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Vorwort

Das Tätigkeitsfeld des Fraunhofer Instituts für Techno- und Wirtschaftsmathematik ITWM umfasst anwendungsnahe Grundlagenforschung, angewandte Forschung sowie Beratung und kundenspezifische Lösungen auf allen Gebieten, die für Techno- und Wirtschaftsmathematik bedeutsam sind.

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Darüberhinaus bietet die Reihe ein Forum für die Berichterstattung über die zahlreichen Kooperationsprojekte des Instituts mit Partnern aus Industrie und Wirtschaft.

Berichterstattung heißt hier Dokumentation darüber, wie aktuelle Ergebnisse aus mathematischer Forschungs- und Entwicklungsarbeit in industrielle Anwendungen und Softwareprodukte transferiert werden, und wie umgekehrt Probleme der Praxis neue interessante mathematische Fragestellungen generieren.

A handwritten signature in black ink, appearing to read 'Dieter Prätzels-Wolters' with a stylized flourish at the end.

Prof. Dr. Dieter Prätzels-Wolters
Institutsleiter

Kaiserslautern, im Juni 2001

Exact Procedures for Solving the Discrete Ordered Median Problem

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Abstract

The Discrete Ordered Median Problem (DOMP) generalizes classical discrete location problems, such as the N -median, N -center and Uncapacitated Facility Location problems. It was introduced by Nickel [16], who formulated it as both a nonlinear and a linear integer program. We propose an alternative integer linear programming formulation for the DOMP, discuss relationships between both integer linear programming formulations, and show how properties of optimal solutions can be used to strengthen these formulations. Moreover, we present a specific branch and bound procedure to solve the DOMP more efficiently. We test the integer linear programming formulations and this branch and bound method computationally on randomly generated test problems.

Keywords: Discrete Location, Integer Programming.

1 Introduction

Discrete location problems have been widely studied, not least because of their importance in practical applications. A number of survey articles and textbooks have been written on these problems, see, for example, [2, 4, 14], and references therein. Discrete location problems typically involve a finite set of *sites* at which facilities can be located, and a finite set of *clients*, which demand requests to be supplied from facilities. Even for the simplest of such problems, such as the Capacitated or Uncapacitated Facility Location

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Problem, which are relatively tractable, new methods and results continue to emerge (see for example [1, 15]) in an effort to solve larger problems, faster. Variations, such as hub location, are much more challenging, and it is still difficult to solve even modest sized problems to optimality (see for example [5, 6, 13]). Whilst many problem variations have been considered in the literature, we will focus on problems in which a fixed number of facilities must be located at sites chosen from among the given set of candidate sites, and in which a given client can only be supplied from a single facility. For each client-site pair, there is a given cost for meeting the demand of the client from a facility located at the site.

An interesting feature of discrete location problems is the variety of objective functions that have been considered. The *median* objective is to minimize the sum of the costs of supplying all clients from the facilities at the selected sites. The *center* objective is to minimize the maximum cost of supplying a client, from amongst the sites chosen, over all clients. The *centdian* objective is a convex combination of the median and center objectives; it aims to keep both the total cost and largest cost low. These are the three objectives most frequently encountered in the literature. It is worth noting that every problem has its own solution method, including its own algorithmic approach.

The increasing need for discrete location models in strategic supply chain planning, see for example [9], has made it necessary to develop new and flexible location models. To that end, [16] introduced a new type of objective function which generalized the most popular objective functions mentioned above. This objective function applies a penalty to the cost of supplying a client which is dependent on the *position* of that cost relative to the costs of supplying other customers. For example, a different penalty might be applied if the cost of supplying the client was the 5th-most expensive such cost rather than the 2nd-most expensive. This adds a “sorting” problem to the underlying facility location problem, making formulation and solution much more challenging.

For planar and network location problems the generalized model was studied in [7], [17], [18], [19], and [20]. In [16], a formulation of the discrete case, called the Discrete Ordered Median Problem (DOMP), is discussed. A nonlinear integer programming formulation is developed, and a linearization with number of variables and constraints proportional to the number of sites, cubed, is proposed. However, no computation is attempted in [16], and there is no attempt to determine how effective integer programming approaches can be in solving the DOMP.

In this paper we develop two different integer linear programming (ILP) formulations for this new location model, DOMP. Both have $O(M^2)$ constraints, but one uses $O(M^3)$ variables, while the other uses only $O(M^2)$ variables, where M is the number of clients (and sites). For hub location problems, it was found in [5] that using properties of optimal solutions to eliminate variables and add constraints to the formulation could strengthen it significantly. Here we are able to strengthen both formulations using properties of optimal solutions. In order to compare the two formulations we generate test problems from eight representative classes. These eight classes attempt to represent the variety of objective functions possible for DOMP, for example, one of the classes uses a median objective while another class uses a trimmed mean objective. By testing the performance of the two ILP

formulations on problems from these eight classes, we can get some measure of the degree of difficulty of the different classes and can compare the ILP formulations' performance on each class. Finally, we develop a branch and bound (B&B) algorithm designed using the special structure of our model, using relatively simple lower bounds rather than lower bounds determined by solving an LP. We test the B&B algorithm on a large battery of problems, comparing its performance with that of the integer linear programming approach using a standard solver.

Of the three approaches investigated, we would expect the $O(M^3)$ ILP formulation would yield the strongest lower bounds, followed by the $O(M^2)$ ILP formulation, with the easily calculated lower bounds used in the branch and bound procedure weakest. (In fact this was not uniformly the case, as we report in detail in Section 5.) However the order is reversed if we base it on least computational effort required to calculate the bound: the branch and bound method requires only a very easy calculation, followed by the $O(M^2)$ ILP formulation, with the $O(M^3)$ formulation requiring most effort. The three methods thus explore the trade-off between the quality of bound and computational effort required at each node of the branch and bound tree. In the context of hub location, it was found in [5] that an intermediate position gave the best trade-off, but here that is not the case, as we shall discuss in detail in Sections 5 and 7.

The remainder of the paper is organized as follows. In the next section, we present a formal definition of the DOMP and review the nonlinear formulation of [16]. In Section 3 we present the integer linear formulation already introduced in [16]. Moreover, we introduce an alternative integer linear programming formulation for the DOMP. We go on in Section 4 to discuss properties of optimal solutions, which allow us to strengthen the formulations. In Section 5 we describe our random problem generator, and test problem sets, and present the results of computational experiments with all integer linear programming formulations. A branch and bound method is introduced in Section 6 and numerical results comparing two branching schemes are given. Further computational results for this method and comparison of its performance with that of the integer programming linearizations are given in Section 7. Finally, in Section 8, we summarize our conclusions and give suggestions for further research.

2 Problem Definition and Review of Previous Work

Problem Definition

Let A denote the given set of M sites, and identify these with the integers $1, \dots, M$, so $A = \{1, \dots, M\}$. Let $C = (c_{ij})_{i,j=1,\dots,M}$ be the given non-negative $M \times M$ cost matrix, where c_{ij} denotes the cost of satisfying the demand of client i from a facility located at site j . (As is customary for location problems, we assume without loss of generality that the set of candidate sites is identical to the set of clients.) Let $N \leq M$ be the number of facilities to be located, at N of the M candidate sites. A solution to the location problem is given by a set of N sites; we use $X \subseteq A$ with $|X| = N$ to denote a solution. We assume

that each client will be served by a facility located at a site which yields the cheapest cost of satisfying demand, i.e. given a solution X , we assume that each client i will be supplied from a site $j \in X$ such that

$$c_{ij} = c_i(X) := \min_{k \in X} c_{ik}. \quad (1)$$

What distinguishes the DOMP from a usual single-supplier uncapacitated facility location problem is its objective. This objective applies a linear cost, with coefficient $\lambda_i \geq 0$, to the i th cheapest cost of supplying a client, for each $i = 1, \dots, M$. So in order to calculate the objective, the costs of supplying clients, $c_1(X), \dots, c_M(X)$, must be ordered. We define σ_X to be a permutation on $\{1, \dots, M\}$ for which the inequalities

$$c_{\sigma_X(1)}(X) \leq c_{\sigma_X(2)}(X) \leq \dots \leq c_{\sigma_X(M)}(X) \quad (2)$$

hold. We call any such permutation a *valid permutation for X* . For short we will denote $c_{\leq}(X) = (c_{\sigma_X(1)}(X), \dots, c_{\sigma_X(M)}(X))$. Let $\lambda = (\lambda_1, \dots, \lambda_M)$ with $\lambda_i \geq 0$, $i = 1, \dots, M$. The Discrete Ordered Median Problem (DOMP) is defined as

$$\min_{X \subseteq A, |X|=N} \sum_{i=1}^M \lambda_i c_{\sigma_X(i)}(X).$$

Note that the linear representation of the DOMP is only pointwise defined, since $c_{\sigma_X(i)}(X)$ depends on X .

For different choices of λ we obtain different types of objective functions. To see that the DOMP objective generalizes well known location objectives, note that taking $\lambda = (1, 1, \dots, 1)$ makes the DOMP equivalent to the N -median problem; taking $\lambda = (0, 0, \dots, 0, 1)$ makes the DOMP equivalent to the N -center problem; taking $\lambda = (\mu, \mu, \dots, \mu, 1)$ for $0 < \mu < 1$ leads to the μ -centdian problem, which is a convex combination of the median and the center objective functions; and taking $\lambda = (0, \dots, 0, 1, \dots, 1)$, where the first $M - k$ entries are zero and the last k entries are one, leads to the k -centra problem of minimizing the average cost of the k most expensive clients. Other objectives may also be of practical interest. One example is to take $\lambda = (0, \dots, 0, 1, \dots, 1, 0, \dots, 0)$, where the first k_1 and last k_2 entries are zero, and the middle $M - k_1 - k_2$ entries are one: this leads to a problem in which the k_1 smallest costs and the k_2 largest costs are disregarded and the average of the middle part, the so-called $(k_1 + k_2)$ -trimmed mean, which is a robust statistic, is minimized. Another example would be to take $\lambda = (1, \dots, 1, 0, \dots, 0, 1, \dots, 1)$, where the first k_1 entries are one, the next $M - k_1 - k_2$ entries are zero, and the last k_2 entries are one: this leads to the problem of minimizing the sum of the k_1 smallest costs and the k_2 largest costs; the corresponding DOMP searches for a set of N facilities minimizing the average cost for the clients which are very close and very far away. A final example would be to take $\lambda = (2, 0, \dots, 0, 1)$: this leads to the problem of minimizing the sum of the largest cost and the smallest cost (counted twice), with all other costs ignored. Clearly, classical location problems can easily be modelled. Moreover, new meaningful objective functions are easily derived, as shown above. An example presented by [16] shows the great

impact that the choice of the objective function has on the optimal location of the new facilities.

Observe that the DOMP belongs to the class of NP-hard problems, since it is a generalization of the N -median problem, which is NP-hard (see [10]).

An Illustrative Example

Consider the DOMP with $M = 5$, $N = 2$, and the cost matrix below.

$$C = \begin{pmatrix} 0 & 4 & 5 & 3 & 3 \\ 5 & 0 & 6 & 2 & 2 \\ 7 & 3 & 0 & 5 & 1 \\ 7 & 3 & 3 & 0 & 5 \\ 1 & 3 & 2 & 4 & 0 \end{pmatrix}$$

We show how the objective function value for the case $\lambda = (0, 0, 1, 1, 0)$, which yields the (2+1)-trimmed mean problem, is calculated. The optimal solution has facilities located at sites 1 and 4, with the demand of clients 1 and 5 satisfied by facility 1 and the demand of the remaining clients satisfied by facility 4. The associated cost vector is $(0, 2, 5, 0, 1)$. The sorted cost vector is $(0, 0, 1, 2, 5)$ and the optimal objective function value is thus $\langle \lambda, (0, 0, 1, 2, 5) \rangle = 0 \times 0 + 0 \times 0 + 1 \times 1 + 1 \times 2 + 0 \times 5 = 3$.

Formulation of the Problem

We now review the integer programming formulation for this problem given in [16]. This nonlinear model is made up of two components. The first has variables and constraints which correspond to the classical N -median location problem. We use the standard variables

$$y_{ij} = \begin{cases} 1, & \text{if the demand of client } i \text{ is satisfied by a facility at site } j \\ 0, & \text{otherwise} \end{cases} \quad (3)$$

for $i, j = 1, \dots, M$ and

$$x_j = \begin{cases} 1, & \text{if a facility is located at site } j \\ 0, & \text{otherwise} \end{cases} \quad (4)$$

for $j = 1, \dots, M$, and write

$$\mathcal{N} = \{(x, y) \in B^M \times \mathbb{R}^{M^2} : \begin{aligned} \sum_{j=1}^M x_j &= N, \\ \sum_{j=1}^M y_{ij} &= 1, \quad \forall i = 1, \dots, M \text{ and} \\ y_{ij} &\leq x_j, \quad \forall i, j = 1, \dots, M \end{aligned}\},$$

where $B = \{0, 1\}$. The second component is used to sort the clients, in order of increasing cost. Variables

$$s_{ij} = \begin{cases} 1, & \text{if the cost of supplying client } j \text{ is the } i\text{th cheapest such cost} \\ 0, & \text{otherwise,} \end{cases} \quad (5)$$

for each $i, j = 1, \dots, M$, are used to indicate the ordering. To be a permutation, these variables must satisfy assignment constraints. We let

$$\mathcal{P} = \{s \in B^{M^2} : \sum_{i=1}^M s_{ij} = 1 \quad \forall j = 1, \dots, M, \text{ and} \\ \sum_{j=1}^M s_{ij} = 1 \quad \forall i = 1, \dots, M\}$$

denote the set of all permutations. Of course, the permutation must be made to order the clients in increasing cost of supply, and the DOMP objective must weight the cost of this supply appropriately. This is accomplished via a nonlinear constraint and nonlinear objective function, as follows.

$$\begin{aligned} & (DOMP) \\ & \min_{s \in \mathcal{P}, (x, y) \in \mathcal{N}} \sum_{i=1}^M \sum_{k=1}^M s_{ik} \left(\sum_{j=1}^M y_{kj} c_{kj} \right) \lambda_i \\ & \text{s.t.} \quad \sum_{k=1}^M s_{ik} \left(\sum_{j=1}^M y_{kj} c_{kj} \right) \leq \sum_{k=1}^M s_{i+1,k} \left(\sum_{j=1}^M y_{kj} c_{kj} \right) \quad \forall i = 1, \dots, M-1 \end{aligned} \quad (6)$$

3 Linearizations

First we recall the linearization given in [16] which is analogous to that of [12] for the quadratic assignment problem. We use binary variables

$$z_{ikj} = s_{ik} y_{kj} \quad i, j, k = 1, \dots, M, \quad (7)$$

so $z_{ikj} = 1$ if client k is supplied by a facility located at site j and is the i th cheapest client supplied; $z_{ikj} = 0$ otherwise. The linearization of the DOMP is thus as follows.

$$\begin{aligned}
& \min_{s \in \mathcal{P}, (x, y) \in \mathcal{N}} && \sum_{i=1}^M \sum_{k=1}^M \sum_{j=1}^M \lambda_i c_{kj} z_{ikj} \\
& \text{s.t.} && \sum_{k=1}^M \sum_{j=1}^M c_{kj} z_{ikj} \leq \sum_{k=1}^M \sum_{j=1}^M c_{kj} z_{i+1, kj} \quad \forall i = 1, \dots, M-1 \quad (8) \\
& && \sum_{i=1}^M z_{ikj} = y_{kj} \quad \forall k, j = 1, \dots, M \quad (9) \\
& && \sum_{j=1}^M z_{ikj} = s_{ik} \quad \forall i, k = 1, \dots, M \quad (10) \\
& && \sum_{k=1}^M \sum_{i=1}^M \sum_{j=1}^M z_{ikj} = M \quad (11) \\
& && s_{ik} + y_{kj} - 2z_{ikj} \geq 0 \quad \forall i, j, k = 1, \dots, M \quad (12) \\
& && z_{ikj} \geq 0 \quad \forall i, j, k = 1, \dots, M
\end{aligned}$$

This linearization can be directly improved as follows: constraints (9) and (10) can be used to eliminate the s and y variables respectively, resulting in an equivalent formulation using only x and z variables. In the resulting formulation, the assignment constraints on s , once s is substituted out using (10), imply the sum constraint (11), so this is omitted. The formulation in x and z variables alone is thus as follows.

($LDOMP_1$)

$$\min_{x \in \{0,1\}^M, z \in \{0,1\}^{M^3}} \sum_{i=1}^M \sum_{k=1}^M \sum_{j=1}^M \lambda_i c_{kj} z_{ikj}$$

s.t.

$$\sum_{i=1}^M \sum_{j=1}^M z_{ikj} = 1 \quad \forall k = 1, \dots, M \quad (13)$$

$$\sum_{k=1}^M \sum_{j=1}^M z_{ikj} = 1 \quad \forall i = 1, \dots, M \quad (14)$$

$$\sum_{k=1}^M \sum_{j=1}^M c_{kj} z_{ikj} \leq \sum_{k=1}^M \sum_{j=1}^M c_{kj} z_{i+1,kj} \quad \forall i = 1, \dots, M-1 \quad (15)$$

$$\sum_{j=1}^M x_j = N \quad (16)$$

$$x_j \geq \sum_{i=1}^M z_{ikj} \quad \forall k, j = 1, \dots, M \quad (17)$$

It is not difficult to show that (LDOMP₁) is a valid integer linear programming model of the DOMP. Note that (LDOMP₁) has $O(M^3)$ variables and $O(M^2)$ constraints.

We develop an alternative linearization for (DOMP), which use $O(M^2)$ variables rather than the $O(M^3)$ variables of (LDOMP₁). Our linearization is inspired by the mixed integer linear programming formulation of [11], for the quadratic assignment problem. Variables are introduced which take on values of *costs* of supply; in a sense they absorb the objective function.

We define M^2 new real variables w'_{ik} by

$$w'_{ik} = s_{ik} \sum_{j=1}^M c_{kj} y_{kj} \quad i, k = 1, \dots, M,$$

so w'_{ik} is the cost of supplying client k if k is the i th client in order of cost of supply, and zero otherwise. However, it is not necessary to include variables to record the cost of supplying each client k ; it suffices to record the i th smallest cost of supply alone. Hence we may replace the variables w'_{ik} with variables w_i defined by

$$w_i = \sum_{k=1}^M w'_{ik} = \sum_{k=1}^M s_{ik} \sum_{j=1}^M c_{kj} y_{kj}$$

for each $i = 1, \dots, M$, so w_i represents the cost of supplying the client with the i th smallest cost of supply. Using these variables, we get the following linearization of the DOMP, where $\bar{c}_k$ is the N th largest entry of the cost matrix at row k , i.e. $\bar{c}_k$ is the N th largest element of the set $\{c_{kj} \mid j = 1, \dots, M\}$.

(LDOMP₂)

$$\min_{s \in \mathcal{P}, (x,y) \in \mathcal{N}, w \in \mathbb{R}_+^M} \sum_{i=1}^M \lambda_i w_i$$

s.t.

$$w_i \leq w_{i+1} \quad \forall i = 1, \dots, M-1 \quad (18)$$

$$\sum_{i=1}^M w_i = \sum_{j=1}^M \sum_{k=1}^M c_{kj} y_{kj} \quad (19)$$

$$w_i \geq \sum_{j=1}^M c_{kj} y_{kj} - \bar{c}_k (1 - s_{ik}) \quad \forall i, k = 1, \dots, M \quad (20)$$

It is not hard to show that (LDOMP₂) is a valid formulation of the DOMP.

4 Strengthening the Formulations

In this section we will present some results to improve the linearizations. These improvements consist of additional constraints, strengthened forms of original constraints, or preprocessing steps, such as fixing some variables to zero, or relaxing integrality requirements on some variables. These help to reduce the computing time required to solve the DOMP, either by reducing the gap between the optimal objective function value and the relaxed LP solution, or by reducing the number of variables for which integrality must be ensured. For some of these properties, we will assume free self-service, i.e. we assume $c_{ii} = 0$, $\forall i = 1, \dots, M$. For short we will denote this property by (FSS).

Our first strengthening idea makes use of an existing upper bound z_{UB} on the value of the DOMP, and has some resemblance to standard reduced cost variable fixing ideas. Upper bounds are, of course, easy to come by; any set of N locations yields one. *Good* upper bounds might be more difficult to obtain, but for our purposes here, we simply assume that some upper bound is available. Consider a client k . Now either the cost of supplying k is going to be among the largest $M - m$ such costs, or the cost of supplying k is going to be among the smallest m costs, in which case the objective value of the problem must be at least $\sum_{i=m}^M \lambda_i$ multiplied by the cost of supplying client k ; this value is clearly a lower bound. Obviously we are only interested in solutions to the problem with objective value less than or equal to z_{UB} , so we are only interested in solutions with either client k 's cost ranked $m + 1$ or higher, or with k supplied from some location j with $c_{kj} \sum_{i=m}^M \lambda_i \leq z_{\text{UB}}$, i.e. with $c_{kj} \leq z_{\text{UB}} / \sum_{i=m}^M \lambda_i$. We formalize this in the proposition below, in which we make use of the following notation for the total cost of some set of sites X :

$$L(X) = \langle \lambda, c_{\leq}(X) \rangle = \sum_{i=1}^M \lambda_i c_{\sigma_X(i)}(X)$$

where σ_X is a valid permutation of X . We also write $\sigma_X^{-1}(k)$ to denote the rank of client k in the cost ordering, so if $\sigma_X(i) = k$ for some $i, k \in \{1, \dots, M\}$ then $\sigma_X^{-1}(k) = i$. Note that we adopt the convention that if $\sum_{i=m}^M \lambda_i = 0$ then $c_{kj} \leq z_{UB} / \sum_{i=m}^M \lambda_i = \infty$ for all k and j .

Proposition 1 *Given a value z_{UB} , any set X of N locations having ordered cost $L(X) \leq z_{UB}$ must have $\sigma_X^{-1}(k) \geq m+1$ for all clients $k = 1, \dots, M$ and all ranks $m = 1, \dots, M-1$ for which $c_k(X) > z_{UB} / \sum_{i=m}^M \lambda_i$.*

Proof.

Suppose there exist $k \in \{1, \dots, M\}$ and $m \in \{1, \dots, M-1\}$ such that $c_k(X) > z_{UB} / \sum_{i=m}^M \lambda_i$ and $\sigma_X^{-1}(k) \leq m$. Then there exists $r \leq m$ such that $\sigma_X^{-1}(k) = r$, i.e. $k = \sigma_X(r)$. Now by the definition of σ_X ,

$$c_{\sigma_X(M)}(X) \geq \dots \geq c_{\sigma_X(m)}(X) \geq c_{\sigma_X(r)}(X) = c_k(X).$$

Since C and λ are both non-negative, we thus have

$$L(X) = \sum_{i=1}^M \lambda_i c_{\sigma_X(i)}(X) \geq \sum_{i=m}^M \lambda_i c_{\sigma_X(i)}(X) \geq \sum_{i=m}^M \lambda_i c_k(X) = c_k(X) \left(\sum_{i=m}^M \lambda_i \right) > z_{UB}.$$

We have proved the contrapositive of the lemma; the result follows. $\square$

In the computational results presented in Section 5 this upper bound (z_{UB}) is computed by a heuristic method based on variable neighbourhood search, see [3].

We state without proof the following proposition, which will be of use later.

Proposition 2 *If (FSS) holds then each open facility can satisfy its demand by itself, at a cost of zero. Thus for any set X of N facilities, we have $c_i(X) = 0$ for all $i \in X$. Furthermore, there exists σ_X , a valid permutation for X , i.e. satisfying (2), that also satisfies*

$$\{\sigma_X(i) : i = 1, \dots, N\} = X. \quad (21)$$

In other words, there exists σ_X a valid permutation for X such that the first N elements are the open facilities. Consequently

$$0 = c_{\sigma_X(1)}(X) = \dots = c_{\sigma_X(N)}(X) \leq c_{\sigma_X(N+1)}(X) \dots \leq c_{\sigma_X(M)}(X). \quad (22)$$

Notice that the proof is straightforward since we have assumed that costs are non-negative, i.e. $c_{ij} \geq 0$ for all i, j , so $c_i(X) \geq 0$ for all $i \in A$.

After stating these general properties we will show in the following subsections improvements for the different linearizations introduced.

Improvements for (LDOMP₁)

In the following we will prove some properties which are fulfilled by optimal solutions of (LDOMP₁) and therefore, allow us to derive better formulations.

Lemma 1 *Any optimal solution (x, z) for (LDOMP₁) with objective value less than or equal to z_{UB} must satisfy*

$$z_{mkj} = 0 \quad \forall m, k, j \text{ such that } c_{kj} > \frac{z_{UB}}{\sum_{i=m}^M \lambda_i}. \quad (23)$$

Proof.

Suppose (x, z) is an optimal solution of (LDOMP₁). Assume further that it has an objective value less than or equal to z_{UB} ; and there exist m, j', k' such that $c_{k'j'} > z_{UB} / \sum_{i=m}^M \lambda_i$ and $z_{mk'j'} = 1$. From the definition of $z_{mk'j'}$, see (7), it follows that site j' is in the solution set of sites X induced by (x, z) , and that client k' is ranked at position m (i.e. $\sigma_X(m) = k'$). Furthermore, client k' is allocated to the site j' , thus $c_{k'}(X) = c_{k'j'} > z_{UB} / \sum_{i=m}^M \lambda_i$. Finally, $L(X)$ is the objective value of (x, z) in (LDOMP₁), and so $L(X) \leq z_{UB}$. Hence by Proposition 1, it must be that $\sigma_X^{-1}(k') \geq m+1$. But $\sigma_X^{-1}(k') = m$, so this is a contradiction, and the result is proved. $\square$

Lemma 2 *If (FSS) holds, then there exists an optimal solution (x, z) of (LDOMP₁) satisfying*

$$\sum_{i=1}^N z_{ikk} = x_k, \quad \forall k = 1, \dots, M. \quad (24)$$

Proof.

Let (x, z') be an optimal solution of (LDOMP₁). Let X be the set of facilities induced by x , i.e. $X = \{j \in A : x_j = 1\}$. We have $|X| = N$ by (16). Let σ_X be a valid permutation for X , so σ_X satisfies (2). By Proposition 2, we may assume σ_X also satisfies (21), and so $\sigma_X^{-1}(k) \in \{1, \dots, N\}$ for each $k \in X$. For each $k \in A \setminus X$, choose $j(k)$ a minimizer of $\min_{j \in X} c_{kj}$. Observe that for each $k \in X$, by (FSS), k itself is a minimizer of $\min_{j \in X} c_{kj}$: set $j(k) = k$ for all $k \in X$. Define z by $z_{ikj} = 1$ if $j = j(k)$ and $k = \sigma_X(i)$, and $z_{ikj} = 0$ otherwise, for each $i, k, j \in A$. By the validity of (LDOMP₁), it must be that (x, z) is an optimal solution of (LDOMP₁). Now we consider two cases for (24).

Case 1: $k \in X$ In this case $j(k) = k$ and $\sigma_X^{-1}(k) \in \{1, \dots, N\}$, so $z_{\sigma_X^{-1}(k)kk} = 1$ and $z_{ikk} = 0$

for all $i \in \{1, \dots, N\}$, $i \neq \sigma_X^{-1}(k)$. Thus $\sum_{i=1}^N z_{ikk} = z_{\sigma_X^{-1}(k)kk} = 1 = x_k$ as required.

Case 2: $k \notin X$ In this case $j(k) \neq k$, since $j(k) \in X$ by definition, so $z_{ikk} = 0$ for all i .

Thus $\sum_{i=1}^N z_{ikk} = 0 = x_k$ as required.

In either case, (24) is satisfied by (x, z) , an optimal solution to (LDOMP₁). $\square$

Corollary 1 *If (FSS) holds, then there exists an optimal solution to (LDOMP₁) satisfying constraints (23) and (24).*

Proof.

By Lemma 2 there exists an optimal solution (x, z) satisfying (24). By Lemma 1, every optimal solution satisfies (23), so (x, z) does. Thus (x, z) exists satisfying both (23) and (24). $\square$

Proposition 3 *Suppose (FSS) holds, and let (x, z) solve (LDOMP₁) with integrality relaxed on all z_{ikj} variables with $i \in \{1, \dots, N\}$ and $j, k \in \{1, \dots, M\}$, and with the additional constraints (23) and (24). Then x induces an optimal solution to the DOMP.*

Proof.

We will proceed by showing that there exists z' such that (x, z') is an optimal solution to (LDOMP₁). By the validity of (LDOMP₁), we conclude that x must induce an optimal solution to the DOMP.

We firstly let X be the set of facilities induced by x and let σ_X be a valid permutation for X satisfying (21). (Such a permutation exists by Proposition 2.) By (21) it must be that

$$x_{\sigma_X(1)} = x_{\sigma_X(2)} = \dots = x_{\sigma_X(N)} = 1,$$

i.e. $\sigma_X^{-1}(j) \in \{1, \dots, N\}$ for all $j \in X$, and $x_j = 0$ for all $j \in \{1, \dots, M\}$ with $\sigma_X^{-1}(j) > N$. We now define z' by

$$z'_{ikj} = \begin{cases} z_{ikj}, & i > N \\ 1, & i \leq N, k = j = \sigma_X(i) \\ 0, & \text{otherwise} \end{cases}$$

for each $i, k, j \in \{1, \dots, M\}$.

We show that z' is feasible for (LDOMP₁), as follows.

To show z' satisfies (13), we consider two cases.

Case 1: $k \in X$ Since z satisfies (24) and in this case $x_k = 1$, it must be that $\sum_{i=1}^N z_{ikk} = 1$.

Furthermore, z satisfies (13), and so it must be that $\sum_{i=N+1}^M \sum_{j=1}^M z_{ikj} = 0$. Hence, and from the definition of z' , we have

$$\begin{aligned} \sum_{i=1}^M \sum_{j=1}^M z'_{ikj} &= \sum_{i=1}^N \sum_{j=1}^M z'_{ikj} + \sum_{i=N+1}^M \sum_{j=1}^M z_{ikj} \\ &= z'_{\sigma_X^{-1}(k)kk} + 0 \\ &= 1 \end{aligned}$$

as required.

Case 2: $k \notin X$ We will begin by showing that $\sum_{j \in X} z_{ijj} = 1$ for all $i \in \{1, \dots, N\}$. Firstly,

we have from (24) that $\sum_{i=1}^N z_{ijj} = 1$ for all $j \in X$. Secondly, by (14), we know that $\sum_{j \in X} z_{ijj} \leq 1$ for all $i \in \{1, \dots, N\}$. Now suppose there exists $i \in \{1, \dots, N\}$ with $\sum_{j \in X} z_{ijj} < 1$. Then

$$\sum_{i=1}^N \sum_{j \in X} z_{ijj} < N = \sum_{j \in X} \sum_{i=1}^N z_{ijj}$$

since $|X| = N$. This is obviously a contradiction, so it must be that $\sum_{j \in X} z_{ijj} = 1$ for all $i \in \{1, \dots, N\}$. Therefore, by (14) again, it must be that $z_{ik'j} = 0$ for all $i \in \{1, \dots, N\}$, and all $j, k' \in A$ with $k' \neq j$ or $j \notin X$. Thus by (13), and since $k \notin X$, it must be that

$$\sum_{i=N+1}^M \sum_{j=1}^M z_{ikj} = 1.$$

To conclude, we observe that by the definition of z' , and since $k \notin X$, we have that $z'_{ikj} = 0$ for all $i \in \{1, \dots, N\}$ and all $j \in A$, so

$$\begin{aligned} \sum_{i=1}^M \sum_{j=1}^M z'_{ikj} &= \sum_{i=1}^N \sum_{j=1}^M z'_{ikj} + \sum_{i=N+1}^M \sum_{j=1}^M z_{ikj} \\ &= \sum_{i=1}^N \sum_{j=1}^M 0 + 1 \\ &= 1 \end{aligned}$$

as required.

To show that z' satisfies (14) is much easier. For $i > N$, $z'_{ikj} = z_{ikj}$ for all $j, k \in A$, so

$$\sum_{k=1}^M \sum_{j=1}^M z'_{ikj} = \sum_{k=1}^M \sum_{j=1}^M z_{ikj} = 1$$

since z satisfies (14). For $i \leq N$, $z'_{ikj} = 1$ if $k = j = \sigma_X(i)$, and $z'_{ikj} = 0$ otherwise. Therefore (14) must hold.

To show z' satisfies (15) is similar. For all $i > N$, $z'_{ikj} = z_{ikj}$ for all $j, k \in A$, so the results follows since z satisfies (15). For all $i \leq N$,

$$\sum_{k=1}^M \sum_{j=1}^M c_{kj} z'_{ikj} = c_{\sigma_X(i)\sigma_X(i)} = 0$$

since (FSS) holds, so (15) holds.

Proving that z' satisfies (17) is similar to showing z' satisfies (13). We have the same two cases.

Case 1: $k \in X$ From earlier arguments, we have in this case that $\sum_{i=N+1}^M \sum_{j=1}^M z_{ikj} = 0$. Hence

$\sum_{i=N+1}^M z_{ikj} = 0$ for all $j \in A$. Now from the definition of z' , $z'_{ikj} = 1$ for $i \in \{1, \dots, N\}$ only if $j = k = \sigma_X(i)$, so we have that if $j \neq k$,

$$\begin{aligned} \sum_{i=1}^M z'_{ikj} &= \sum_{i=1}^N z'_{ikj} + \sum_{i=N+1}^M z_{ikj} \\ &= 0 + 0 = 0 \leq x_j \end{aligned}$$

while if $j = k$, then $x_j = 1$ since $j = k \in X$, and we have

$$\begin{aligned} \sum_{i=1}^M z'_{ikj} &= \sum_{i=1}^N z'_{ikj} + \sum_{i=N+1}^M z_{ikj} \\ &= z'_{\sigma_X^{-1}(k)kk} + 0 \\ &= 1 = x_j \end{aligned}$$

as required.

Case 2: $k \notin X$ In this case, we see from the definition of z' that $z'_{ikj} = 0$ for all $i \in \{1, \dots, N\}$ and all $j \in A$. Thus

$$\begin{aligned} \sum_{i=1}^M z'_{ikj} &= \sum_{i=1}^N z'_{ikj} + \sum_{i=N+1}^M z_{ikj} \\ &= 0 + \sum_{i=N+1}^M z_{ikj} \\ &\leq \sum_{i=1}^M z_{ikj} \\ &\leq x_j \end{aligned}$$

since z satisfies (17), as required.

Obviously z' is binary.

Thus z' is feasible for (LDOMP₁).

We now show that the objective value of z' in (LDOMP₁) is no more than that of z . It is helpful to define that objective, via

$$\zeta_i(z) = \sum_{k=1}^M \sum_{j=1}^M c_{kj} z_{ikj}$$

for each i , so the objective is

$$\sum_{i=1}^M \lambda_i \zeta_i(z).$$

Now for $i > N$, $z'_{ikj} = z_{ikj}$ for all k, j , so

$$\zeta_i(z') = \sum_{k=1}^M \sum_{j=1}^M c_{kj} z'_{ikj} = \sum_{k=1}^M \sum_{j=1}^M c_{kj} z_{ikj} = \zeta_i(z).$$

For $i \leq N$, $z'_{ikj} = 1$ only if $j = k = \sigma_X(i)$, and $z'_{ikj} = 0$ otherwise, so

$$\zeta_i(z') = \sum_{k=1}^M \sum_{j=1}^M c_{kj} z'_{ikj} = c_{\sigma_X(i)\sigma_X(i)} = 0$$

by (FSS), and thus

$$\zeta_i(z') = 0 \leq \zeta_i(z).$$

We have shown that $\zeta_i(z') \leq \zeta_i(z)$ for all $i = 1, \dots, N$. Since $\lambda \geq 0$ is assumed, the objective value of z' in (LDOMP₁) is

$$\sum_{i=1}^M \lambda_i \zeta_i(z') \leq \sum_{i=1}^M \lambda_i \zeta_i(z), \quad (25)$$

i.e. no more than the objective value of z .

To conclude, we observe that by Corollary 1, the objective value of z is a lower bound on the value of (LDOMP₁): (LDOMP₁) with additional constraints (23) and (24) has the same optimal objective value as (LDOMP₁) alone, by Corollary 1, and (x, z) solves a relaxation of (LDOMP₁) with additional constraints (23) and (24). Since z' is feasible for (LDOMP₁), the objective value of z' is an upper bound on the optimal value of (LDOMP₁). But by (25), the value of z' is no greater than that of z . Therefore the value of z' must be the optimal value of (LDOMP₁) and (x, z') must be an optimal solution. By the validity of (LDOMP₁), x must induce an optimal solution to DOMP. $\square$

As a consequence of the results above if (FSS) holds we can add constraints (23) and (24) to (LDOMP₁). Moreover, we can replace constraints $z_{ikj} \in \{0, 1\}$ by $0 \leq z_{ikj} \leq 1$ for all $i = 1, \dots, N$ and all $j, k = 1, \dots, M$.

Improvements for (LDOMP₂)

In the following we will prove some properties which are fulfilled by optimal solutions of (LDOMP₂).

Lemma 3 *If (x, y, s, w) is an optimal solution for (LDOMP₂) with objective value less than or equal to z_{UB} then*

$$\sum_{j : c_{kj} \leq \frac{z_{UB}}{\sum_{i=m}^M \lambda_i}} x_j \geq \sum_{i=1}^m s_{ik} \quad (26)$$

holds for all $k, m = 1, \dots, M$.

Proof.

Let (x, y, s, w) be an optimal solution for $(LDOMP_2)$, with objective value less than or equal to z_{UB} . Let X be the set of facilities induced by x and let σ_X be the permutation of $\{1, \dots, M\}$ induced by s , i.e. let $\sigma_X(i) = j$ if and only if $s_{ij} = 1$. Then since $(LDOMP_2)$ is a correct formulation, $|X| = N$, σ_X is a valid permutation for X and $L(X)$ is the objective value of (x, y, s, w) in $(LDOMP_2)$, so $L(X) \leq z_{UB}$. Take any arbitrary $k, m \in \{1, \dots, M\}$. By the definition of $\mathcal{P}$, $\sum_{i=1}^m s_{ik} \in \{0, 1\}$. Since $x \geq 0$, (26) trivially holds when $\sum_{i=1}^m s_{ik} = 0$. Thus, let us assume that $\sum_{i=1}^m s_{ik} = 1$. Therefore $s_{rk} = 1$ for some $1 \leq r \leq m$, and so $\sigma_X(r) = k$ and $\sigma_X^{-1}(k) = r \leq m$. Hence, by Proposition 1, we have that $c_k(X) \leq z_{UB} / \sum_{i=m}^M \lambda_i$. By (1), the definition of $c_k(X)$, there must exist $j \in X$ with $c_{kj} = c_k(X)$. Thus there exists j with $x_j = 1$ and with $c_{kj} \leq z_{UB} / \sum_{i=m}^M \lambda_i$, and so

$$\sum_{j : c_{kj} \leq \frac{z_{UB}}{\sum_{i=m}^M \lambda_i}} x_j \geq 1 = \sum_{i=1}^m s_{ik}$$

as required. $\square$

Lemma 4 *Any optimal solution (x, y, s, w) of $(LDOMP_2)$ satisfies*

$$w_i \geq \sum_{j=1}^M c_{kj} y_{kj} - \bar{c}_k \left(1 - \sum_{l=1}^i s_{lk}\right), \quad \forall i, k = 1, \dots, M \quad (27)$$

where $\bar{c}_k$ is the N th largest entry of the cost matrix at row k .

Proof.

Let (x, y, s, w) be an optimal solution of $(LDOMP_2)$ and let $i, k \in \{1, \dots, M\}$. Then by constraints (18) and (20) we have for any $l \in \{1, \dots, i\}$ that

$$w_i \geq w_l \geq \sum_{j=1}^M c_{kj} y_{kj} - \bar{c}_k (1 - s_{lk}). \quad (28)$$

Now since $s \in \mathcal{P}$ we have to consider only two cases: either $s_{lk} = 0$ for all $l \in \{1, \dots, i\}$, or there exists $l' \in \{1, \dots, i\}$ such that $s_{l'k} = 1$ and $s_{lk} = 0$ for all $l \in \{1, \dots, i\} \setminus \{l'\}$. In both cases, $\sum_{l=1}^i s_{lk} = s_{l'k}$ for some $l' \in \{1, \dots, i\}$, and by (28) with $l = l'$ we get that (27) is satisfied, as required. $\square$

Note that (27) is a direct strengthening of (20), and so the former can replace the latter in the formulation of $(LDOMP_2)$.

In what follows, we find it convenient to define an $(LDOMP_2)$ -feasible point induced by a set of facilities $X \subseteq \{1, \dots, M\}$.

Definition 1 Assume (FSS) holds. We say that (x, y, s, w) is an (LDOMP₂)-feasible point induced by X if x, y, s and w are defined as follows. Let x binary be defined by $x_j = 1$ if and only if $j \in X$, for each $j \in \{1, \dots, M\}$. Choose σ_X to be a valid permutation for X satisfying (21). (Such a permutation exists by Proposition 2.) Let s binary be defined by $s_{ik} = 1$ if and only if $\sigma_X(i) = k$, for each $i, k \in \{1, \dots, M\}$. For each $k \in \{1, \dots, M\}$, choose $j(k) \in \arg \min_{j \in X} c_{kj}$, and let binary y be defined by $y_{kj} = 1$ if and only if $j = j(k)$, for each $j \in \{1, \dots, M\}$. Set $w_i = c_{\sigma_X(i)}(X)$ for all $i = 1, \dots, M$.

Of course, to apply the definition, we require $|X| = N$. In this case, it is easy to show that the name is justified, and that (x, y, s, w) must indeed be a feasible point for (LDOMP₂).

Lemma 5 If (FSS) holds then there exists an optimal solution (x, y, s, w) of (LDOMP₂) satisfying

$$w_1 = w_2 = \dots = w_N = 0, \quad (29)$$

$$\sum_{i=1}^N s_{ij} = x_j, \quad \forall j = 1, \dots, M, \quad (30)$$

and

$$w_{N+1} \geq \underline{c}x_{j^*} + \underline{d}(1 - x_{j^*}), \quad (31)$$

where $\underline{c} = \min_{\substack{k, j=1, \dots, M, \\ k \neq j}} c_{kj} = c_{k^*j^*}$ and $\underline{d} = \min_{\substack{k, j=1, \dots, M, \\ k \neq j, j \neq j^*}} c_{kj}$.

Proof.

Let X be an optimal solution of DOMP and let (x, y, s, w) be an (LDOMP₂)-feasible point induced by X . Let σ_X be the permutation chosen in defining this (LDOMP₂)-feasible point. Now

$$\sum_{i=1}^M \lambda_i w_i = \sum_{i=1}^M \lambda_i c_{\sigma_X(i)}(X) = L(X)$$

so by the correctness of (LDOMP₂), and since X is optimal for DOMP, it must be that (x, y, s, w) is optimal for (LDOMP₂). By (22), and since $w_i = c_{\sigma_X(i)}(X)$ for all $i = 1, \dots, M$, by definition, we have that $w_1 = w_2 = \dots = w_N = 0$, and (29) holds. Furthermore, by (21), and the definition of s , we have, for each $j = 1, \dots, M$, that if $x_j = 1$, so $j \in X$, then $s_{ij} = 1$ if and only if $i \in \{1, \dots, N\}$, whilst if $x_j = 0$, so $j \notin X$, then $s_{ij} = 0$ for all $i \in \{1, \dots, N\}$. Thus, and since $\sum_{i=1}^M s_{ij} = 1$, it must be that (30) holds.

Now by (21), and since $|X| = N$, we have that $\sigma_X(N+1) \notin X$. Now $c_{\sigma_X(N+1)}(X) = c_{\sigma_X(N+1),j}$ for some $j \in X$, by definition, and so it must be that $\sigma_X(N+1) \neq j$. Thus $c_{\sigma_X(N+1)}(X) \geq \underline{c}$. Now $w_{N+1} = c_{\sigma_X(N+1)}(X)$, by definition of w , so we have $w_{N+1} \geq \underline{c}$. Thus (31) holds in the case $x_{j^*} = 1$. In the case $x_{j^*} = 0$, we have $j^* \notin X$, and $c_{\sigma_X(N+1)}(X) = c_{\sigma_X(N+1),j}$ for some $j \neq j^*$, where of course $j \neq \sigma_X(N+1)$ as well. Thus $w_{N+1} = c_{\sigma_X(N+1)}(X) \geq \underline{d}$ as required. $\square$

We now give our final result. Note that its proof makes use of a property of sorted vectors. Since this property is quite general, we relegate its statement and proof to Appendix A (see Lemma 6).

Proposition 4 *Suppose (FSS) holds and let (x, y, s, w) solve (LDOMP₂) with additional constraints (29), (30) and (31), but with integrality relaxed on all variables s_{ij} with $i \in \{1, \dots, N\}$ and $j \in \{1, \dots, M\}$. Then x induces an optimal solution to DOMP.*

Proof.

Let (x, y, s, w) be an optimal solution of (LDOMP₂), satisfying (29), (30) and (31), with integrality relaxed on all variables s_{ij} with $i \in \{1, \dots, N\}$ and $j \in \{1, \dots, M\}$. Let X be the set of facilities induced by x , and choose σ_X to be a valid permutation for X satisfying (22). (Such a permutation exists, by Proposition 2, and since (FSS) holds.) Also let $\hat{y}$, $\hat{s}$ and $\hat{w}$ be constructed, using σ_X , so that $(x, \hat{y}, \hat{s}, \hat{w})$ is an (LDOMP₂)-feasible point induced by X . Now for $i \in \{N+1, \dots, M\}$, if $s_{ij} = 1$ then it must be $j \notin X$, since if $j \in X$ then $x_j = 1$, so by (30), $\sum_{i=1}^N s_{ij} = 1$, and hence $\sum_{i=N+1}^M s_{ij} = 1 - \sum_{i=1}^N s_{ij} = 0$, since $s \in \mathcal{P}$. Furthermore, if $j \notin X$, then $x_j = 0$, so by (30), $\sum_{i=1}^N s_{ij} = 0$, and hence $\sum_{i=N+1}^M s_{ij} = 1 - \sum_{i=1}^N s_{ij} = 1$, i.e. there is some $i \in \{N+1, \dots, M\}$ such that $s_{ij} = 1$. Thus s_{ij} for $i \in \{N+1, \dots, M\}$, $j \in \{1, \dots, M\}$, binary, assigns a position in the ordering of $N+1$ or higher to each client $j \notin X$. Now $\{\sigma_X(i) : i = 1, \dots, N\} = X$, so σ_X assigns a position in the ordering of N or lower for each $j \in X$. Thus setting

$$s'_{ij} = \begin{cases} s_{ij}, & i \geq N+1 \\ 1, & i \leq N \text{ and } \sigma_X(i) = j \\ 0, & \text{otherwise} \end{cases}$$

for each $i, j \in \{1, \dots, M\}$ must yield $s' \in \mathcal{P}$. Let σ be the permutation of $\{1, \dots, M\}$ induced by s' . Then for $i \in \{1, \dots, N\}$, $\sigma(i) = \sigma_X(i) \in X$, and for $i \in \{N+1, \dots, M\}$, $\sigma(i) = k$ if and only if $s_{ik} = 1$, in which case $k \notin X$. Now for each $i = N+1, \dots, M$,

$$\begin{aligned} w_i &\geq \sum_{j=1}^M c_{\sigma(i)j} y_{\sigma(i)j} \quad \text{by (20) and since } s_{i\sigma(i)} = 1 \\ &= \sum_{j \in X} c_{\sigma(i)j} y_{\sigma(i)j} \quad \text{since } (x, y) \in \mathcal{N}, \text{ so } y_{kj} \leq x_j \text{ for all } k, j, \text{ and } x_j = 0 \text{ if } j \notin X \\ &\geq c_{\sigma(i)}(X) \sum_{j \in X} y_{\sigma(i)j} \quad \text{since by definition, } c_{\sigma(i)}(X) \leq c_{\sigma(i)j} \text{ for all } j \in X \\ &\geq c_{\sigma(i)}(X) \quad \text{since } (x, y) \in \mathcal{N}, \text{ so } y \geq 0 \text{ and } \sum_{j=1}^M y_{\sigma(i)j} = 1 \\ &= \hat{w}_{\sigma_X^{-1}(\sigma(i))} \end{aligned}$$

by the definition of $\hat{w}$. Also, for each $i = 1, \dots, N$, we have $w_i = 0$, by (29), and $\sigma(i) \in X$, so $c_{\sigma(i)}(X) = 0$, as (FSS) holds. Thus

$$w_i = 0 = c_{\sigma(i)}(X) = \hat{w}_{\sigma_X^{-1}(\sigma(i))},$$

again by the definition of $\hat{w}$. So

$$w_i \geq \hat{w}_{\sigma_X^{-1}(\sigma(i))}, \quad \forall i = 1, \dots, M.$$

Observe that w satisfies (45), since it satisfies (18), and that $\hat{w}$ satisfies (46), by its definition, and the definition of σ_X . Furthermore w and $\hat{w}$ satisfy (47) for the permutation $\sigma_X^{-1}\sigma$. Thus the conditions of Lemma 6 (in Appendix A) are met, and we deduce that

$$\hat{w}_i \leq w_i, \quad \forall i = 1, \dots, M.$$

Now we have $(x, \hat{y}, \hat{s}, \hat{w})$ feasible for (LDOMP₂), with objective value

$$\sum_{i=1}^M \lambda_i \hat{w}_i \leq \sum_{i=1}^M \lambda_i w_i,$$

since $\lambda \geq 0$. But the optimal objective value of (LDOMP₂) is equal to the optimal objective value of (LDOMP₂) with additional constraints (29), (30) and (31), by Lemma 5. Since (x, y, s, w) solves a relaxation of this, it must be that the optimal objective value of (LDOMP₂) is no less than $\sum_{i=1}^M \lambda_i w_i$. Therefore $(x, \hat{y}, \hat{s}, \hat{w})$ must be an optimal solution of (LDOMP₂), and so by the correctness of the formulation, x must induce an optimal solution to DOMP. $\square$

From the above results, we conclude that if (FSS) holds, then we can add constraints (26), (29), (30) and (31) to (LDOMP₂), and we can replace constraints (20) by (27). Moreover, we can relax constraints $s_{ij} \in \{0, 1\}$, substituting them with $0 \leq s_{ij} \leq 1$, for all $i = 1, \dots, N$ and all $j = 1, \dots, M$.

5 Comparing the Linearizations

In order to get a good comparison between the linearizations (LDOMP₁) and (LDOMP₂) we have developed an experimental design with the following factors and levels:

- Size of the problem: As we have seen the number of sites, M , determines the dimensions of the cost matrix (C) and the λ -vector. Moreover, it is an upper bound of the number of facilities (N) to be located. For these reasons we consider M as a factor in our design and we propose four levels: $M = 8, 10, 12, 15$.
- New facilities: N is the second factor with four levels. To obtain equivalent levels, they are presented as proportions of the M values. These levels are: $\lceil \frac{M}{4} \rceil$, $\lceil \frac{M}{3} \rceil$, $\lceil \frac{M}{2} \rceil$, and $\lceil \frac{M}{2} + 1 \rceil$. Therefore for $M = 8$ we consider $N = 2, 3, 4, 5$, for $M = 10$, $N = 3, 4, 5, 6$, for $M = 12$, $N = 3, 4, 6, 7$ and finally for $M = 15$, $N = 4, 5, 8, 9$.
- Type of problem: Each λ -vector is associated with a different objective function, i.e. it models different types of problems. As these problems are unlikely to have the same difficulty of being solved, λ is also considered as a factor. Its levels were constructed depending on the value of M as follows:

1. T1: λ -vector corresponding to the N -median problem, i.e. $\lambda = (\underbrace{1, \dots, 1}_M)$.
2. T2: λ -vector corresponding to the N -center problem, i.e. $\lambda = (\underbrace{0, \dots, 0}_{M-1}, 1)$.
3. T3: λ -vector corresponding to the k -centra problem, i.e. $\lambda = (0, \dots, 0, \underbrace{1, \dots, 1}_k)$,
where $k = \lfloor \frac{M}{3} \rfloor$.
4. T4: λ -vector corresponding to the $k_1 + k_2$ -trimmed mean problem, i.e. $\lambda = (\underbrace{0, \dots, 0}_{k_1}, \underbrace{1, \dots, 1}_{k_2}, \underbrace{0, \dots, 0}_{M-k_1-k_2})$, where $k_1 = N + \lceil \frac{M}{10} \rceil$ and $k_2 = \lceil \frac{M}{10} \rceil$.
5. T5: λ -vector with binary entries alternating both values and finishing with an entry equal to 1, i.e. $\lambda = (0, 1, 0, 1, \dots, 0, 1, 0, 1)$ if M is even and $\lambda = (1, 0, 1, \dots, 0, 1, 0, 1)$ if M is odd.
6. T6: As T5, but finishing with an entry equal to 0, i.e. $\lambda = (1, 0, 1, 0, \dots, 1, 0, 1, 0)$ if M is even and $\lambda = (0, 1, 0, \dots, 1, 0, 1, 0)$ if M is odd.
7. T7: λ -vector generated by the repetition of the sequence 0, 1, 1 from the end to the beginning, i.e. $\lambda = (\dots, 0, 1, 1, 0, 1, 1)$.
8. T8: λ -vector generated by the repetition of the sequence 0, 0, 1 from the end to the beginning, i.e. $\lambda = (\dots, 0, 0, 1, 0, 0, 1)$.

- Linearization: This factor has two levels corresponding to the two linearizations we would like to test: (LDOMP₁) and (LDOMP₂).

In this way we have a linear model with four factors (M with four levels, N with four levels, λ with eight levels and two linearizations) therefore, we get 256 different combinations. For each combination we do 15 replications, thus this design leads to 3840 problems to be solved. We have considered two dependent variables in the model: the integrality gap and the computing time. All the factors were tested to be simultaneously meaningful performing a multivariate analysis of the variance applied to the model. Additionally, principal component analysis was also applied in order to check whether some factors may be removed from consideration. Once more, we get the conclusion that none of them is meaningless.

Numerical Comparisons

In this section we present computational results for solving the DOMP using either (LDOMP₁) or (LDOMP₂). The DOMP was solved with the commercial package ILOG CPLEX 6.6 using the C++ modelling library ILOG Planner 3.3 (see [8]). These computational results were obtained using a Pentium III 800 Mhz with 1 GB RAM. The upper bounds used in constraints, as discussed in the previous section, were obtained by a heuristic method based on variable neighbourhood search (see [3]).

We first comment briefly on the effect of the improvements presented in Section 4 on the linear formulations. Both linearizations (LDOMP₁) and (LDOMP₂) are greatly affected. Some small examples ($M = 8$) were tested to compare the performance of each linearization, with and without the strengthening provided by results in Section 4. The results are reported in Table 1. We found that for all types of problems (except type T1, for which the bound was unaffected) the integrality gap provided by the improved linearizations was significantly smaller than that given by the original formulation. The effect was more pronounced for (LDOMP₂), which had weaker bounds to begin with. The gap for this formulation was reduced by a factor of up to more than twenty, (which was achieved on type T2 problems), with the average reduction being a factor of around 4.6. For (LDOMP₁) the greatest reduction was observed on type T4 problems, with the gap given by the improved formulation just over one eighth of the gap reported by the original formulation, i.e. an improvement by a factor of almost eight. The average gap reduction for (LDOMP₁) across all problem types was by a factor of about 2.6. Improvements in computing time were even more dramatic. Even for problems of type T1, for which no improvement in root node bound was reported, the computing time was decreased by an order of magnitude for (LDOMP₁) and cut in about four for (LDOMP₂). Indeed for every problem type, the computing time for (LDOMP₁) was reduced by at least one order of magnitude, with a reduction of two orders of magnitude for two of the eight problem types. For (LDOMP₂), the computing time on all types of problems except T1 was reduced by at least one order of magnitude, with two problem types showing reductions of two orders of magnitude, and three types having computing time around three orders of magnitude less. Thus we see that the strengthening provided by results in Section 4 are highly effective in improving both formulations.

Formulation	Problem Type	Gap (%)		Ratio original/ improved	Computing Time (s)		Ratio original/ improved
		original	improved		original	improved	
(LDOMP ₁)	T1	0.71	0.71	1.00	0.63	0.07	9.00
	T2	68.44	39.27	1.74	24.31	0.10	243.10
	T3	63.05	13.88	4.54	15.93	0.10	159.30
	T4	58.40	7.46	7.83	3.19	0.07	45.57
	T5	20.90	15.92	1.31	1.69	0.12	14.08
	T6	21.55	13.82	1.56	0.79	0.09	8.78
	T7	18.36	9.22	1.99	1.10	0.13	8.46
	T8	32.72	26.75	1.22	1.97	0.14	14.07
(LDOMP ₂)	T1	0.71	0.71	1.00	0.40	0.11	3.64
	T2	68.44	3.22	21.25	169.88	0.05	3397.60
	T3	63.05	17.89	3.52	125.04	0.08	1563.00
	T4	100	38.81	2.58	158.96	0.19	836.63
	T5	20.90	12.69	1.65	6.71	0.15	44.73
	T6	100	30.71	3.26	73.52	0.17	432.47
	T7	18.36	11.65	1.58	2.98	0.15	19.87
	T8	32.72	15.79	2.07	14.46	0.12	120.50

Table 1: Gaps and computing times for the (LDOMP₁) and (LDOMP₂) formulations, with and without the improvements provided by Section 4, on problems with $M = 8$. Each row of the table represents an average taken over problems with $N = 2, 3, 4$ and 5 , where for each value of N , fifteen instances of the stated problem type were solved and the results averaged.

Our next step is to compare the two linearizations. To this end, we show the number of nodes in the branch and bound tree, the gap between the optimal solution and the linear relaxation objective function value, and the computing time in seconds. Each row represents the result of 15 replications of each combination (M, N) . For this reason we compute the average, minimum and maximum of the number of nodes, integrality gap and computing time. We first give detailed results of the experiments with problems having $M = 15$, and then describe the results of our analysis for all 3840 test problems.

In Tables 2-9 we summarize the results of our experiments on problems with $M = 15$. We denote as L1 and L2 the results corresponding to the linearization (LDOMP₁) and (LDOMP₂), respectively.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	697.53	166	1577	2.39	0.00	18.80	8.40	2.42	18.94
		5	311.87	6	894	1.19	0.00	10.81	2.99	0.36	7.19
		8	12.53	0	121	0.00	0.00	0.00	0.31	0.19	1.06
		9	3.80	0	19	0.14	0.00	2.08	0.22	0.16	0.31
L2	15	4	2210.33	164	9350	2.39	0.00	18.80	25.41	5.03	114.16
		5	727.40	92	2570	1.19	0.00	10.81	8.79	2.83	21.41
		8	33.07	2	103	0.00	0.00	0.00	0.95	0.28	2.17
		9	19.93	0	63	0.14	0.00	2.08	0.63	0.17	1.61

Table 2: Computational results corresponding to the T1 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	5107.20	548	12181	50.55	31.60	66.16	58.85	4.98	117.09
		5	2242.07	114	8196	53.26	28.00	73.75	17.81	2.00	74.00
		8	42.73	10	129	40.50	26.19	57.14	0.41	0.28	0.70
		9	31.53	0	150	39.65	25.00	60.00	0.38	0.22	0.88
L2	15	4	1.20	0	7	16.21	0.00	40.72	1.03	0.61	1.59
		5	2.67	0	15	16.61	0.00	59.92	0.84	0.23	1.69
		8	0.00	0	0	0.00	0.00	0.00	0.26	0.08	0.41
		9	0.40	0	2	12.06	0.00	45.45	0.29	0.09	0.61

Table 3: Computational results corresponding to the T2 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	2026.87	405	7079	32.25	16.86	50.00	22.54	3.72	96.09
		5	976.93	138	4620	25.44	16.37	45.90	7.26	1.08	27.08
		8	31.13	0	129	12.63	0.00	22.08	0.41	0.19	0.94
		9	11.87	0	47	6.21	0.00	13.04	0.28	0.17	0.47
L2	15	4	544.40	91	1091	33.79	26.95	45.26	9.41	4.08	14.25
		5	467.27	69	1570	28.90	20.37	43.48	6.51	2.39	14.50
		8	100.60	11	358	13.55	4.76	19.19	1.55	0.53	3.86
		9	64.73	5	188	8.11	4.44	13.62	0.98	0.33	1.95

Table 4: Computational results corresponding to the T3 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	369.00	28	1054	12.47	1.08	17.29	4.37	1.13	10.92
		5	108.73	12	385	12.77	5.10	19.20	1.70	0.53	5.17
		8	1.67	0	7	10.32	0.00	26.67	0.32	0.20	0.44
		9	1.60	0	5	10.83	0.00	33.33	0.30	0.19	0.39
L2	15	4	41956.87	271	178289	82.65	70.83	91.25	578.05	7.36	2168.08
		5	4386.73	151	34872	76.62	53.85	87.76	63.86	6.22	472.94
		8	34.47	2	209	50.25	25.00	76.92	1.55	0.28	3.72
		9	8.53	0	26	34.51	0.00	75.00	0.62	0.19	1.89

Table 5: Computational results corresponding to the T4 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	2357.20	593	5758	13.26	7.46	26.15	17.35	3.66	45.47
		5	1459.87	230	6206	12.15	4.41	26.67	9.04	1.59	37.64
		8	36.67	0	125	8.33	0.00	18.18	0.37	0.22	0.94
		9	37.73	0	147	12.32	0.00	29.17	0.36	0.17	0.70
L2	15	4	15986.47	166	46286	13.39	7.46	26.15	108.06	4.78	358.00
		5	4810.87	85	28586	12.15	4.41	26.67	28.99	2.64	150.23
		8	80.13	4	357	8.33	0.00	18.18	1.42	0.42	3.78
		9	108.60	3	435	12.19	0.00	27.19	1.29	0.33	3.16

Table 6: Computational results corresponding to the T5 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	1097.73	51	3414	11.96	4.41	23.61	10.63	1.45	28.84
		5	413.80	68	1727	12.03	4.29	20.97	3.62	0.98	10.20
		8	32.73	0	160	12.32	0.00	29.17	0.58	0.25	1.27
		9	5.67	0	13	8.06	0.00	21.43	0.26	0.14	0.41
L2	15	4	29733.13	894	93126	82.36	75.00	87.95	266.90	14.45	719.80
		5	19748.87	612	115575	78.00	64.29	85.55	201.05	7.20	1304.75
		8	261.80	37	785	62.63	25.00	81.25	4.62	1.52	12.42
		9	35.47	0	149	44.73	0.00	70.00	1.37	0.08	3.02

Table 7: Computational results corresponding to the T6 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	1564.67	320	3960	11.96	7.63	23.61	12.87	2.45	30.77
		5	835.73	142	1744	12.15	5.21	20.83	5.04	1.22	9.66
		8	36.20	0	108	9.95	0.00	15.48	0.37	0.16	0.72
		9	22.13	0	93	9.41	0.00	21.48	0.31	0.19	0.56
L2	15	4	9981.33	225	86922	12.01	8.15	23.81	54.38	4.75	413.48
		5	1692.80	205	9298	11.85	5.21	20.83	12.12	3.84	56.42
		8	106.80	3	399	9.30	0.00	14.96	1.52	0.30	3.20
		9	55.87	0	172	9.33	0.00	21.67	0.90	0.23	2.17

Table 8: Computational results corresponding to the T7 type problem.

Lin	Example		# nodes			gap(%)			CPU(s)		
	M	N	aver	min	max	aver	min	max	aver	min	max
L1	15	4	5000.20	493	21037	21.81	13.77	32.14	46.95	2.52	162.47
		5	1400.93	233	3861	21.13	7.84	34.34	7.75	1.22	30.31
		8	66.33	0	263	16.88	0.00	29.17	0.50	0.20	1.22
		9	43.40	0	142	19.13	0.00	39.74	0.37	0.22	0.70
L2	15	4	18360.47	235	134087	21.85	14.49	31.91	104.12	4.31	654.41
		5	2366.33	131	10157	20.66	7.84	31.31	18.40	3.20	68.56
		8	59.87	6	264	15.54	0.00	22.22	1.39	0.42	3.33
		9	43.53	0	301	17.50	0.00	39.74	0.76	0.13	2.64

Table 9: Computational results corresponding to the T8 type problem.

Finally, our statistical analysis for all 3840 test problems is as follows. The comparison between (LDOMP₁) and (LDOMP₂) was made in two steps. First, we compare the results within each type of problem to test whether the integrality gap and/or the computing time show a statistically similar behavior in (LDOMP₁) and (LDOMP₂). To perform this test we use the Mann-Whitney U statistic. With respect to the gap, all types of problems but $T1$ are different under (LDOMP₁) and (LDOMP₂) with a confidence level above 90%. For the computing time, all types of problems are different with a confidence level above 88%. Second, we check which linearization performs better in each problem using robust statistics (trimmed mean) and confidence intervals for the mean value. The conclusions, calculated using all four levels of M , are:

		T1	T2	T3	T4	T5	T6	T7	T8
L1 vs L2	p-value	1.000	0.000	0.001	0.000	0.097	0.000	0.091	0.000
L1	trimmed mean	0.443	43.922	16.736	9.987	13.875	12.743	10.484	23.558
L2	trimmed mean	0.443	1.892	20.700	49.266	12.511	52.763	11.413	18.639

Table 10: p-values and trimmed means obtained for the integrality gap.

		T1	T2	T3	T4	T5	T6	T7	T8
L1 vs L2	p-value	0.000	0.000	0.011	0.000	0.000	0.000	0.000	0.115
	L1 trimmed mean	0.519	5.481	0.951	0.348	1.020	0.688	0.977	1.461
	L2 trimmed mean	1.147	0.223	1.020	6.173	2.453	6.799	1.602	2.092

Table 11: p-values and trimmed means obtained for the computing time.

From Table 10 we observe that (LDOMP₁) provides stronger lower bounds for (DOMP), for problem types T3, T4, T6, T7 and (LDOMP₂) bounds are stronger for T2, T5, T8.

The behaviour of the computing time is substantially different. From Table 11 we can observe that the computing time needed for solving the problem using (LDOMP₁) is significantly shorter than using (LDOMP₂). Only for T2 does (LDOMP₂) solve the problem faster.

As we can see from the computational experiments, large problems with smaller numbers of facilities cannot be solved to optimality. Therefore, we develop a branch and bound (B&B) algorithm that takes advantage of the structure of the problem.

6 A Branch and Bound Method

The driving variables for the DOMP are the binary x_j variables, indicating which sites have been selected for facility location. Once these are known, the objective value is easy to calculate. All the other variables are in the integer linear programming formulations to enable the costs to be calculated. It thus makes sense to build a branch and bound (B&B) method based entirely on the x_j variables, i.e. on decisions of whether or not a site is selected for facility location.

We develop a B&B in which each node represents a disjoint pair of sets of sites: a set of sites at which facilities will be opened and a set of sites at which facilities will *not* be opened. We refer to these as the set of *open* and *closed* sites respectively. Recall $A = \{1, \dots, M\}$ denotes the set of sites. For a given node, we may let $F \subseteq A$ denote the set of open sites and $\overline{F} \subseteq A \setminus F$ denote the set of closed sites. We refer to the sites indexed by $A \setminus (F \cup \overline{F})$ as *undecided*. The node in the B&B tree is represented by the pair $(F, \overline{F})$. Of course, the node is a leaf node if either $|F| \geq N$ or $|\overline{F}| \geq M - N$. Otherwise, we calculate a lower bound on the cost function of the problem defined by $(F, \overline{F})$. Our lower bound is relatively simple to calculate; it does not require solution of a linear program. We discuss our lower bound in detail in Section 6.1.

Because of the nature of the cost function, making the decision to open a facility gives us very little information which could impact on a lower bound. It is only making the decision *not* to open a facility which restricts choices and forces the objective up. We thus develop a branching rule which is strong, and which ensures that on each branch some site is closed. We discuss our branching rule in detail in Section 6.2.

In Section 6.3 we compare the performance of our B&B method with that of the best integer linear programming formulation computationally.

6.1 Combinatorial Lower Bounds

A node in our B&B tree is represented by the disjoint pair of sets $(F, \overline{F})$ of sites open and closed, respectively. At each node which is not a leaf node of the B&B tree, we need to calculate a lower bound on the value of the cost function. Let $\hat{F} = A \setminus \overline{F}$ denote the set of sites which are either open, or undecided.

For any set of sites $R \subseteq \{1, \dots, M\}$ we define $L(R)$ to be the cost of having facilities open at precisely those sites. So if we define

$$c_i(R) = \min_{j \in R} c_{ij} \quad (32)$$

to be the minimum cost assignment for a customer at site i to a facility in R , and define σ^R to be a permutation of $1, \dots, M$ such that

$$c_{\sigma^R(1)}(R) \leq \dots \leq c_{\sigma^R(M)}(R)$$

then we have that

$$L(R) = \sum_{i=1}^M \lambda_i c_{\sigma^R(i)}(R). \quad (33)$$

This notation is identical to that defined earlier for a set of sites X , with $|X| = N$; it is obviously not difficult to extend these definitions to arbitrary sets of sites.

We now derive two lower bounds, based on somewhat different ideas. The second only applies in the case self-service is cheapest (or free). As we show with an example, either one can be stronger, depending on the problem data. As both bounds are very easy to calculate, the lower bound we use in our B&B method is the maximum of the two.

In the following proposition we present a lower bound on the objective function value of any feasible solution having facilities in $\overline{F} \subseteq A$ closed.

Proposition 5 *Given $\overline{F} \subseteq A$ a set of closed sites with $|\overline{F}| < M - N$, let S be any set of N facilities not intersecting facilities in $\overline{F}$, i.e. let $S \subseteq \hat{F}$ and $|S| = N$, where $\hat{F} = A \setminus \overline{F}$. Then*

$$L(S) \geq L(\hat{F}),$$

i.e. $L(\hat{F})$ is a lower bound on the objective function value of any feasible solution having facilities in $\overline{F}$ closed.

Proof.

We know from (33) that $L(S) = \sum_{i=1}^M \lambda_i c_{\sigma^S(i)}(S)$ and $L(\hat{F}) = \sum_{i=1}^M \lambda_i c_{\sigma^{\hat{F}}(i)}(\hat{F})$. Since we assume $\lambda \geq 0$, we just have to show that $c_{\sigma^S(i)}(S) \geq c_{\sigma^{\hat{F}}(i)}(\hat{F})$ for all $i = 1, \dots, M$ to show that $L(S) \geq L(\hat{F})$.

Observe that by (32), and since $S \subseteq \hat{F}$, it must be that $c_i(S) \geq c_i(\hat{F})$ for all $i = 1, \dots, M$. Taking $r = s = M$, $p_i = c_i(S)$ and $q_i = c_i(\hat{F})$ for all $i = 1, \dots, M$, $\sigma^P = \sigma^S$

and $\sigma^Q = \sigma^{\hat{F}}$, we see that Theorem 1 (Appendix A) may be applied to deduce that $p_{\sigma^P(i)} = c_{\sigma^S(i)}(S) \geq q_{\sigma^Q(i)} = c_{\sigma^{\hat{F}}(i)}(\hat{F})$ for all $i = 1, \dots, M$, as required. $\square$

Observe that if the self-service is free (FSS), i.e. $c_{ii} = 0$, for all $i \in A$, this lower bound is likely to be very weak, unless $|\hat{F}|$ is not too much greater than N , i.e. unless a relatively large number of facilities have been closed by branching. This will not occur until relatively deep in the B&B tree, which closes one more site at each level (see Section 6.2 for details of our branching rule). Thus, if (FSS) holds, we consider another lower bound, which may be somewhat more effective higher in the tree. In fact, the lower bound we propose applies more generally to the case that self-service is cheapest, i.e. $c_{ii} \leq c_{ij}$, for all $i, j = 1, \dots, M$ with $j \neq i$. This condition, which we refer to as *cheapest self-service*, or (CSS), can be assumed in most of the facility location problems without any capacity constraint.

The idea is that for any feasible set of columns $S \subseteq \hat{F}$, the feasible cost vector will consist of N diagonal elements and $M - N$ off-diagonal row minima, taken over S . Hence, using the vector consisting of the N smallest diagonal elements and the $M - N$ smallest off-diagonal row minima, taken over $\hat{F} \supseteq S$, we obtain a sorted cost vector which is in every component no more than the sorted cost vector given by S , and therefore provides a valid lower bound.

To introduce this lower bound, we define $D^{\hat{F}}$ to be the vector of diagonal elements of the cost matrix, taken over columns in $\hat{F}$, and let $d_1, \dots, d_N$ be the N smallest elements in $D^{\hat{F}}$, ordered so that

$$d_1 \leq \dots \leq d_N. \quad (34)$$

Furthermore, we define the vector $H^{\hat{F}} \in \mathbb{R}^M$ via

$$H_i^{\hat{F}} = \min_{j \in \hat{F}, j \neq i} c_{ij}, \quad \forall i \in A, \quad (35)$$

to be the vector of cheapest off-diagonal elements in each row, over the columns in $\hat{F}$, and let $h_1, \dots, h_{M-N}$ be the $M - N$ smallest elements in $H^{\hat{F}}$ ordered so that

$$h_1 \leq \dots \leq h_{M-N}. \quad (36)$$

Finally, we define the vector $K^{\hat{F}} = (d_1, \dots, d_N, h_1, \dots, h_{M-N})$ and let $k_1, \dots, k_M$ be the M elements of $K^{\hat{F}}$ ordered so that

$$k_1 \leq \dots \leq k_M. \quad (37)$$

Now we define

$$B(\hat{F}) = \sum_{i=1}^M \lambda_i k_i. \quad (38)$$

Note that if self-service is in fact free, i.e. if (FSS) holds, then $d_1 = \dots = d_N = 0$, $k_i = 0$ for $i = 1, \dots, N$ and $k_i = h_{i-N}$ for $i = N + 1, \dots, M$, and thus

$$B(\hat{F}) = \sum_{i=1}^{M-N} \lambda_{N+i} h_i. \quad (39)$$

In the proposition below, we prove that $B(\hat{F})$ is a valid lower bound on the objective value $L(S)$ for any feasible set $S \subseteq \hat{F}$ with $|S| = N$, if (CSS) holds. Note that the proof relies on a relatively simple, general result concerning sorted vectors: a vector of r real numbers that is componentwise no less than r elements chosen from a vector Q of s real numbers, $s \geq r$, is, when sorted, no less than (componentwise) the vector of the r smallest real numbers in Q , sorted. This general result is given in Appendix A, Lemma 7.

Proposition 6 *Given $\overline{F} \subseteq A$ a set of closed sites with $|\overline{F}| < M - N$, let S be any set of N facilities not intersecting facilities in $\overline{F}$, i.e. let $S \subseteq \hat{F}$ and $|S| = N$, where $\hat{F} = A \setminus \overline{F}$. Then, if (CSS) holds,*

$$L(S) \geq B(\hat{F}),$$

i.e. $B(\hat{F})$ is a lower bound on the objective function value of any feasible solution having facilities in $\overline{F}$ closed.

Proof.

From (33) we know that $L(S) = \sum_{i=1}^M \lambda_i c_{\sigma_S(i)}(S)$. Thus, since $\lambda \geq 0$ is assumed, to show

that $B(\hat{F})$ is a lower bound on the objective function value of any feasible solution having facilities in $\overline{F}$ closed, we only need to show that $c_{\sigma_S(i)}(S) \geq k_i$, for all $i = 1, \dots, M$. To do this, we need to consider diagonal and off-diagonal costs separately.

Firstly, we observe that the cost $c_i(S)$ is the diagonal cost matrix element in row i if $i \in S$; otherwise it is an off-diagonal element in a column in S , in row i . Thus the vector of all costs $c_i(S)$, $i = 1, \dots, M$, which we denote by $c(S)$, has N elements which are diagonal cost matrix elements and $M - N$ elements which are off-diagonal cost matrix elements, and where every element is taken from a column of the cost matrix which is in S . Let $D^S \in \mathbb{R}^N$ be the vector consisting of the N diagonal cost elements of $c(S)$, sorted in increasing cost order, i.e. chosen so that

$$D_1^S \leq \dots \leq D_N^S.$$

Since $S \subseteq \hat{F}$, for all $j = 1, \dots, N$ there exists a unique $i(j) \in \hat{F}$ such that $D_j^S = D_{i(j)}^{\hat{F}}$. Then by Lemma 7 (in Appendix A) we have that $D_j^S \geq d_j$ for all $j = 1, \dots, N$.

Similarly, if we let $H^S \in \mathbb{R}^{M-N}$ be the vector consisting of the $M - N$ off-diagonal cost elements of $c(S)$, sorted in increasing cost order, i.e. chosen so that

$$H_1^S \leq \dots \leq H_{M-N}^S,$$

then for each $j = 1, \dots, M - N$ there must exist a unique $i(j) \in \hat{F}$ such that $H_j^S \geq H_{i(j)}^{\hat{F}}$. To see this, we note that for each $j = 1, \dots, M - N$ there must exist a unique $i(j) \in A \setminus S$ such that $H_j^S = c_{i(j)}(S)$, by the definition of H^S . Now since $S \subseteq \hat{F}$ and $i(j) \notin S$ we know that $c_{i(j)}(S) = \min_{i' \in S} c_{i(j)i'} \geq \min_{i' \in \hat{F}, i' \neq i(j)} c_{i(j)i'} = H_{i(j)}^{\hat{F}}$ by the definition of $H^{\hat{F}}$, and so $H_j^S \geq H_{i(j)}^{\hat{F}}$ as required. Then by Lemma 7 we have that $H_j^S \geq h_j$ for all $j = 1, \dots, M - N$.

Now we define $K^S = (D_1^S, \dots, D_N^S, H_1^S, \dots, H_{M-N}^S)$ and observe that we have shown K^S is (componentwise) no less than $K^{\hat{F}}$, i.e. $K_j^S \geq K_j^{\hat{F}}$ for all $j = 1, \dots, M$. (This is obvious, since if $j \leq N$ then $K_j^S = D_j^S$ and $K_j^{\hat{F}} = d_j$, and we have shown above that $D_j^S \geq d_j$. Similarly if $j > N$ then $K_j^S = H_{j-N}^S$ and $K_j^{\hat{F}} = h_{j-N}$, and we have shown above that $H_{j-N}^S \geq h_{j-N}$.) Note also that K^S is simply a permutation of $c(S)$ and hence the i th component of K^S when sorted must be $c_{\sigma_S(i)}(S)$. Thus by Theorem 1 it must be that $c_{\sigma_S(i)}(S) \geq k_i$ for all $i = 1, \dots, M$, (recall that k_i is, by definition, the i th component of $K^{\hat{S}}$ when sorted), as required.

Thus, as a consequence, since we assume $\lambda \geq 0$, we have that $B(\hat{F})$ is a lower bound on the cost of any feasible solution having facilities in $\overline{F}$ closed. $\square$

The following example illustrates the two lower bounds, and demonstrates that their relative strength depends not only on how many sites have been closed by branching, but also on the value of λ .

Example 6.1 Let $A = \{1, \dots, 5\}$ be the set of sites and assume that we are interested in building $N = 2$ new facilities. Let the cost matrix be as follows:

$$C = \begin{pmatrix} 0 & 4 & 5 & 6 & 4 \\ 5 & 0 & 6 & 2 & 2 \\ 7 & 1 & 0 & 5 & 1 \\ 7 & 4 & 3 & 0 & 5 \\ 1 & 3 & 5 & 4 & 0 \end{pmatrix}.$$

Suppose we are at a node of the branch and bound tree represented by the pair $(F, \overline{F})$ with $F = \emptyset$ and $\overline{F} = \{1\}$. So site 1 has been closed by branching and $\hat{F} = \{2, 3, 4, 5\}$. Observe that (FSS), and hence (CSS), holds in this example, since $c_{ii} = 0$ for all $i \in A$. Therefore both $C(\hat{F})$ and $B(\hat{F})$ are lower bounds on the value of the (DOMP) at this node.

To calculate the bound $C(\hat{F})$ we determine the vector of row minima over columns in $\hat{F}$, ($c_i(\hat{F})$ for all $i \in A$), to be $(4, 0, 0, 0, 0)$ yielding the sorted vector $(0, 0, 0, 0, 4)$.

To calculate $B(\hat{F})$, we have to determine the off-diagonal cost matrix row minima over columns in $\hat{F}$, i.e. we calculate $H^{\hat{F}} = (4, 2, 1, 3, 3)$. Thus the $M - N = 3$ smallest off-diagonal row minima are $h_1 = 1$, $h_2 = 2$ and $h_3 = 3$, and, since the diagonal costs are all zero, we get a lower bound based on the cost vector $k = (0, 0, 1, 2, 3)$.

Which of $C(\hat{F})$ or $B(\hat{F})$ yields the better bound depends on the value of λ . For instance, $\lambda = (1, 0, 0, 0, 1)$ means that $C(\hat{F}) = 0 + 4 = 4$ is better than $B(\hat{F}) = 0 + 3 = 3$. However $\lambda = (0, 0, 1, 1, 1)$ implies $B(\hat{F}) = 1 + 2 + 3 = 6$ which is better than $C(\hat{F}) = 0 + 0 + 4 = 4$.

Notice that both lower bounds can easily be computed. Hence, we propose when (CSS) holds, and in particular when (FSS) holds, we use the lower bound given by

$$\max\{C(\hat{F}), B(\hat{F})\} \tag{40}$$

at a node in the B&B tree identified by sets F and $\overline{F}$, with $\hat{F} = A \setminus \overline{F}$.

Observe that this lower bound is not trivial at the root node, represented by the pair $(\emptyset, \emptyset)$ giving $\hat{F} = A$, so we can compute a gap between the optimal objective function value (z^*) and $\max\{C(A), B(A)\}$ at the root node as follows:

$$\text{gap at root node} = \frac{z^* - \max\{C(A), B(A)\}}{z^*} \times 100. \quad (41)$$

In calculating the lower bound, we may have an opportunity to find a feasible solution of the same value, and so be able to prune the node. In calculating $C(\hat{F})$, the row minimum was found for each row, over columns in $\hat{F}$: let $m(i) \in \hat{F}$ denote the column in which the row minimum for row i was found. In case of a tie with a row minimum occurring in a column in F , $m(i)$ is chosen to be in F . Let $V(F, \overline{F}) = \{m(i) : i \in A\} \setminus F$ be the set of columns in which the selected row minima occur, outside of F . Now if $|V(F, \overline{F})| + |F| \leq N$, then any set $S \subseteq \hat{F}$ with $|S| = N$ and $S \supseteq V(F, \overline{F}) \cup F$ must be an optimal set for the subproblem at that node, and the lower bound $C(\hat{F})$ will be equal to the upper bound obtained from S . In this case, either the value of S is better than the current upper bound, which can thus be updated to the value of S , or the lower bound (equal to the value of S) is not better than the current upper bound; in either case the node can be pruned.

Similarly, in calculating $B(\hat{F})$ in the case that (CSS) holds, the off-diagonal row minimum was found for each row, over columns in $\hat{F}$: let $o(i) \in \hat{F}$ denote the column in which the off-diagonal row minimum for row i was found. In case of a tie with a row minimum occurring in a column in F , $o(i)$ is chosen to be in F . Let $V'(F, \overline{F}) = \{o(i) : i \in A \setminus F\} \setminus F$ be the set of columns in which off-diagonal row minima occur, outside of F , for rows not in F . Now if $|V'(F, \overline{F})| + |F| \leq N$, then any set $S \subseteq \hat{F}$ with $|S| = N$ and $S \supseteq V'(F, \overline{F}) \cup F$ must be an optimal set for the subproblem at that node, and the lower bound $B(\hat{F})$ will be equal to the upper bound obtained from S , the node can be pruned and if the value $B(\hat{F})$ is better than the current upper bound, the upper bound can be set to this value.

6.2 Branching

Since the lower bound presented in the previous section is based on row minima of the cost matrix calculated over columns corresponding to open or undecided sites, making the decision to open a site will not affect the lower bound. Closing a site, however, would be likely to increase the lower bound. We thus design a branching rule so that a (different) site is closed on each branch. We also ensure that the branching is strong, i.e. partitions the solution space.

We begin by describing the generic form of the branching rule, which assumes that an ordering of the undecided sites is given. We then describe two different orderings, and compare the two computationally.

Consider a node of the branch and bound tree, defined by the pair of sets $(F, \overline{F})$ with $|F| < N$ and $|\overline{F}| < M - N$. We may also assume that $|V(F, \overline{F})| > N - |F|$ and, if (CSS) holds, that $|V'(F, \overline{F})| > N - |F|$; otherwise the node would have been pruned, as discussed at the end of the previous section. Set $\hat{F} = A \setminus \overline{F}$. Suppose an ordering is given for the undecided sites, defined to be $U = \hat{F} \setminus F$. Say $\beta : \{1, \dots, |U|\} \rightarrow U$ defines

the given ordering, so $\beta(i)$ is the index of the i th undecided site in the order. Note that $|U| = M - |\overline{F}| - |F| > N - |F|$ since $|\overline{F}| < M - N$. Our branching rule creates child nodes with the i th child node having site $\beta(i)$ closed and sites $\beta(1), \dots, \beta(i-1)$ open. Now a node with more than N sites open is infeasible, so at most $N - |F| + 1$ child nodes need be created. Furthermore $|U| > N - |F|$ and so $N - |F| + 1$ child nodes can be created. In other words, the child nodes are defined by the pairs of sets $(F^i, \overline{F}^i)$ for $i = 1, \dots, N - |F| + 1$, where $\overline{F}^i = \overline{F} \cup \{\beta(i)\}$ and $F^i = F \cup \{\beta(1), \dots, \beta(i-1)\}$, with $F^1 = F$.

We now describe the two orderings we considered. The first is simply the site index ordering, i.e. we take β so that

$$\beta(1) \leq \dots \leq \beta(N - |F| + 1).$$

We refer to the resulting branching rule as the *index-order* branching rule. The second ordering attempts to maximize the impact of the branching on the lower bound, and is much more complicated.

Recall $|V(F, \overline{F})| > N - |F|$. We wish to branch in a way which will have the most impact on the lower bound. We can do this by “eliminating” the column which will have the biggest impact on a row minima. Arguably, this will be a column containing the smallest row minimum. Thus we define for each $j \in V(F, \overline{F})$ the set of rows which have their row minimum in column j to be $W(j) = \{i \in A : m(i) = j\}$, (where $m(i)$ is as defined at the end of the previous section), and define the smallest row minimum in column j to be

$$v_j = \min_{i \in W(j)} c_{ij}.$$

Let σ^V denote a permutation of $V(F, \overline{F})$ which sorts the vector v in increasing order, i.e. such that

$$v_{\sigma^V(1)} \leq v_{\sigma^V(2)} \leq \dots \leq v_{\sigma^V(|V(F, \overline{F})|)}.$$

Observe that when the self-service is free, i.e. (FSS) holds, there is little or nothing to differentiate the v values, unless $|\hat{F}|$ is not too much greater than N , i.e. unless a relatively large number of facilities have been closed by branching. This will not occur until relatively deep in the B&B tree. Thus, a secondary key could be used in sorting, such as the second-smallest row costs. For each row i , let u_i denote the second-smallest cost over columns in $\hat{F}$, and let w_j denote the largest difference between the second-smallest and smallest row element in $W(j)$, i.e. set

$$w_j = \max_{i \in W(j)} (u_i - c_{ij})$$

for each $j \in V(F, \overline{F})$. Now we may choose σ^V so that whenever $v_{\sigma^V(j)} = v_{\sigma^V(j')}$ for $j < j'$ it must be that $w_{\sigma^V(j)} \geq w_{\sigma^V(j')}$.

In either case, we take $\beta(i) = \sigma^V(i)$ for $i = 1, \dots, N - |F| + 1$ to be the second ordering we consider. A similarly ordering can be used if the lower bound was achieved by $B(\hat{F})$, in the case that (CSS) holds. The only difference would be that everything should be based on off-diagonal row minima rather than row minima.

The branching rule resulting from this second ordering can be viewed as seeking to close sites in order of decreasing “maximum regret”, i.e. maximizing the cost impact of the decision. Thus we refer to it as the *max-regret* branching rule. The example below illustrates the use of this rule.

Example 6.2 *Consider the data presented in Example 6.1. Assume that the current node is defined by $F = \{4\}$ and $\overline{F} = \{1\}$, and so $\hat{F} = \{2, 3, 4, 5\}$. Note that we expect to have $N - |F| + 1 = 2 - 1 + 1 = 2$ branches from this node.*

On the one hand, if the lower bound is given by $C(\hat{F})$, we have to focus on the row minima. These are achieved in columns $m(1) = 2$, $m(2) = 2$, $m(3) = 3$, $m(4) = 4$, $m(5) = 5$, so $V(F, \overline{F}) = \{2, 3, 5\}$, $W(2) = \{1, 2\}$, $W(3) = \{3\}$ and $W(5) = \{5\}$, with $v_2 = v_3 = v_5 = 0$. Note that, in this case, we need the secondary key for sorting. The second-smallest cost over columns in $\hat{F}$, for rows not in F , are $u_1 = 4$, $u_2 = 2$, $u_3 = 1$ and $u_5 = 3$. Then $w_2 = \max\{u_1 - c_{12}, u_2 - c_{22}\} = \max\{4 - 4, 2 - 0\} = 2$, $w_3 = u_3 - c_{33} = 1 - 0 = 1$ and $w_5 = u_5 - c_{55} = 3 - 0 = 3$. Therefore $\sigma^V(1) = 5$, $\sigma^V(2) = 2$ and $\sigma^V(3) = 3$. Thus the two child nodes are defined by the pairs $(\{4\}, \{1, 5\})$ and $(\{4, 5\}, \{1, 2\})$.

On the other hand, if the lower bound is achieved by $B(\hat{F})$, now we have to focus on the off-diagonal row minima. These are achieved in columns $o(1) = 2$, $o(2) = 4$, $o(3) = 2$, $o(4) = 3$, $o(5) = 2$, so $V'(F, \overline{F}) = \{2, 3\}$, $W(2) = \{1, 3, 5\}$ and $W(3) = \{4\}$, with $v_2 = 1$ and $v_3 = 3$. Therefore $\sigma^V(1) = 2$ and $\sigma^V(2) = 3$ and the secondary key is not required. Thus the two child nodes are defined by the pairs $(\{4\}, \{1, 2\})$ and $(\{4, 2\}, \{1, 3\})$.

6.3 Numerical Comparison of the Branching Rules

We implemented the B&B method using the programming language C++, with the upper bound initialized by a heuristic method based on variable neighbourhood search (see [3]). In both cases, the tree search strategy used was best bound. The method was run on a Pentium III 800 Mhz with 1 GB RAM, and tested on problem instances with the structure described in Section 5. As will be reported in more detail in Section 7, the B&B method performed very well, and much larger instances could be solved. Here we show the results of running the B&B algorithm using each branching rule on problems with $M = 30$, averaged over fifteen instances for each value of $N = 8, 10, 15, 16$. All cost matrices were randomly generated so that (FSS) holds. The results are presented in Table 12.

Problem Type	# of B& B Nodes		Ratio i.-ord./ max-r.	Computing Time (s)		Ratio i.-ord./ max-r.
	index-order	max-regret		index-order	max-regret	
T1	1727594.63	578787.85	2.99	912.34	235.92	3.87
T2	156211.15	17841.50	8.76	82.51	7.44	11.09
T3	772448.15	265769.78	2.91	417.62	107.04	3.90
T4	2774061.28	840401.43	3.30	1640.40	339.68	4.83
T5	1306657.1	428017.95	3.05	704.83	179.73	3.92
T6	2093979.28	633977.18	3.30	1143.49	256.07	4.47
T7	1388014.55	463225.33	3.00	730.87	190.62	3.83
T8	981157.38	310314.05	3.16	517.87	129.53	4.00
Average	1400015.44	442291.88	3.81	768.74	180.75	4.99

Table 12: Numbers of B&B nodes and computing times for the B&B method using either the index-order or max-regret branching rule on problems with $M = 30$ and $N = 8, 10, 15, 16$, for which (FSS) holds. Results are averages taken over fifteen problem instances for each value of N .

As can be seen from the table, using the max-regret branching rule reduces the number of B&B nodes by a factor of about 3.8 on average and reduces the computing time by a factor of about 5. The effect was more pronounced for problems of type T2 (i.e. N -center problems) for which the number of nodes required by the B&B algorithm with the max-regret rule was less than one eighth of the number of nodes provided by the algorithm with the intuitive branching rule. Furthermore, for this type of problems the computing time was decreased by an order of magnitude.

It is clear that the more sophisticated max-regret rule is much more effective than the simple index-order rule. Furthermore, the computing time for solving the instances with $M = 30$ is 180.75 seconds on average, and so problems with even more sites could be expected to be solved. However, after attempting problems with $M = 35$, we found that although problems could be solved to optimality, the computing times were in most cases around a factor of ten more than for $M = 30$. This indicates that the B&B method is not going to be particularly effective for problems much bigger than those with $M = 35$.

7 Computational Results

In this section we compare the computational performance of the B&B method described in Section 6, with the max-regret branching rule, with that of the best linearization (for type T2 problems this is (LDOMP₂) and for all other problem types it is (LDOMP₁)). Again all codes were run on a Pentium III 800 Mhz with 1 GB RAM, and tested on problem instances with the structure described in Section 5. Upper bounds for the B&B method were initialized by a heuristic method based on variable neighbourhood search (see [3]). The same upper bounds were used, where needed, in constraints defining the linearizations.

The performance of the B&B method was consistently better than that of the best linearization, with the former out-performing the latter by a significant margin. To illus-

trate the type of performance we observed, we give results for problems with $M = 18$ and $N = 5$, as well as $N = 10$, in Table 13. We give results for these extreme values of N as the performance of the linearizations generally improved as N increased; the performance of the B&B method was, by contrast, relatively consistent. Intermediate results values of N can be roughly interpolated between these extremes.

N	Problem Type	Best Linearization			B&B Method		
		gap(%)	# nodes	CPU(s)	gap(%)	# nodes	CPU(s)
5	T1	2.8	1999.1	40.77	48.4	2102.5	0.57
	T2	24.6	3.8	3.37	54.4	473.0	0.13
	T3	34.2	17469.6	370.32	51.7	1477.3	0.40
	T4	12.1	3568.2	53.76	39.5	916.4	0.25
	T5	11.1	19169.1	187.03	49.0	2054.3	0.56
	T6	10.9	12797.7	190.53	44.8	1419.5	0.38
	T7	10.5	24350.6	289.50	49.2	1723.7	0.56
	T8	16.0	36343.93	408.60	49.0	1723.7	0.47
10	T1	0.0	42.1	0.75	20.4	1395.2	0.33
	T2	17.0	0.73	0.95	29.3	222.4	0.05
	T3	11.3	90.8	1.16	22.3	1030.3	0.24
	T4	9.8	11.1	0.64	14.3	1760.5	0.42
	T5	10.2	318.9	1.75	22.7	968.8	0.23
	T6	7.8	38.2	0.99	14.3	1124.5	0.27
	T7	7.9	63.1	0.81	21.2	1107.0	0.26
	T8	17.8	421.1	1.99	23.6	819.5	0.19

Table 13: Numerical results for problems with $M = 18$ and the extreme values of N tested. All results are averages taken over 15 problem instances.

We see that the B&B method always requires less CPU time than using the best linearization, and for some of the $N = 5$ problems more than two orders of magnitude less. The B&B method shows less variation in the number of nodes needed across problem type, and across different values of N . We report the average (root node) gap, but note that whilst this may be indicative of the quality of an integer programming formulation, it is less meaningful for the B&B method, where the bounds are very weak high in the tree but improve rapidly deeper in the tree.

To demonstrate that the B&B method can solve larger problems, we also provide detailed numerical results for problems with $M = 30$, in Table 14. As in Sections 5 and 6.3, each row of the tables contains results averaged over fifteen instances having the same parameter values.

8 Conclusions

We have presented two integer linear programming formulations for the DOMP, one having $O(M^3)$ variables and the other having $O(M^2)$ variables (both have $O(M^2)$ constraints). We go on to prove a variety of properties of optimal solutions, which allow us to strengthen

Problem Type	N	# nodes			gap(%)			CPU(s)		
		aver	min	max	aver	min	max	aver	min	max
T1	8	376661.7	90639	920625	50.8	40.4	58.3	167.19	40.92	408.73
	10	698401.1	50974	1678543	43.1	31.8	51.8	303.11	21.75	762.08
	15	710577.9	71558	1444065	28.2	15.2	38.2	274.74	28.03	562.25
	16	529510.7	107189	1112917	25.0	12.9	36.7	198.65	41.19	417.09
T2	8	30463.8	5043	100375	55.9	36.4	66.7	13.54	2.14	44.19
	10	15012.3	2565	38291	47.0	22.2	62.5	6.39	1.06	16.59
	15	12473.1	0	37005	37.2	0.0	50.0	4.81	0.00	14.84
	16	13416.8	275	35905	35.9	0.0	60.0	5.03	0.09	14.23
T3	8	195498.0	87519	447017	54.1	43.5	65.8	86.44	39.11	197.08
	10	275646.3	58988	867397	45.6	28.3	55.6	117.02	25.20	370.39
	15	326233.7	38961	630901	32.3	13.8	44.8	125.19	15.36	246.95
	16	265701.1	56589	585759	28.7	11.5	42.3	99.51	21.83	217.92
T4	8	124932.5	11396	275910	44.9	30.5	54.3	56.37	5.06	125.25
	10	354196.3	5306	1108572	36.7	20.5	47.8	154.46	2.31	476.23
	15	1606801.0	52119	3474800	21.3	7.1	33.3	649.56	20.81	1457.81
	16	1275675.9	110028	3970039	18.6	6.3	33.3	498.32	42.88	1460.81
T5	8	351434.6	98789	729440	51.8	42.0	60.0	160.75	45.42	332.02
	10	550405.8	58142	1364222	43.8	30.6	52.6	242.00	25.72	601.64
	15	533272.8	38551	1279337	28.9	14.3	40.9	209.68	15.55	502.16
	16	276958.6	47709	606337	26.4	12.5	40.0	106.49	18.88	239.69
T6	8	292640.9	34600	597933	48.3	35.7	54.3	131.82	15.64	272.22
	10	582688.3	29094	1265889	40.7	28.1	48.6	253.11	12.58	561.84
	15	839755.2	65764	1927705	26.4	12.5	40.0	327.44	26.34	777.64
	16	820824.3	50294	2022796	22.0	9.1	35.7	311.89	19.88	792.27
T7	8	380210.3	89852	825887	51.8	41.8	58.3	170.57	40.69	368.23
	10	625290.4	36296	1621612	43.1	30.4	53.3	269.65	15.44	712.63
	15	466872.1	31681	1160957	28.9	13.0	40.0	179.30	12.47	442.06
	16	380528.5	75834	809368	25.8	13.6	38.1	142.95	29.02	313.39
T8	8	337418.9	85926	710147	52.0	41.7	59.0	151.38	38.84	328.09
	10	436277.5	26389	1174336	42.5	28.0	51.7	188.97	11.33	503.84
	15	263030.8	2277	1139116	28.9	11.1	40.0	101.19	0.91	436.17
	16	204529.0	47135	479781	25.8	9.1	36.4	76.59	18.30	173.09

Table 14: Computational results for the B&B method with the max-regret branching rule for problems with $M = 30$.

the formulations, via either additional constraints or preprocessing (in particular, fixing the values of some variables). After defining eight problem classes, according to objective function, we compare the performance of the two formulations computationally. From our statistical study of the results, we can observe that in all but one of the eight problem classes, the $O(M^3)$ formulation performs better; only on the problem class corresponding to the N -center problem is the $O(M^2)$ formulation better. We believe the success of the $O(M^3)$ formulation is in part due to the fact that many of the properties of optimal solutions found could be implemented in this formulation using preprocessing, whereas additional constraints were needed to implement the same properties in the $O(M^2)$ formulation.

Even when using the better formulation, solution times for problems with M much larger than 20 were prohibitive. Thus we developed a specialized branch and bound method, based on combinatorial lower bounds that were very quick to calculate. We found that a “max-regret” branching rule performed very substantially better than a naive branching rule, and the resulting branch and bound method outperformed the integer programming approaches by a substantial margin. Problems with M smaller than or equal to 35 can be solved in reasonable time using this method.

We note that the aim of the DOMP is not only to unify all classical discrete facility location problems but also to model new problems not previously formulated as integer programs (e.g. the $k_1 + k_2$ trimmed mean problem). Our objective is to develop a common solution method for all these problems, not to develop a method which competes against other well-known approaches for specific discrete location problems. Thus we do not necessarily expect any of the methods we present here to outperform specialized methods already developed for some of the special cases of the DOMP. Nevertheless, we believe our general approaches could be improved, as we discuss below.

In future work, we plan to develop a hybrid branch and bound method, that makes use of the strengths of both the integer programming and branch and bound approaches we have developed. The integer programming formulations would provide lower bounds and preprocessing information high in the tree, (where they are clearly stronger than the combinatorial bounds), combinatorial lower bounds would be used lower in the tree, (to speed up the solution process), branching would be based only on the facility location variables, (as is the case in our branch and bound method), and the “max-regret” branching rule together with the ideas we present for detecting feasible solutions and early pruning of nodes in the branch and bound method would be used throughout. We believe this hybrid method would capitalize on the strengths of the methods we have presented here.

We also believe that more needs to be understood about the less well-known special cases of the DOMP objective. There is a vast literature on N -median problems, but very little is known about other instances of discrete location models presented in this paper. Our work here goes some way to classifying some key problem classes, and assessing their relative difficulty, for example we find that the N -median problem class is far from the hardest. But it is obvious much more can be done in this direction.

It should be noted that some of the ideas we present have the potential to be applied in other discrete location contexts, such as hub location or QAP.

Cutting planes are another avenue for future research. With respect to polyhedral analysis, it is interesting that the DOMP includes as special cases both the N -median problem, which is known to be “integer-friendly”, and the N -center problem, for which not much is known about its facets. DOMP formulations could provide a helpful bridge in the study of such polyhedra.

Finally, it is obvious that good heuristics will be necessary if large DOMP are to be tackled. Although a variable neighbourhood search, presented in [3], has been found to be effective, there is clearly room for more exploration in this direction.

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Appendix A

The idea that sorting preserves isotonicity, i.e. that if p and q are two vectors with $p \geq q$ (componentwise) then the sorted vector p is also (componentwise) at least as big as the sorted vector q , is a powerful and useful idea in location problems generally, as other authors have noted. A result of this kind is given in Theorem 1 in [7], in which the function defined on the vector space to return the j th-largest element of its operand is shown to be isotone (non-decreasing). We make use of this idea in strengthening the integer linear programming formulations, via Proposition 4, and in deriving combinatorial lower bounds, via Propositions 5 and 6. Although these applications could be proved as corollaries of Theorem 1 in [7], the approach is unnecessarily complicated for our purposes; we provide short, direct proofs of the results we need.

Theorem 1 Let $p = (p_1, \dots, p_r) \in \mathbb{R}^r$ and $q = (q_1, \dots, q_s) \in \mathbb{R}^s$ be two vectors of real numbers with $r \leq s$. Let σ^P and σ^Q denote a permutation of $1, \dots, r$ and $1, \dots, s$, respectively, such that

$$p_{\sigma^P(1)} \leq \dots \leq p_{\sigma^P(r)}, \quad (42)$$

and

$$q_{\sigma^Q(1)} \leq \dots \leq q_{\sigma^Q(s)}. \quad (43)$$

Then, if

$$p_k \geq q_k, \quad \forall k = 1, \dots, r, \quad (44)$$

it holds that

$$p_{\sigma^P(k)} \geq q_{\sigma^Q(k)}, \quad \forall k = 1, \dots, r.$$

Proof.

Consider $k \in \{1, \dots, r\}$. We use the fact that because σ^P and σ^Q are permutations, the set $\{\sigma^P(1), \dots, \sigma^P(k)\}$ consists of k distinct elements and the set $\{\sigma^Q(1), \dots, \sigma^Q(k-1)\}$ consists of $k-1$ distinct elements, where if $k = 1$ the latter set is simply taken to be the empty set. Thus there must exist $m \in \{1, \dots, k\}$ such that $\sigma^P(m) \notin \{\sigma^Q(1), \dots, \sigma^Q(k-1)\}$. (If $k = 0$ simply take $m = 1$.) Now by (43), it must be that $q_{\sigma^Q(k)} \leq q_{\sigma^P(m)}$. Furthermore, by (44), we have $q_{\sigma^P(m)} \leq p_{\sigma^P(m)}$ and by (42) we have $p_{\sigma^P(m)} \leq p_{\sigma^P(k)}$. Hence $q_{\sigma^P(k)} \leq p_{\sigma^Q(k)}$, as required. $\square$

The following corollary to Theorem 1 shows that if two sorted vectors are given, and a permutation can be found to ensure one vector is (componentwise) no greater than the other, then the former vector in its original sorted state must also be no greater (componentwise) than the latter. This result is used in Proposition 4, to validate the strengthenings we apply to the (LDOMP₂) formulation.

Lemma 6 Suppose $w, \hat{w} \in \mathbb{R}^M$ satisfy

$$w_1 \leq w_2 \leq \dots \leq w_M, \quad (45)$$

$$\hat{w}_1 \leq \hat{w}_2 \leq \dots \leq \hat{w}_M, \quad (46)$$

and

$$\hat{w}_{\sigma(i)} \leq w_i, \quad \forall i = 1, \dots, M \quad (47)$$

for some σ a permutation of $\{1, \dots, M\}$. Then

$$\hat{w}_i \leq w_i, \quad \forall i = 1, \dots, M. \quad (48)$$

Proof.

It is a corollary of Theorem 1. This can be seen by setting $w'_i = \hat{w}_{\sigma(i)}$ for all $i = 1, \dots, M$, and by taking $r = s = M$, $p = (w_1, \dots, w_M)$, $q = (w'_1, \dots, w'_M)$, σ^P to be the identity permutation and $\sigma^Q = \sigma^{-1}$, the inverse permutation of σ . Note that in this case $w_{\sigma^P(i)} = w_i$ for all $i = 1, \dots, M$, and furthermore

$$w'_{\sigma^Q(i)} = w'_{\sigma^{-1}(i)} = \hat{w}_{\sigma(\sigma^{-1}(i))} = \hat{w}_i, \quad \forall i = 1, \dots, M. \quad (49)$$

It is obvious from (45) that the elements of p form an increasing sequence under the permutation σ^P . It is also obvious from (46) and (49) that the elements of q form an increasing sequence under the permutation σ^Q . Thus the first two conditions of Theorem 1 are met. From (47) and the definition of w' , we have that $w_i \geq w'_i$ for all $i = 1, \dots, M$ and the final condition of Theorem 1 is met. From Theorem 1 we thus deduce that $w_{\sigma^P(i)} \geq w'_{\sigma^Q(i)}$ for all $i = 1, \dots, M$. Now for all $i = 1, \dots, M$ we have that $w_{\sigma^P(i)} = w_i$ and $w'_{\sigma^Q(i)} = \hat{w}_i$, so $\hat{w}_i \leq w_i$ as required. $\square$

The following corollary to Theorem 1 shows that a vector of r real numbers that is componentwise no less than r elements chosen from a vector Q of s real numbers, $s \geq r$, is, when sorted, no less than (componentwise) the vector of the r smallest real numbers in Q , sorted. This result is used in Proposition 6, to validate the lower bound we use in our B&B method when cheapest self-service applies.

Lemma 7 *Let $T = (t_1, \dots, t_s)$ be a vector of $s \geq 1$ real numbers with*

$$t_1 \leq \dots \leq t_s.$$

Let $r \in \{1, \dots, s\}$ and let $S \in \mathbb{R}^r$ be a vector with elements no less, componentwise, than r of the elements of T , say $S = (t'_1, \dots, t'_r)$ where for all $j = 1, \dots, r$ there exists a unique $i(j) \in \{1, \dots, s\}$ such that $t'_j \geq t_{i(j)}$, with

$$t'_1 \leq \dots \leq t'_r.$$

Then

$$t'_j \geq t_j, \quad \forall j = 1, \dots, r.$$

Proof.

The claim follows from Theorem 1, as follows. Take r and s as given. Take $q_j = t_{i(j)}$ for all $j = 1, \dots, r$ and define $q_{r+1}, \dots, q_s$ to be the components from the vector T which do not have index in $\{i(j) : j = 1, \dots, r\}$. Note there is a one-to-one correspondence between the elements of T and q , i.e. q is a permutation of T . Take $p_j = t'_j$ for all $j = 1, \dots, r$, so $p_j = t'_j \geq t_{i(j)} = q_j$ for all $j = 1, \dots, r$. Also take σ^P to be the identity permutation, and note that σ^Q can be taken so that that $q_{\sigma^Q(i)} = t_i$ for all $i = 1, \dots, s$, by the definition of T and since q is a permutation of T . Now by Theorem 1 (Appendix A) it must be that for all $j = 1, \dots, r$, $p_{\sigma^P(j)} \geq q_{\sigma^Q(j)} = t_j$, and so $p_j = t'_j \geq t_j$, as required. $\square$

The PDF-files of the following reports are available under:
www.itwm.fraunhofer.de/zentral/berichte.html

1. D. Hietel, K. Steiner, J. Struckmeier

A Finite - Volume Particle Method for Compressible Flows

We derive a new class of particle methods for conservation laws, which are based on numerical flux functions to model the interactions between moving particles. The derivation is similar to that of classical Finite-Volume methods; except that the fixed grid structure in the Finite-Volume method is substituted by so-called mass packets of particles. We give some numerical results on a shock wave solution for Burgers equation as well as the well-known one-dimensional shock tube problem.
(19 pages, 1998)

2. M. Feldmann, S. Seibold

Damage Diagnosis of Rotors: Application of Hilbert Transform and Multi-Hypothesis Testing

In this paper, a combined approach to damage diagnosis of rotors is proposed. The intention is to employ signal-based as well as model-based procedures for an improved detection of size and location of the damage. In a first step, Hilbert transform signal processing techniques allow for a computation of the signal envelope and the instantaneous frequency, so that various types of non-linearities due to a damage may be identified and classified based on measured response data. In a second step, a multi-hypothesis bank of Kalman Filters is employed for the detection of the size and location of the damage based on the information of the type of damage provided by the results of the Hilbert transform.

Keywords: Hilbert transform, damage diagnosis, Kalman filtering, non-linear dynamics
(23 pages, 1998)

3. Y. Ben-Haim, S. Seibold

Robust Reliability of Diagnostic Multi-Hypothesis Algorithms: Application to Rotating Machinery

Damage diagnosis based on a bank of Kalman filters, each one conditioned on a specific hypothesized system condition, is a well recognized and powerful diagnostic tool. This multi-hypothesis approach can be applied to a wide range of damage conditions. In this paper, we will focus on the diagnosis of cracks in rotating machinery. The question we address is: how to optimize the multi-hypothesis algorithm with respect to the uncertainty of the spatial form and location of cracks and their resulting dynamic effects. First, we formulate a measure of the reliability of the diagnostic algorithm, and then we discuss modifications of the diagnostic algorithm for the maximization of the reliability. The reliability of a diagnostic algorithm is measured by the amount of uncertainty consistent with no-failure of the diagnosis. Uncertainty is quantitatively represented with convex models.

Keywords: Robust reliability, convex models, Kalman filtering, multi-hypothesis diagnosis, rotating machinery, crack diagnosis
(24 pages, 1998)

4. F.-Th. Lentz, N. Siedow

Three-dimensional Radiative Heat Transfer in Glass Cooling Processes

For the numerical simulation of 3D radiative heat transfer in glasses and glass melts, practically applicable mathematical methods are needed to handle such problems optimal using workstation class computers. Since the exact solution would require super-computer capabilities we concentrate on approximate solutions with a high degree of accuracy. The following approaches are studied: 3D diffusion approximations and 3D ray-tracing methods.
(23 pages, 1998)

5. A. Klar, R. Wegener

A hierarchy of models for multilane vehicular traffic Part I: Modeling

In the present paper multilane models for vehicular traffic are considered. A microscopic multilane model based on reaction thresholds is developed. Based on this model an Enskog like kinetic model is developed. In particular, care is taken to incorporate the correlations between the vehicles. From the kinetic model a fluid dynamic model is derived. The macroscopic coefficients are deduced from the underlying kinetic model. Numerical simulations are presented for all three levels of description in [10]. Moreover, a comparison of the results is given there.
(23 pages, 1998)

Part II: Numerical and stochastic investigations

In this paper the work presented in [6] is continued. The present paper contains detailed numerical investigations of the models developed there. A numerical method to treat the kinetic equations obtained in [6] are presented and results of the simulations are shown. Moreover, the stochastic correlation model used in [6] is described and investigated in more detail.
(17 pages, 1998)

6. A. Klar, N. Siedow

Boundary Layers and Domain Decomposition for Radiative Heat Transfer and Diffusion Equations: Applications to Glass Manufacturing Processes

In this paper domain decomposition methods for radiative transfer problems including conductive heat transfer are treated. The paper focuses on semi-transparent materials, like glass, and the associated conditions at the interface between the materials. Using asymptotic analysis we derive conditions for the coupling of the radiative transfer equations and a diffusion approximation. Several test cases are treated and a problem appearing in glass manufacturing processes is computed. The results clearly show the advantages of a domain decomposition approach. Accuracy equivalent to the solution of the global radiative transfer solution is achieved, whereas computation time is strongly reduced.
(24 pages, 1998)

7. I. Choquet

Heterogeneous catalysis modelling and numerical simulation in rarified gas flows Part I: Coverage locally at equilibrium

A new approach is proposed to model and simulate numerically heterogeneous catalysis in rarefied gas flows. It is developed to satisfy all together the following points:

- 1) describe the gas phase at the microscopic scale, as required in rarefied flows,
- 2) describe the wall at the macroscopic scale, to avoid prohibitive computational costs and consider not only crystalline but also amorphous surfaces,
- 3) reproduce on average macroscopic laws correlated with experimental results and
- 4) derive analytic models in a systematic and exact way. The problem is stated in the general framework of a non static flow in the vicinity of a catalytic and non porous surface (without aging). It is shown that the exact and systematic resolution method based on the Laplace transform, introduced previously by the author to model collisions in the gas phase, can be extended to the present problem. The proposed approach is applied to the modelling of the EleyRideal and LangmuirHinschelwood recombinations, assuming that the coverage is locally at equilibrium. The models are developed considering one atomic species and extended to the general case of several atomic species. Numerical calculations show that the models derived in this way reproduce with accuracy behaviors observed experimentally.
(24 pages, 1998)

8. J. Ohser, B. Steinbach, C. Lang

Efficient Texture Analysis of Binary Images

A new method of determining some characteristics of binary images is proposed based on a special linear filtering. This technique enables the estimation of the area fraction, the specific line length, and the specific integral of curvature. Furthermore, the specific length of the total projection is obtained, which gives detailed information about the texture of the image. The influence of lateral and directional resolution depending on the size of the applied filter mask is discussed in detail. The technique includes a method of increasing directional resolution for texture analysis while keeping lateral resolution as high as possible.
(17 pages, 1998)

9. J. Orlik

Homogenization for viscoelasticity of the integral type with aging and shrinkage

A multiphase composite with periodic distributed inclusions with a smooth boundary is considered in this contribution. The composite component materials are supposed to be linear viscoelastic and aging (of the nonconvolution integral type, for which the Laplace transform with respect to time is not effectively applicable) and are subjected to isotropic shrinkage. The free shrinkage deformation can be considered as a fictitious temperature deformation in the behavior law. The procedure presented in this paper proposes a way to determine average (effective homogenized) viscoelastic and shrinkage (temperature) composite properties and the homogenized stressfield from known properties of the components. This is done by the extension of the asymptotic homogenization technique known for pure elastic nonhomogeneous bodies to the nonhomogeneous thermoviscoelasticity of the integral noncon-

volution type. Up to now, the homogenization theory has not covered viscoelasticity of the integral type. SanchezPalencia (1980), Francfort & Suquet (1987) (see [2], [9]) have considered homogenization for viscoelasticity of the differential form and only up to the first derivative order. The integral modeled viscoelasticity is more general than the differential one and includes almost all known differential models. The homogenization procedure is based on the construction of an asymptotic solution with respect to a period of the composite structure. This reduces the original problem to some auxiliary boundary value problems of elasticity and viscoelasticity on the unit periodic cell, of the same type as the original non-homogeneous problem. The existence and uniqueness results for such problems were obtained for kernels satisfying some constraint conditions. This is done by the extension of the Volterra integral operator theory to the Volterra operators with respect to the time, whose 1 kernels are space linear operators for any fixed time variables. Some ideas of such approach were proposed in [11] and [12], where the Volterra operators with kernels depending additionally on parameter were considered. This manuscript delivers results of the same nature for the case of the spaceoperator kernels.
(20 pages, 1998)

10. J. Mohring

Helmholtz Resonators with Large Aperture

The lowest resonant frequency of a cavity resonator is usually approximated by the classical Helmholtz formula. However, if the opening is rather large and the front wall is narrow this formula is no longer valid. Here we present a correction which is of third order in the ratio of the diameters of aperture and cavity. In addition to the high accuracy it allows to estimate the damping due to radiation. The result is found by applying the method of matched asymptotic expansions. The correction contains form factors describing the shapes of opening and cavity. They are computed for a number of standard geometries. Results are compared with numerical computations.
(21 pages, 1998)

11. H. W. Hamacher, A. Schöbel

On Center Cycles in Grid Graphs

Finding "good" cycles in graphs is a problem of great interest in graph theory as well as in locational analysis. We show that the center and median problems are NP hard in general graphs. This result holds both for the variable cardinality case (i.e. all cycles of the graph are considered) and the fixed cardinality case (i.e. only cycles with a given cardinality p are feasible). Hence it is of interest to investigate special cases where the problem is solvable in polynomial time. In grid graphs, the variable cardinality case is, for instance, trivially solvable if the shape of the cycle can be chosen freely. If the shape is fixed to be a rectangle one can analyze rectangles in grid graphs with, in sequence, fixed dimension, fixed cardinality, and variable cardinality. In all cases a complete characterization of the optimal cycles and closed form expressions of the optimal objective values are given, yielding polynomial time algorithms for all cases of center rectangle problems. Finally, it is shown that center cycles can be chosen as rectangles for small cardinalities such that the center cycle problem in grid graphs is in these cases completely solved.
(15 pages, 1998)

12. H. W. Hamacher, K.-H. Küfer

Inverse radiation therapy planning - a multiple objective optimisation approach

For some decades radiation therapy has been proved successful in cancer treatment. It is the major task of clinical radiation treatment planning to realize on the one hand a high level dose of radiation in the cancer tissue in order to obtain maximum tumor control. On the other hand it is obvious that it is absolutely necessary to keep in the tissue outside the tumor, particularly in organs at risk, the unavoidable radiation as low as possible.

No doubt, these two objectives of treatment planning - high level dose in the tumor, low radiation outside the tumor - have a basically contradictory nature. Therefore, it is no surprise that inverse mathematical models with dose distribution bounds tend to be infeasible in most cases. Thus, there is need for approximations compromising between overdosing the organs at risk and underdosing the target volume.

Differing from the currently used time consuming iterative approach, which measures deviation from an ideal (non-achievable) treatment plan using recursively trial-and-error weights for the organs of interest, we go a new way trying to avoid a priori weight choices and consider the treatment planning problem as a multiple objective linear programming problem: with each organ of interest, target tissue as well as organs at risk, we associate an objective function measuring the maximal deviation from the prescribed doses.

We build up a data base of relatively few efficient solutions representing and approximating the variety of Pareto solutions of the multiple objective linear programming problem. This data base can be easily scanned by physicians looking for an adequate treatment plan with the aid of an appropriate online tool.
(14 pages, 1999)

13. C. Lang, J. Ohser, R. Hilfer

On the Analysis of Spatial Binary Images

This paper deals with the characterization of microscopically heterogeneous, but macroscopically homogeneous spatial structures. A new method is presented which is strictly based on integral-geometric formulae such as Crofton's intersection formulae and Hadwiger's recursive definition of the Euler number. The corresponding algorithms have clear advantages over other techniques. As an example of application we consider the analysis of spatial digital images produced by means of Computer Assisted Tomography.
(20 pages, 1999)

14. M. Junk

On the Construction of Discrete Equilibrium Distributions for Kinetic Schemes

A general approach to the construction of discrete equilibrium distributions is presented. Such distribution functions can be used to set up Kinetic Schemes as well as Lattice Boltzmann methods. The general principles are also applied to the construction of Chapman Enskog distributions which are used in Kinetic Schemes for compressible Navier-Stokes equations.
(24 pages, 1999)

15. M. Junk, S. V. Raghurame Rao

A new discrete velocity method for Navier-Stokes equations

The relation between the Lattice Boltzmann Method, which has recently become popular, and the Kinetic Schemes, which are routinely used in Computational Fluid Dynamics, is explored. A new discrete velocity model for the numerical solution of Navier-Stokes equations for incompressible fluid flow is presented by combining both the approaches. The new scheme can be interpreted as a pseudo-compressibility method and, for a particular choice of parameters, this interpretation carries over to the Lattice Boltzmann Method.
(20 pages, 1999)

16. H. Neunzert

Mathematics as a Key to Key Technologies

The main part of this paper will consist of examples, how mathematics really helps to solve industrial problems; these examples are taken from our Institute for Industrial Mathematics, from research in the Technomathematics group at my university, but also from ECMI groups and a company called TecMath, which originated 10 years ago from my university group and has already a very successful history.
(39 pages (4 PDF-Files), 1999)

17. J. Ohser, K. Sandau

Considerations about the Estimation of the Size Distribution in Wicksell's Corpuscle Problem

Wicksell's corpuscle problem deals with the estimation of the size distribution of a population of particles, all having the same shape, using a lower dimensional sampling probe. This problem was originally formulated for particle systems occurring in life sciences but its solution is of actual and increasing interest in materials science. From a mathematical point of view, Wicksell's problem is an inverse problem where the interesting size distribution is the unknown part of a Volterra equation. The problem is often regarded ill-posed, because the structure of the integrand implies unstable numerical solutions. The accuracy of the numerical solutions is considered here using the condition number, which allows to compare different numerical methods with different (equidistant) class sizes and which indicates, as one result, that a finite section thickness of the probe reduces the numerical problems. Furthermore, the relative error of estimation is computed which can be split into two parts. One part consists of the relative discretization error that increases for increasing class size, and the second part is related to the relative statistical error which increases with decreasing class size. For both parts, upper bounds can be given and the sum of them indicates an optimal class width depending on some specific constants.
(18 pages, 1999)

18. E. Carrizosa, H. W. Hamacher, R. Klein, S. Nickel

Solving nonconvex planar location problems by finite dominating sets

It is well-known that some of the classical location problems with polyhedral gauges can be solved in polynomial time by finding a finite dominating set, i.e. a finite set of candidates guaranteed to contain at least one optimal location. In this paper it is first established that this result holds

for a much larger class of problems than currently considered in the literature. The model for which this result can be proven includes, for instance, location problems with attraction and repulsion, and location-allocation problems.

Next, it is shown that the approximation of general gauges by polyhedral ones in the objective function of our general model can be analyzed with regard to the subsequent error in the optimal objective value. For the approximation problem two different approaches are described, the sandwich procedure and the greedy algorithm. Both of these approaches lead - for fixed epsilon - to polynomial approximation algorithms with accuracy epsilon for solving the general model considered in this paper.

Keywords: *Continuous Location, Polyhedral Gauges, Finite Dominating Sets, Approximation, Sandwich Algorithm, Greedy Algorithm*
(19 pages, 2000)

19. A. Becker

A Review on Image Distortion Measures

Within this paper we review image distortion measures. A distortion measure is a criterion that assigns a "quality number" to an image. We distinguish between mathematical distortion measures and those distortion measures in-cooperating a priori knowledge about the imaging devices (e.g. satellite images), image processing algorithms or the human physiology. We will consider representative examples of different kinds of distortion measures and are going to discuss them.

Keywords: *Distortion measure, human visual system*
(26 pages, 2000)

20. H. W. Hamacher, M. Labbé, S. Nickel,
T. Sonneborn

Polyhedral Properties of the Uncapacitated Multiple Allocation Hub Location Problem

We examine the feasibility polyhedron of the uncapacitated hub location problem (UHL) with multiple allocation, which has applications in the fields of air passenger and cargo transportation, telecommunication and postal delivery services. In particular we determine the dimension and derive some classes of facets of this polyhedron. We develop some general rules about lifting facets from the uncapacitated facility location (UFL) for UHL and projecting facets from UHL to UFL. By applying these rules we get a new class of facets for UHL which dominates the inequalities in the original formulation. Thus we get a new formulation of UHL whose constraints are all facet-defining. We show its superior computational performance by benchmarking it on a well known data set.

Keywords: *integer programming, hub location, facility location, valid inequalities, facets, branch and cut*
(21 pages, 2000)

21. H. W. Hamacher, A. Schöbel

Design of Zone Tariff Systems in Public Transportation

Given a public transportation system represented by its stops and direct connections between stops, we consider two problems dealing with the prices for the customers: The fare problem in which subsets of stops are already aggregated to zones and "good" tariffs have to be found in the existing zone system. Closed form solutions for the fare problem are presented for three objective functions. In the zone problem the design of the zones is part of the problem. This problem is NP

hard and we therefore propose three heuristics which prove to be very successful in the redesign of one of Germany's transportation systems.
(30 pages, 2001)

22. D. Hietel, M. Junk, R. Keck, D. Teleaga:

The Finite-Volume-Particle Method for Conservation Laws

In the Finite-Volume-Particle Method (FVPM), the weak formulation of a hyperbolic conservation law is discretized by restricting it to a discrete set of test functions. In contrast to the usual Finite-Volume approach, the test functions are not taken as characteristic functions of the control volumes in a spatial grid, but are chosen from a partition of unity with smooth and overlapping partition functions (the particles), which can even move along pre-scribed velocity fields. The information exchange between particles is based on standard numerical flux functions. Geometrical information, similar to the surface area of the cell faces in the Finite-Volume Method and the corresponding normal directions are given as integral quantities of the partition functions. After a brief derivation of the Finite-Volume-Particle Method, this work focuses on the role of the geometric coefficients in the scheme.
(16 pages, 2001)

23. T. Bender, H. Hennes, J. Kalcsics,
M. T. Melo, S. Nickel

Location Software and Interface with GIS and Supply Chain Management

The objective of this paper is to bridge the gap between location theory and practice. To meet this objective focus is given to the development of software capable of addressing the different needs of a wide group of users. There is a very active community on location theory encompassing many research fields such as operations research, computer science, mathematics, engineering, geography, economics and marketing. As a result, people working on facility location problems have a very diverse background and also different needs regarding the software to solve these problems. For those interested in non-commercial applications (e.g. students and researchers), the library of location algorithms (LoLA) can be of considerable assistance. LoLA contains a collection of efficient algorithms for solving planar, network and discrete facility location problems. In this paper, a detailed description of the functionality of LoLA is presented. In the fields of geography and marketing, for instance, solving facility location problems requires using large amounts of demographic data. Hence, members of these groups (e.g. urban planners and sales managers) often work with geographical information too. To address the specific needs of these users, LoLA was linked to a geographical information system (GIS) and the details of the combined functionality are described in the paper. Finally, there is a wide group of practitioners who need to solve large problems and require special purpose software with a good data interface. Many of such users can be found, for example, in the area of supply chain management (SCM). Logistics activities involved in strategic SCM include, among others, facility location planning. In this paper, the development of a commercial location software tool is also described. The tool is embedded in the Advanced Planner and Optimizer SCM software developed by SAP AG, Walldorf, Germany. The paper ends with some conclusions and an outlook to future activities.

Keywords: *facility location, software development,*

geographical information systems, supply chain management.

(48 pages, 2001)

24. H. W. Hamacher, S. A. Tjandra

Mathematical Modelling of Evacuation Problems: A State of Art

This paper details models and algorithms which can be applied to evacuation problems. While it concentrates on building evacuation many of the results are applicable also to regional evacuation. All models consider the time as main parameter, where the travel time between components of the building is part of the input and the overall evacuation time is the output. The paper distinguishes between macroscopic and microscopic evacuation models both of which are able to capture the evacuees' movement over time.

Macroscopic models are mainly used to produce good lower bounds for the evacuation time and do not consider any individual behavior during the emergency situation. These bounds can be used to analyze existing buildings or help in the design phase of planning a building. Macroscopic approaches which are based on dynamic network flow models (minimum cost dynamic flow, maximum dynamic flow, universal maximum flow, quickest path and quickest flow) are described. A special feature of the presented approach is the fact, that travel times of evacuees are not restricted to be constant, but may be density dependent. Using multicriteria optimization priority regions and blockage due to fire or smoke may be considered. It is shown how the modelling can be done using time parameter either as discrete or continuous parameter.

Microscopic models are able to model the individual evacuee's characteristics and the interaction among evacuees which influence their movement. Due to the corresponding huge amount of data one uses simulation approaches. Some probabilistic laws for individual evacuee's movement are presented. Moreover ideas to model the evacuee's movement using cellular automata (CA) and resulting software are presented. In this paper we will focus on macroscopic models and only summarize some of the results of the microscopic approach. While most of the results are applicable to general evacuation situations, we concentrate on building evacuation.

(44 pages, 2001)

25. J. Kuhnert, S. Tiwari

Grid free method for solving the Poisson equation

A Grid free method for solving the Poisson equation is presented. This is an iterative method. The method is based on the weighted least squares approximation in which the Poisson equation is enforced to be satisfied in every iterations. The boundary conditions can also be enforced in the iteration process. This is a local approximation procedure. The Dirichlet, Neumann and mixed boundary value problems on a unit square are presented and the analytical solutions are compared with the exact solutions. Both solutions matched perfectly.

Keywords: *Poisson equation, Least squares method, Grid free method*
(19 pages, 2001)

26. T. Götz, H. Rave, D. Reinel-Bitzer,
K. Steiner, H. Tiemeier

Simulation of the fiber spinning process

To simulate the influence of process parameters to the melt spinning process a fiber model is used and coupled with CFD calculations of the quench air flow. In the fiber model energy, momentum and mass balance are solved for the polymer mass flow. To calculate the quench air the Lattice Boltzmann method is used. Simulations and experiments for different process parameters and hole configurations are compared and show a good agreement.

Keywords: Melt spinning, fiber model, Lattice Boltzmann, CFD
(19 pages, 2001)

27. A. Zemitis

On interaction of a liquid film with an obstacle

In this paper mathematical models for liquid films generated by impinging jets are discussed. Attention is stressed to the interaction of the liquid film with some obstacle. S. G. Taylor [Proc. R. Soc. London Ser. A 253, 313 (1959)] found that the liquid film generated by impinging jets is very sensitive to properties of the wire which was used as an obstacle. The aim of this presentation is to propose a modification of the Taylor's model, which allows to simulate the film shape in cases, when the angle between jets is different from 180°. Numerical results obtained by discussed models give two different shapes of the liquid film similar as in Taylors experiments. These two shapes depend on the regime: either droplets are produced close to the obstacle or not. The difference between two regimes becomes larger if the angle between jets decreases. Existence of such two regimes can be very essential for some applications of impinging jets, if the generated liquid film can have a contact with obstacles.

Keywords: impinging jets, liquid film, models, numerical solution, shape
(22 pages, 2001)

28. I. Ginzburg, K. Steiner

Free surface lattice-Boltzmann method to model the filling of expanding cavities by Bingham Fluids

The filling process of viscoplastic metal alloys and plastics in expanding cavities is modelled using the lattice Boltzmann method in two and three dimensions. These models combine the regularized Bingham model for viscoplastic with a free-interface algorithm. The latter is based on a modified immiscible lattice Boltzmann model in which one species is the fluid and the other one is considered as vacuum. The boundary conditions at the curved liquid-vacuum interface are met without any geometrical front reconstruction from a first-order Chapman-Enskog expansion. The numerical results obtained with these models are found in good agreement with available theoretical and numerical analysis. *Keywords: Generalized LBE, free-surface phenomena, interface boundary conditions, filling processes, Bingham viscoplastic model, regularized models* (22 pages, 2001)

29. H. Neunzert

»Denn nichts ist für den Menschen als Menschen etwas wert, was er nicht mit Leidenschaft tun kann«

- Vortrag anlässlich der Verleihung des Akademiepreises des Landes Rheinland-Pfalz am 21.11.2001

Was macht einen guten Hochschullehrer aus? Auf diese Frage gibt es sicher viele verschiedene, fachbezogene Antworten, aber auch ein paar allgemeine Gesichtspunkte: es bedarf der »Leidenschaft« für die Forschung (Max Weber), aus der dann auch die Begeisterung für die Lehre erwächst. Forschung und Lehre gehören zusammen, um die Wissenschaft als lebendiges Tun vermitteln zu können. Der Vortrag gibt Beispiele dafür, wie in angewandter Mathematik Forschungsaufgaben aus praktischen Alltagsproblemstellungen erwachsen, die in die Lehre auf verschiedenen Stufen (Gymnasium bis Graduiertenkolleg) einfließen; er leitet damit auch zu einem aktuellen Forschungsgebiet, der Mehrskalenanalyse mit ihren vielfältigen Anwendungen in Bildverarbeitung, Materialentwicklung und Strömungsmechanik über, was aber nur kurz gestreift wird. Mathematik erscheint hier als eine moderne Schlüsseltechnologie, die aber auch enge Beziehungen zu den Geistes- und Sozialwissenschaften hat.

Keywords: Lehre, Forschung, angewandte Mathematik, Mehrskalenanalyse, Strömungsmechanik
(18 pages, 2001)

30. J. Kuhnert, S. Tiwari

Finite pointset method based on the projection method for simulations of the incompressible Navier-Stokes equations

A Lagrangian particle scheme is applied to the projection method for the incompressible Navier-Stokes equations. The approximation of spatial derivatives is obtained by the weighted least squares method. The pressure Poisson equation is solved by a local iterative procedure with the help of the least squares method. Numerical tests are performed for two dimensional cases. The Couette flow, Poiseuille flow, decaying shear flow and the driven cavity flow are presented. The numerical solutions are obtained for stationary as well as instationary cases and are compared with the analytical solutions for channel flows. Finally, the driven cavity in a unit square is considered and the stationary solution obtained from this scheme is compared with that from the finite element method.

Keywords: Incompressible Navier-Stokes equations, Meshfree method, Projection method, Particle scheme, Least squares approximation
AMS subject classification: 76D05, 76M28
(25 pages, 2001)

31. R. Korn, M. Krekel

Optimal Portfolios with Fixed Consumption or Income Streams

We consider some portfolio optimisation problems where either the investor has a desire for an a priori specified consumption stream or/and follows a deterministic pay in scheme while also trying to maximize expected utility from final wealth. We derive explicit closed form solutions for continuous and discrete monetary streams. The mathematical method used is classical stochastic control theory.

Keywords: Portfolio optimisation, stochastic control, HJB equation, discretisation of control problems.
(23 pages, 2002)

32. M. Krekel

Optimal portfolios with a loan dependent credit spread

If an investor borrows money he generally has to pay higher interest rates than he would have received, if he had put his funds on a savings account. The classical model of continuous time portfolio optimisation ignores this effect. Since there is obviously a connection between the default probability and the total percentage of wealth, which the investor is in debt, we study portfolio optimisation with a control dependent interest rate. Assuming a logarithmic and a power utility function, respectively, we prove explicit formulae of the optimal control.

Keywords: Portfolio optimisation, stochastic control, HJB equation, credit spread, log utility, power utility, non-linear wealth dynamics
(25 pages, 2002)

33. J. Ohser, W. Nagel, K. Schladitz

The Euler number of discretized sets - on the choice of adjacency in homogeneous lattices

Two approaches for determining the Euler-Poincaré characteristic of a set observed on lattice points are considered in the context of image analysis { the integral geometric and the polyhedral approach. Information about the set is assumed to be available on lattice points only. In order to retain properties of the Euler number and to provide a good approximation of the true Euler number of the original set in the Euclidean space, the appropriate choice of adjacency in the lattice for the set and its background is crucial. Adjacencies are defined using tessellations of the whole space into polyhedrons. In $\mathbb{R}^3$, two new 14 adjacencies are introduced additionally to the well known 6 and 26 adjacencies. For the Euler number of a set and its complement, a consistency relation holds. Each of the pairs of adjacencies (14:1; 14:1), (14:2; 14:2), (6; 26), and (26; 6) is shown to be a pair of complementary adjacencies with respect to this relation. That is, the approximations of the Euler numbers are consistent if the set and its background (complement) are equipped with this pair of adjacencies. Furthermore, sufficient conditions for the correctness of the approximations of the Euler number are given. The analysis of selected microstructures and a simulation study illustrate how the estimated Euler number depends on the chosen adjacency. It also shows that there is not a uniquely best pair of adjacencies with respect to the estimation of the Euler number of a set in Euclidean space.

Keywords: image analysis, Euler number, neighborhood relationships, cuboidal lattice
(32 pages, 2002)

34. I. Ginzburg, K. Steiner

Lattice Boltzmann Model for Free-Surface flow and Its Application to Filling Process in Casting

A generalized lattice Boltzmann model to simulate free-surface is constructed in both two and three dimensions. The proposed model satisfies the interfacial boundary conditions accurately. A distinctive feature of the model is that the collision processes is carried out only on the points occupied partially or fully by the fluid. To maintain a sharp interfacial front, the method includes an anti-diffusion algorithm. The unknown distribution functions at the interfacial region are constructed according to the first order Chapman-Enskog analysis. The interfacial boundary conditions are satisfied.

fied exactly by the coefficients in the Chapman-Enskog expansion. The distribution functions are naturally expressed in the local interfacial coordinates. The macroscopic quantities at the interface are extracted from the least-square solutions of a locally linearized system obtained from the known distribution functions. The proposed method does not require any geometric front construction and is robust for any interfacial topology. Simulation results of realistic filling process are presented: rectangular cavity in two dimensions and Hammer box, Campbell box, Sheffield box, and Motorblock in three dimensions. To enhance the stability at high Reynolds numbers, various upwind-type schemes are developed. Free-slip and no-slip boundary conditions are also discussed.

Keywords: *Lattice Boltzmann models; free-surface phenomena; interface boundary conditions; filling processes; injection molding; volume of fluid method; interface boundary conditions; advection-schemes; upwind-schemes* (54 pages, 2002)

35. M. Günther, A. Klar, T. Materne, R. Wegener

Multivalued fundamental diagrams and stop and go waves for continuum traffic equations

In the present paper a kinetic model for vehicular traffic leading to multivalued fundamental diagrams is developed and investigated in detail. For this model phase transitions can appear depending on the local density and velocity of the flow. A derivation of associated macroscopic traffic equations from the kinetic equation is given. Moreover, numerical experiments show the appearance of stop and go waves for highway traffic with a bottleneck.

Keywords: *traffic flow, macroscopic equations, kinetic derivation, multivalued fundamental diagram, stop and go waves, phase transitions* (25 pages, 2002)

36. S. Feldmann, P. Lang, D. Prätzel-Wolters

Parameter influence on the zeros of network determinants

To a network $N(q)$ with determinant $D(s; q)$ depending on a parameter vector $q \in \mathbb{R}^r$ via identification of some of its vertices, a network $N^*(q)$ is assigned. The paper deals with procedures to find $N^*(q)$, such that its determinant $D^*(s; q)$ admits a factorization in the determinants of appropriate subnetworks, and with the estimation of the deviation of the zeros of D^* from the zeros of D . To solve the estimation problem state space methods are applied.

Keywords: *Networks, Equicofactor matrix polynomials, Realization theory, Matrix perturbation theory* (30 pages, 2002)

37. K. Koch, J. Ohser, K. Schladitz

Spectral theory for random closed sets and estimating the covariance via frequency space

A spectral theory for stationary random closed sets is developed and provided with a sound mathematical basis. Definition and proof of existence of the Bartlett spectrum of a stationary random closed set as well as the proof of a Wiener-Khinchine theorem for the power spectrum are used to two ends: First, well known second order characteristics like the covariance

can be estimated faster than usual via frequency space. Second, the Bartlett spectrum and the power spectrum can be used as second order characteristics in frequency space. Examples show, that in some cases information about the random closed set is easier to obtain from these characteristics in frequency space than from their real world counterparts.

Keywords: *Random set, Bartlett spectrum, fast Fourier transform, power spectrum* (28 pages, 2002)

38. D. d'Humières, I. Ginzburg

Multi-reflection boundary conditions for lattice Boltzmann models

We present a unified approach of several boundary conditions for lattice Boltzmann models. Its general framework is a generalization of previously introduced schemes such as the bounce-back rule, linear or quadratic interpolations, etc. The objectives are two fold: first to give theoretical tools to study the existing boundary conditions and their corresponding accuracy; secondly to design formally third-order accurate boundary conditions for general flows. Using these boundary conditions, Couette and Poiseuille flows are exact solution of the lattice Boltzmann models for a Reynolds number $Re = 0$ (Stokes limit).

Numerical comparisons are given for Stokes flows in periodic arrays of spheres and cylinders, linear periodic array of cylinders between moving plates and for Navier-Stokes flows in periodic arrays of cylinders for $Re < 200$. These results show a significant improvement of the overall accuracy when using the linear interpolations instead of the bounce-back reflection (up to an order of magnitude on the hydrodynamics fields). Further improvement is achieved with the new multi-reflection boundary conditions, reaching a level of accuracy close to the quasi-analytical reference solutions, even for rather modest grid resolutions and few points in the narrowest channels. More important, the pressure and velocity fields in the vicinity of the obstacles are much smoother with multi-reflection than with the other boundary conditions.

Finally the good stability of these schemes is highlighted by some simulations of moving obstacles: a cylinder between flat walls and a sphere in a cylinder.

Keywords: *lattice Boltzmann equation, boundary conditions, bounce-back rule, Navier-Stokes equation* (72 pages, 2002)

39. R. Korn

Elementare Finanzmathematik

Im Rahmen dieser Arbeit soll eine elementar gehaltene Einführung in die Aufgabenstellungen und Prinzipien der modernen Finanzmathematik gegeben werden. Insbesondere werden die Grundlagen der Modellierung von Aktienkursen, der Bewertung von Optionen und der Portfolio-Optimierung vorgestellt. Natürlich können die verwendeten Methoden und die entwickelte Theorie nicht in voller Allgemeinheit für den Schulunterricht verwendet werden, doch sollen einzelne Prinzipien so herausgearbeitet werden, dass sie auch an einfachen Beispielen verstanden werden können.

Keywords: *Finanzmathematik, Aktien, Optionen, Portfolio-Optimierung, Börse, Lehrerweiterbildung, Mathematikunterricht* (98 pages, 2002)

40. J. Kallrath, M. C. Müller, S. Nickel

Batch Presorting Problems: Models and Complexity Results

In this paper we consider short term storage systems. We analyze presorting strategies to improve the efficiency of these storage systems. The presorting task is called Batch PreSorting Problem (BPSP). The BPSP is a variation of an assignment problem, i.e., it has an assignment problem kernel and some additional constraints. We present different types of these presorting problems, introduce mathematical programming formulations and prove the NP-completeness for one type of the BPSP. Experiments are carried out in order to compare the different model formulations and to investigate the behavior of these models.

Keywords: *Complexity theory, Integer programming, Assignment, Logistics* (19 pages, 2002)

41. J. Linn

On the frame-invariant description of the phase space of the Folgar-Tucker equation

The Folgar-Tucker equation is used in flow simulations of fiber suspensions to predict fiber orientation depending on the local flow. In this paper, a complete, frame-invariant description of the phase space of this differential equation is presented for the first time.

Key words: *fiber orientation, Folgar-Tucker equation, injection molding* (5 pages, 2003)

42. T. Hanne, S. Nickel

A Multi-Objective Evolutionary Algorithm for Scheduling and Inspection Planning in Software Development Projects

In this article, we consider the problem of planning inspections and other tasks within a software development (SD) project with respect to the objectives quality (no. of defects), project duration, and costs. Based on a discrete-event simulation model of SD processes comprising the phases coding, inspection, test, and rework, we present a simplified formulation of the problem as a multiobjective optimization problem. For solving the problem (i.e. finding an approximation of the efficient set) we develop a multiobjective evolutionary algorithm. Details of the algorithm are discussed as well as results of its application to sample problems.

Key words: *multiple objective programming, project management and scheduling, software development, evolutionary algorithms, efficient set* (29 pages, 2003)

43. T. Bortfeld, K.-H. Küfer, M. Monz, A. Scherrer, C. Thieke, H. Trinkaus

Intensity-Modulated Radiotherapy - A Large Scale Multi-Criteria Programming Problem -

Radiation therapy planning is always a tight rope walk between dangerous insufficient dose in the target volume and life threatening overdosing of organs at risk. Finding ideal balances between these inherently contradictory goals challenges dosimetrists and physicians in their daily practice. Today's planning systems are typically based on a single evaluation function that measures the quality of a radiation treatment plan. Unfortunately, such a one dimensional approach can-

not satisfactorily map the different backgrounds of physicians and the patient dependent necessities. So, too often a time consuming iteration process between evaluation of dose distribution and redefinition of the evaluation function is needed.

In this paper we propose a generic multi-criteria approach based on Pareto's solution concept. For each entity of interest - target volume or organ at risk a structure dependent evaluation function is defined measuring deviations from ideal doses that are calculated from statistical functions. A reasonable bunch of clinically meaningful Pareto optimal solutions are stored in a data base, which can be interactively searched by physicians. The system guarantees dynamical planning as well as the discussion of tradeoffs between different entities.

Mathematically, we model the upcoming inverse problem as a multi-criteria linear programming problem. Because of the large scale nature of the problem it is not possible to solve the problem in a 3D-setting without adaptive reduction by appropriate approximation schemes.

Our approach is twofold: First, the discretization of the continuous problem is based on an adaptive hierarchical clustering process which is used for a local refinement of constraints during the optimization procedure. Second, the set of Pareto optimal solutions is approximated by an adaptive grid of representatives that are found by a hybrid process of calculating extreme compromises and interpolation methods.

Keywords: *multiple criteria optimization, representative systems of Pareto solutions, adaptive triangulation, clustering and disaggregation techniques, visualization of Pareto solutions, medical physics, external beam radiotherapy planning, intensity modulated radiotherapy*

(31 pages, 2003)

44. T. Halfmann, T. Wichmann

Overview of Symbolic Methods in Industrial Analog Circuit Design

Industrial analog circuits are usually designed using numerical simulation tools. To obtain a deeper circuit understanding, symbolic analysis techniques can additionally be applied. Approximation methods which reduce the complexity of symbolic expressions are needed in order to handle industrial-sized problems. This paper will give an overview to the field of symbolic analog circuit analysis. Starting with a motivation, the state-of-the-art simplification algorithms for linear as well as for nonlinear circuits are presented. The basic ideas behind the different techniques are described, whereas the technical details can be found in the cited references. Finally, the application of linear and nonlinear symbolic analysis will be shown on two example circuits.

Keywords: *CAD, automated analog circuit design, symbolic analysis, computer algebra, behavioral modeling, system simulation, circuit sizing, macro modeling, differential-algebraic equations, index*

(17 pages, 2003)

45. S. E. Mikhailov, J. Orlik

Asymptotic Homogenisation in Strength and Fatigue Durability Analysis of Composites

Asymptotic homogenisation technique and two-scale convergence is used for analysis of macro-strength and fatigue durability of composites with a periodic structure under cyclic loading. The linear damage

accumulation rule is employed in the phenomenological micro-durability conditions (for each component of the composite) under varying cyclic loading. Both local and non-local strength and durability conditions are analysed. The strong convergence of the strength and fatigue damage measure as the structure period tends to zero is proved and their limiting values are estimated.

Keywords: *multiscale structures, asymptotic homogenization, strength, fatigue, singularity, non-local conditions*

(14 pages, 2003)

46. P. Domínguez-Marín, P. Hansen, N. Mladenović, S. Nickel

Heuristic Procedures for Solving the Discrete Ordered Median Problem

We present two heuristic methods for solving the Discrete Ordered Median Problem (DOMP), for which no such approaches have been developed so far. The DOMP generalizes classical discrete facility location problems, such as the p-median, p-center and Uncapacitated Facility Location problems. The first procedure proposed in this paper is based on a genetic algorithm developed by Moreno Vega [MV96] for p-median and p-center problems. Additionally, a second heuristic approach based on the Variable Neighborhood Search metaheuristic (VNS) proposed by Hansen & Mladenovic [HM97] for the p-median problem is described. An extensive numerical study is presented to show the efficiency of both heuristics and compare them.

Keywords: *genetic algorithms, variable neighborhood search, discrete facility location*

(31 pages, 2003)

47. N. Boland, P. Domínguez-Marín, S. Nickel, J. Puerto

Exact Procedures for Solving the Discrete Ordered Median Problem

The Discrete Ordered Median Problem (DOMP) generalizes classical discrete location problems, such as the N-median, N-center and Uncapacitated Facility Location problems. It was introduced by Nickel [16], who formulated it as both a nonlinear and a linear integer program. We propose an alternative integer linear programming formulation for the DOMP, discuss relationships between both integer linear programming formulations, and show how properties of optimal solutions can be used to strengthen these formulations. Moreover, we present a specific branch and bound procedure to solve the DOMP more efficiently. We test the integer linear programming formulations and this branch and bound method computationally on randomly generated test problems.

Keywords: *discrete location, Integer programming*

(41 pages, 2003)

Status quo: January 2003