
Contents

1	Introduction	1
1.1	Territory Design	1
1.2	Facility Location	5
1.3	Combining Territory Design and Facility Location	7
1.4	Overview	9
<hr/> Part I Territory Design		11
2	Territory Design	13
2.1	Applications	13
2.1.1	Political Districting	13
2.1.2	Sales and Service Territory Design	15
2.1.3	Other Applications	20
2.2	A Basic Model for Territory Design	23
2.3	Overview of Solution Techniques	27
2.4	Extensions and Planning Scenarios	32
2.4.1	Extensions	33
2.4.2	Planning Scenarios	34
3	Solving the Territory Design Problem	37
3.1	General Definitions	38
3.2	Line Partitions	40
3.2.1	Definition of a Line Partition	40
3.2.2	Balance of a Line Partition	44
3.2.3	Contiguity of a Line Partition	53
3.2.4	Compactness of a Line Partition	53
3.3	The Successive Dichotomies Heuristic	54
3.3.1	Partitioning a Problem	55
3.3.2	Exploring the Partition Tree	57
3.4	Computational Results	60
3.5	Extensions and Planning Scenarios	69
3.5.1	Extensions	69
3.5.2	Planning Scenarios	73
3.6	Integration into GIS	77

Part II	The Ordered Median Problem on Networks	79
4	The Ordered Median Problem	81
4.1	Introduction	81
4.2	Definitions and Notations	83
4.2.1	General Definitions and Notations	83
4.2.2	Graphs and Networks	84
4.2.3	Distances on Networks	85
4.2.4	Classification Scheme	91
4.3	Problem Formulation	92
4.4	Basic properties	95
4.4.1	Bounds on the Ordered Median Function	95
4.4.2	Concavity and Convexity Results for Special Classes of Modeling Vectors	104
4.5	Modeling Different Objective Functions	107
4.6	Extensions to the Ordered Median Problem	116
4.6.1	The Conditional Ordered Median Problem	116
4.6.2	The Restricted Ordered Median Problem	118
4.6.3	The Ordered Median Problem with Fixed Costs	120
4.6.4	The Ordered Median Problem with General Functions of the Distance	121
5	Finite Dominating Sets for the Single Facility OMP	125
5.1	The Ordered Median Problem on Undirected Networks	126
5.1.1	The General Case	126
5.1.2	Special Cases	134
5.2	The Ordered Median Problem on Tree Networks	137
5.3	The Ordered Median Problem on Directed Networks	139
5.4	The Conditional Ordered Median Problem	142
5.4.1	Special Cases	150
5.4.2	Tree Networks	150
5.5	The Restricted Ordered Median Problem	152
5.5.1	Special Cases	154
5.5.2	Tree Networks	155
5.6	The Ordered Median Problem with Fixed Costs	156
5.7	The Ordered Median Problem with General Distance Functions	158
6	Algorithms for the Single Facility Ordered Median Problem	165
6.1	The Node-Restricted Ordered Median Problem	165
6.2	The Ordered Median Problem on Undirected Networks	167
6.2.1	Special Cases	172

6.2.2	Bounds on the Ordered Median Function	173
6.3	The Ordered Median Problem on Tree Networks	177
6.3.1	The Unweighted Problem	178
6.3.2	Node-Restricted and Concave Problems	181
6.3.3	The Convex Problem	182
6.4	The Ordered Median Problem on Directed Networks	186
6.5	The Conditional Ordered Median Problem	187
6.5.1	Bounds on the Ordered Median Function	189
6.5.2	Special Cases	190
6.5.3	Tree Networks	190
6.6	The Restricted Ordered Median Problem	191
6.7	The Ordered Median Problem with Fixed Costs	192
6.8	The Ordered Median Problem with General Distance Functions	192
7	Finite Dominating Sets for the Multifacility OMP	195
7.1	The Ordered Median Problem on Undirected Networks	196
7.1.1	FDS for Special Classes of Modeling Vectors and Nonnegative Weights	199
7.1.2	FDS for Real-Valued Node and Modeling Weights	212
7.2	The Ordered p -Median Problem on Directed Networks	230
7.3	The Conditional Ordered p -Median Problem	233
7.3.1	FDS for Special Classes of Modeling Vectors and Nonnegative Weights	235
7.3.2	FDS for Real-Valued Node and Modeling Weights	240
8	Algorithms for the Multifacility Ordered Median Problem	245
8.1	The Node-Restricted Multifacility Ordered Median Problem	246
8.2	The Multifacility Ordered Median Problem on Undirected Networks	246
8.2.1	Algorithms for Special Classes of Modeling Vectors and Nonnegative Weights	246
8.2.2	Algorithms for Real-Valued Node and Modeling Weights	249
8.3	The Multifacility Ordered Median Problem on Tree Networks	250
8.3.1	Dynamic Programming Approach	251
8.3.2	An Alternative Approach	266
8.4	The Multifacility Ordered Median Problem on Directed Networks	267
8.5	The Conditional Ordered p -Median Problem	268
9	Conclusions and Outlook	269
	Symbols and Notations	271
	List of Figures	275

List of Tables	277
List of Algorithms	279
Bibliography	281
Index	294