

A company has the following production planned for the next four weeks. The figures reflect the full capacity level of operations. Planned output is equal to the maximum demand per product.

| <b>Product</b>               | <b>A</b>           | <b>B</b>           | <b>C</b>           | <b>D</b>           |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
|                              | <b>\$ per unit</b> | <b>\$ per unit</b> | <b>\$ per unit</b> | <b>\$ per unit</b> |
| Selling price                | 160                | 214                | 100                | 140                |
| Raw material cost            | 24                 | 56                 | 22                 | 40                 |
| Direct labour cost           | 66                 | 88                 | 33                 | 22                 |
| Variable overhead cost       | 24                 | 18                 | 24                 | 18                 |
| Fixed overhead cost          | 16                 | 10                 | 8                  | 12                 |
| Profit                       | 30                 | 42                 | 13                 | 48                 |
| Planned output               | 300                | 125                | 240                | 400                |
| Direct labour hours per unit | 6                  | 8                  | 3                  | 2                  |

It has now been identified that labour hours available in the next four weeks will be limited to 4,000 hours.

**Rank the products in the order they should be manufactured, assuming that the company wants to maximise profits in the next four weeks.**

| <b>Product</b> | <b>Ranking</b> |
|----------------|----------------|
| C              | 1st            |
| D              | 2nd            |
| A              | 3rd            |
| B              | 4th            |