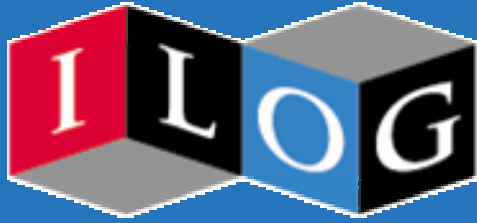
Optimized Solution

Constrained Variable

Bound Variable

Domain Reduction (a superset)

Constraint Propagation



Constraint Programming Successes

DaimlerChrysler

- ❑ **Centralized Vehicle Scheduler: for vehicle production**
- ❑ **Results: Competitive advantage & savings**
 - ❑ 10-20% improvement in purge rates
 - ❑ Increased production by 4,000 cars/year/plant
 - ❑ Estimated savings of \$27 million annually

DAIMLERCHRYSLER

First Union

- ❑ **Loan Arranger: Searches for loan that best meets each customer's requirements**
- ❑ **Results: Competitive advantage & savings**
 - ❑ 4 x increase in monthly loan volume
 - ❑ 15% increase in average loan size
 - ❑ Reduced "time to funding" from 21 to 8 days
 - ❑ Reduced underwriting costs by 78%



SNCF Railways

- ❑ **Rolling Stock Maintenance Operations**
- ❑ **Schedule Operations Efficiently**
- ❑ **Save 10% of 2,000 maintenance workers**



Nissan (UK)

- ❑ **Challenge: Build 3rd car model with 2 existing production lines**
- ❑ **Results: Europe's already most efficient car production facility is even more productive**
 - ❑ No need to add any new production line and no significant investment needed
 - ❑ Production capacity increased by 30%
 - ❑ Schedule adherence rose from 3% to 90%



Applications

- Scheduling
- Dispatching
- Configuration
- Enumeration
- Sequencing

Conclusions

- ❑ **Optimization technologies have significantly improved over the past 15 years**
- ❑ **Multiple techniques**
 - ❑ Traditional Mathematical Programming
 - ❑ Newer Constraint Programming
- ❑ **An explosion of applications**