Example of Sigma Freight Application for Multiple Suppliers of the Same Input

Producer 1

Input - Coal	Volume	Kilometers	Sigma Cap	% Weight	W/A Kilometers
Coal Supplier 1	3,600	43	5	18%	0.88
Coal Supplier 2	5,000	19	5	25%	1.23
Coal Supplier 3	3,800	45	5	19%	0.93
Coal Supplier 4	8,000	3	3	39%	1.18
	20,400	110		1	4.22

TOTAL SUBJECT MERCHANDISE PRODUCTION = 97,634 Kilograms

Sigma Distance = 5 Kilometers

Suppliers 1, 2 & 3 Have Distances Higher Than Sigma so Use **Sigma Distance**

Producer 2

Input - Coal	Volume	Kilometers	Sigma Cap	% Weight	W/A Kilometers
Coal Supplier 1	2,000	90	45	9%	4.09
Coal Supplier 2	12,000	24	24	55%	13.10
Coal Supplier 3	4,000	48	45	18%	8.19
Coal Supplier 4	3,990	29	29	18%	5.26
	21,990	191		1	30.64

TOTAL SUBJECT MERCHANDISE PRODUCTION = 38,437 Kilograms

Sigma Distance = 45 Kilometers

Supplier 1 & 3 Distances are Higher Than Sigma so Use **Sigma Distance**

Apply Sigma To Each Producer & W/A Using Volume of **Coal** Supplied to each Producer

Producer	Coal Supplied	Kilometers	% Weight	W/A Kilometers
1	20,400	4.22	48%	2.03
2	21,990	30.64	52%	15.89
	42,390		1	17.92