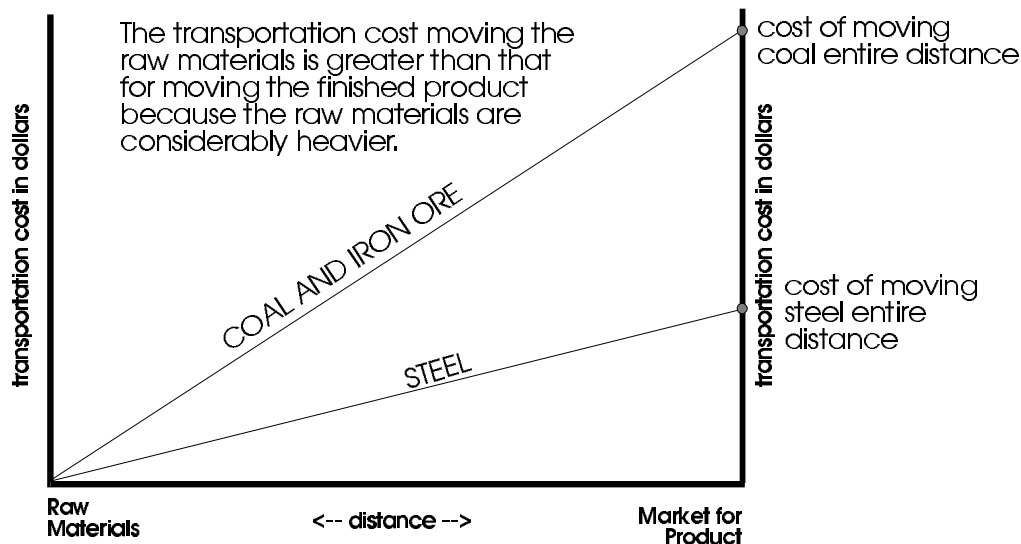
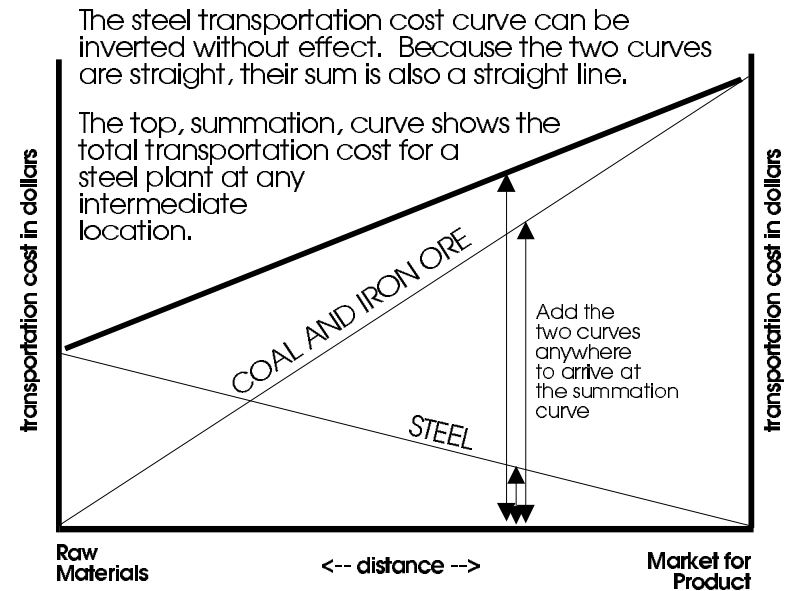


WEBER'S PLANT LOCATION -- Howenstine

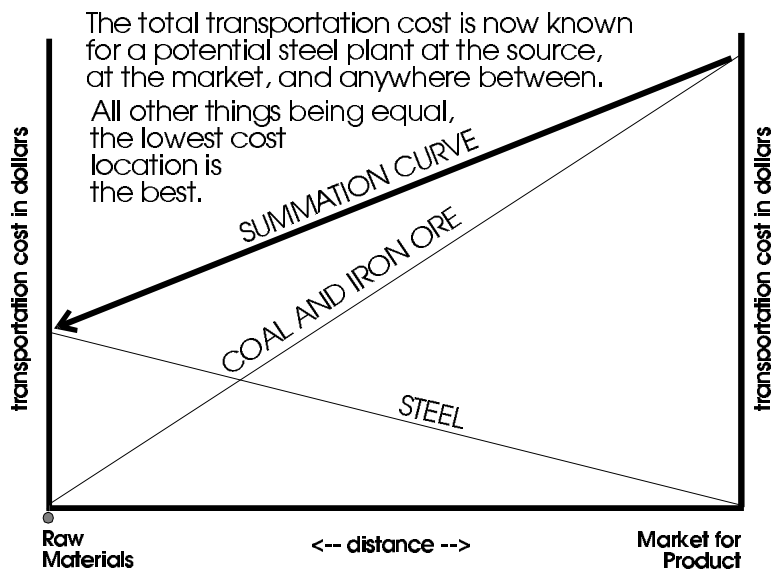
1.



2.



3.



4.

Production processes which cause a reduction in weight, bulk, or special handling (hence, lower transportation costs) will tend to occur near the site of the raw materials.

Those which add weight, bulk, or urgency will occur near the market.

By comparing the cost of moving the inputs with the cost of moving the finished product, we can locate the production facility to minimize overall costs.

In this simple example, transportation costs curves are straight lines and there are no other factors. In other situations Weber's model will suggest an intermediate site.