Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of


Cross-Ownership of Broadcast Stations and Newspapers

Rules and Policies Concerning Multiple Ownership of Radio Broadcast Stations in Local Markets

Definition of Radio Markets

JOINT DECLARATION OF
LUKE FROEB, PADMANABHAN SRINAGESH AND MICHAEL WILLIAMS
IN SUPPORT OF COMMENTS OF HEARST-ARGYLE TELEVISION, INC.
EXECUTIVE SUMMARY

We have been asked by Hearst-Argyle Television, Inc. to comment on the Federal Communications Commission’s (FCC’s) current and previously proposed rules regarding local television station ownership. We conclude that the public interest as defined by the FCC’s goals of competition, diversity, and localism would be better served by rules that permit some mergers that would be prohibited by the current and previously proposed rules. Our conclusion is based on the following:

- At the Federal Trade Commission (“FTC”) and U.S. Department of Justice (“DOJ”) (collectively referred to hereafter as the “Agencies”), simple enforcement rules based on market shares and the number of competitors have given way to a case-by-case analysis of the likely competitive effects of mergers. The structural thresholds of the Horizontal Merger Guidelines are now seen as a safe harbor for mergers, rather than an indicator of their likely competitive effects. The change has been driven by research showing that structural indicators are poor proxies for the likely competitive effects of mergers, as well as by the experience of the Agencies.

- The FTC merger enforcement data indicates that the proposed FCC rules would block all mergers that were investigated, but not challenged, by the FTC from 1996-2003. This rule would result in larger Type I errors (blocking mergers that benefit consumers), which may have significant effects on economic efficiency, especially in an industry such as the television industry with a rapidly changing competitive environment.

- There is a difference, of course, between the legislative mandates of the Agencies and the FCC. In addition to competition, the FCC is concerned with diversity and localism. However, the peculiar features of media markets, e.g., the ease of product repositioning, suggest that media mergers are more likely to increase diversity and increase consumer welfare. The merged firm has an incentive to move the merging products further away from one another to avoid cannibalizing each other’s sales (or audience), so the anticompetitive motive to increase price is reduced and products are more differentiated, resulting in greater diversity.

We conclude that deregulatory modifications to the structural thresholds currently utilized, and those previously proposed by the FCC, to regulate mergers between broadcast television stations in the same local markets would likely benefit consumers.

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1 In its 2002 Biennial Review Order, the Commission cited two papers co-authored by Dr. Froeb and one paper co-authored by Dr. Williams.
2 The data are for the “other” category excludes mergers involving pharmaceuticals, oil, chemicals, and grocery stores. Mergers in this category accounted for 44 percent of the markets in the horizontal merger enforcement data.
I. INTRODUCTION

1. Luke Froeb is the William C. and Margaret M. Oehmig Associate Professor of Entrepreneurship and Free Enterprise at Vanderbilt University’s Owen Graduate School of Management. In July 2005, he completed a two-year term as Director of the Bureau of Economics at the U.S. Federal Trade Commission (FTC), where he managed 75 Ph.D. economists who provided economic analysis to support the antitrust and consumer protection missions of the agency. He has also served as an economist at the U.S. Department of Justice, and has published extensively on the economics of competition policy. He holds a Ph.D. in economics from the University of Wisconsin.

2. Michael Williams is a Director at ERS Group. He specializes in analyses involving antitrust, industrial organization, and regulation. He served as a consultant to the Federal Trade Commission in the proposed acquisition by the parent of Monster.com of HotJobs, Inc. Previously, Dr. Williams was an economist with the U.S. Department of Justice, Antitrust Division. While at the Antitrust Division, Dr. Williams analyzed the competitive implications of Westwood One, Inc.’s acquisition of NBC Radio and Turner Broadcasting System, Inc.’s attempted acquisition of CBS. Dr. Williams holds a B.A. degree in economics from the University of California, Santa Barbara, and he received his M.A. and Ph.D. degrees in economics from the University of Chicago.

3. Padmanabhan Srinagesh is a Principal at ERS Group. Recently, he helped analyze the acquisition of two newspapers by a large national chain. He has submitted expert reports on telecommunications regulations for use in proceedings before the FCC, Latin American regulatory agencies, the World Trade Organization, and the Australian Competition and Consumer Commission. Previously, he was a Member of Technical Staff at Bellcore (now
Telcordia), and taught at Williams College and the University of Illinois at Chicago. Dr. Srinagesh received his Ph.D. in economics from the University of Rochester.

4. Elements of our professional background are particularly relevant to local television ownership rules. First, while Professor Froeb was Bureau Director at the FTC, the staff developed a comprehensive database on the FTC’s merger enforcement for the period 1996 to 2003 and used it to gain a better understanding of the relationship between merger enforcement practice and the well-known conceptual framework described in the Horizontal Guidelines.3 Dr. Froeb oversaw the data collection and analysis of the data4 which can inform the development of rules for the ownership of local television stations. He also organized and presided over FTC hearings on “Estimating the Price Effects of Mergers and Concentration in the Petroleum Industry: An Evaluation of Recent Learning,” that studied the effects of consummated mergers. Second, Professor Froeb and Dr. Williams have studied the welfare effects of mergers for over a decade, and their research has resulted in the publication of a number of articles on the effects of mergers. This line of research can inform the Commission’s efforts to promote competition and diversity in broadcast media. In this Joint Declaration, we will summarize for the Commission the findings in these two specific areas and explain how these findings5 can help the Commission predict the effects of local television ownership rules so that it can advance its policy goals most effectively. More information on our backgrounds is provided in the attached curricula vitae.

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5 The literature includes two papers co-authored by Dr. Froeb and one paper co-authored by Dr. Williams that were cited by the Commission in its 2002 Biennial Review Order.
II. THE DIMINISHING IMPORTANCE OF STRUCTURAL CONDITIONS IN MERGER ANALYSIS

5. In recent years, the theory and practice of merger analysis and enforcement have been moving away from a focus on structural conditions towards the analysis of competitive effects. Structural conditions (including measures of concentration) now serve primarily as a screen for identifying mergers that are unlikely to cause competitive harm, i.e., a “safe harbor.” In the Guidelines, when the post-merger Herfindahl-Hirschman Index (HHI) is below 1000 (the threshold for “moderately concentrated” industries) or when the increase in the HHI is below 50, mergers are considered unlikely to have adverse competitive effects and ordinarily require no further analysis.

6. For mergers outside the safe harbor, the Agencies bring cases only when they predict that the mergers will have anticompetitive effects. The analysis requires consideration of a number of factors because merger effects are complex, subtle, and varied. The Guidelines recognize a number of different mechanisms through which mergers can affect consumer welfare: unilateral effects, coordinated effects, entry, product repositioning, and merger-specific efficiencies. Given the number of ways that firms compete with one another (how much to produce and sell, what price to charge, whether to enter the market and what capacity to install, how to position or differentiate their products, which distribution channels to use, and how to promote or advertise), and the variety of selling mechanisms (spot pricing, long-term contracts, contingent contracts, auctions, and negotiations), it would be surprising if merger effects were predicted well by something as simple as market shares or concentration.

7. In the markets that the Commission has identified as being served by local television stations—the delivery of programs to viewers, the provision of desirable audiences to advertisers, and the purchase of programs from producers—a wide range of market structures
and contractual arrangements have evolved. Advertisements are sold according to long-term contracts and also by negotiation; firms compete for advertisers by adjusting prices, and by trying to appeal to various groups of viewers; firms compete for viewers (or subscribers) by selecting content that is expected to draw desirable audiences; and programming is produced or purchased using a wide range of short and long term contractual arrangements. In such a complex environment, it would, again, be surprising if simple structural indicators could predict merger outcomes.

8. As part of the analysis supporting its revised local television ownership rules in the 2002 Biennial Review Order, the Commission cited two papers co-authored by Professor Luke Froeb and one paper co-authored by Dr. Michael Williams. These papers are part of a much larger literature on the competitive effects of mergers. The paper by McAfee and Williams studied a Cournot-Nash model in which symmetric firms have increasing marginal costs and charge a price at which market demand equals total industry output. For this model, Williams and McAfee found that when the elasticity of market demand was above 2/3 (in absolute value), the creation of a new largest firm through merger reduced economic efficiency. But before using conclusions from their model to inform policy, we would caution the FCC to make sure that the model fits the facts of the industry under consideration.

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features of this model, such as quantity competition, symmetry, homogeneous products, and increasing marginal costs do not seem to characterize competition well in the broadcast media industry. In fact, the FCC itself acknowledged that the industry produces differentiated products. It would seem unwise to rely on the conclusions of this stylized model to design merger policy for the industry.

9. The two articles co-authored by Professor Froeb cited in the 2002 Biennial Review Order analyze a model of differentiated goods oligopoly in which firms with constant marginal costs choose price and customers make mutually exclusive purchase decisions. These articles show that in addition to any cost reduction that may result from a reallocation of production between the merging firms, post-merger average costs may fall when production shifts to more efficient non-merging firms. While differentiated goods oligopoly models are more suitable than homogeneous goods models for the study of local television markets, we note that these are models of single-sided competition, whereas in the delivered video programming (DVP) market, firms compete for both audience as well as advertising revenue.

10. With this caveat, we note that the Froeb et al. paper concludes that structural rules should recognize that “high concentration may not merit greater restraints on the mergers of smaller firms.” Indeed, an application of the theoretical model to Japanese long distance telecommunications services showed that even in this highly concentrated market (with an HHI exceeding 1800) consisting of only four firms, three of the six possible mergers resulted in an increase in total (consumer plus producer) welfare. For this example, a structural rule that


prohibited mergers among the top four firms, or a rule that prohibited common ownership of two or three firms unless the market had at least twelve or eighteen firms, respectively, could have the effect of preventing mergers that would increase total welfare.

11. In our view, a basic lesson of these papers is that the policy implications of one model may be quite different from those of another model. The McAfee-Williams paper drew attention to the inefficiencies of creating a new largest firm producing homogeneous goods, while the paper by Froeb et al. uncovers a mechanism through which mergers of two of the top four firms in a market can increase total welfare. The more general lesson is that an inflexible structural rule for merger-based policy is likely to be wrong under some set of circumstances almost certain to be encountered in practice. A case-by-case approach would not be subject to this limitation.

12. However, case-by-case decision-making is costly, time consuming, and the results are not easily predicted in advance. The Commission has stated that it prefers bright-line rules despite their lack of flexibility because “they provide greater certainty, conserve resources, reduce administrative delays, lower transactions costs, increase transparency of our process, and ensure consistency of decisions.”\textsuperscript{11} Errors resulting from the rigid applications of the rules might be addressed by a discretionary review or in considering waiver requests and petitions to deny.\textsuperscript{12}

13. Discretionary review and waiver requests notwithstanding, bright-line rules generate two types of errors: Type I errors (blocking mergers that benefit consumers) and Type II errors (allowing mergers that harm consumers). Stricter rules increase Type I errors and simultaneously reduce Type II errors; more lenient rules reduce Type I errors and increase Type

\textsuperscript{11} 2002 Biennial Review Order at ¶82.
\textsuperscript{12} 2002 Biennial Review Order at ¶¶80-85.
II errors. This tradeoff is unavoidable. An efficient bright-line rule would minimize expected error costs, the sum of costs of each error type weighted by the frequency of its occurrence.

14. An efficient bright-line rule might possibly be constructed if we had good studies on the effects of actual mergers and we had good predictors of their effects. While we do have some studies of consummated mergers, it is difficult to find common factors across the studies that would allow us to predict merger effects or inform the construction of an efficient rule for mergers. The best information that we have may come from the enforcement data released by the FTC in 2004. Since the enforcement data represent the results of detailed case-by-case analysis, the data can be used to “benchmark” the existing and any proposed FCC rules.

III. LESSONS FROM FTC ENFORCEMENT DATA

15. This section provides data on recent FTC enforcement actions in horizontal merger investigations. The FTC\textsuperscript{13} issued a report in 2004 reviewing its enforcement actions for all horizontal mergers for which the FTC issued a “second request”\textsuperscript{14} during the fiscal years 1996 through 2003.\textsuperscript{15} Investigations were either “enforced” (the FTC sought relief or the parties abandoned the transaction after a full review) or they were “closed” (the FTC did not seek relief). Figure 1 presents information on outcomes of the FTC’s investigations in the category “all other markets,” which excludes groceries, oil, chemicals, and pharmaceuticals.\textsuperscript{16} Media markets would fall in this category.

\textsuperscript{13} We focus on the FTC enforcement data as it is more detailed than the enforcement data released by the DOJ, with data on a number of structural indicators.

\textsuperscript{14} A second request is a subpoena that marks the beginning of the second stage in a merger investigation.

\textsuperscript{15} FTC, Horizontal Merger Investigation Data, Fiscal Years 1996-2003 (revised Aug. 31, 2004).

\textsuperscript{16} These four industries accounted for approximately 56 percent of the markets in the horizontal merger data during this period.
16. The most significant feature in Figure 1 for our analysis of local television ownership rules is the large number of mergers that the FTC declines to challenge in very concentrated markets. The darker, purple bars indicate the number of “closed” investigations in relation to the number of significant competitors in the affected markets. The left-most bar indicates the number of closed investigations of mergers to monopoly (going from two to one significant competitors). Even for these most concentrated markets, the FTC decided not to challenge five mergers, or about 7% percent of the total in this category. For three-to-two mergers, the percent of closed investigations increases to 22%; for four-to-three mergers, 48%; for five-to-four mergers, 91%; and for six-to-five mergers 78%.

17. Of course, interpreting these data is difficult because they come from a selected sample of the mergers that the FTC decided to investigate. But we can pose the question: how many of these mergers would have been blocked by the proposed FCC rules? The answer is: all of them. All of the four-to-three, three-to-two, and two-to-one mergers would have been blocked by the FCC’s proposed rule prohibiting mergers among the top four firms; and all the other mergers would have been prohibited by the FCC’s proposed rules on “duopolies” and “triopolies.”

17 The terms “duopoly” and “triopoly” as used in this context are idiosyncratic. Generally, they refer to an industry of two firms or an industry of three firms, respectively.
18. It follows that, relative to FTC enforcement, the FCC rules are stricter and have bigger Type I errors. As noted above, we cannot say that the FTC enforcement rules are more efficient because we do not have the kind of detailed post-merger studies that would allow us to verify this claim. However, we do know that that Type I errors can be extremely costly to our economy.

19. The movement of assets to higher-valued uses is the wealth-creating engine of capitalism, and our biggest and most valuable assets are corporations. Mistakenly preventing the movement of assets via merger could impose large costs on our economy. The costs of Type I errors may be especially high in industries undergoing rapid technological change, as is the case
with the delivered video programming market. More generally, the rapid pace of technological change over the last three decades has substantially altered the external competitive environment for traditional media, including television broadcasters. This has resulted in an increase in both the number of viewing options for consumers and advertising options for firms (e.g., craigslist and Google). These changes would tend to mitigate any potential anticompetitive merger effects.

20. The Hearst-Argyle proposal to adopt a bright-line rule is modeled on the thresholds of the *Guidelines* and would be much stricter than FTC enforcement.\(^\text{18}\) To show this, we use the prediction formulas estimated by Coate and Ulrick\(^\text{19}\) characterizing the FTC enforcement decisions as a function of the level and change in the HHI, and the number of significant competitors. Even when entry is difficult and six significant competitors remain post-merger, the probability of a merger challenge in a market with an HHI of 1800 and a change in HHI of 50 is less than one percent. In other words, the Hearst-Argyle proposed rules are still much stricter than FTC enforcement under its current case-by-case approach. They represent only a small step away from the FCC’s previously proposed rules towards actual FTC enforcement as measured by outcomes.

21. In addition, if the FCC is worried that a small movement away from its current or its previously proposed rules would increase Type II errors (allowing mergers that harm

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\(^{18}\) The Hearst-Argyle proposal would permit mergers between local television stations if the combined audience share were below 30% and the merger satisfied a rule based on an Audience Market Index (AMI). The Hearst-Argyle AMI is defined to be equal to the sum of squares of the individual audience shares of all local television stations in the relevant DMA. In many DMAs, the local television stations have only a 40-50% total audience share when other sources of video programming are considered. The AMI is therefore lower than the HHI (assuming this is a relevant market) by an amount equal to the sum of squares of the remaining competitors. In many cases there are a hundred or more channels that split the remaining 50-60% percent share. In those cases in which multiple channels are not commonly owned, the difference between HHI and AMI will be small, but not zero. Delta AMI is, however, exactly equal to delta HHI.

competition), some of these errors would be caught by the Agencies when they review the mergers. For mergers of local television stations that are large enough to trigger a review by the DOJ or the FTC, the case-by-case approach of these Agencies will lead to challenges of some or all of the mergers that are likely to cause consumer harm. Thus, it follows that for the larger mergers, at least some increased Type II errors resulting from the adoption by the FCC of the Hearst-Argyle proposal would be corrected by the Agencies in the normal course of review. This “backstop” provides some assurance to the FCC that Type II errors will not increase appreciably if it were to adopt more liberal standards for permitting mergers.

IV. POST-MERGER PRODUCT REPOSITIONING

22. The Commission has stated that “limits imposed on television station combinations designed to protect competition in local delivered video markets necessarily also protect diversity; indeed they are more protective of competition in the broader marketplace of ideas given the difference in market definition.”20 Regarding the effects of mergers on diversity, the Commission has been even more specific: “When formerly strong rivals merge, they have incentives to coordinate their programming to minimize competition between the merged stations. Such mergers harm viewers.”21 We disagree with the Commission’s conclusion that such mergers would necessarily result in harm to viewers because the merged firm has an incentive to “move” its products away from one another which reduces incentives to raise price while simultaneously increasing product diversity.

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23. The conventional wisdom on mergers, as reflected in the *Guidelines*, is based on a model of differentiated products and assumes that firms compete on price, given their product characteristics. A potentially significant limitation of the assumption of “price-only” competition is that it neglects other dimensions in which firms compete, including product positioning. Professor Froeb’s research\(^{22}\) focuses on analyzing the effects of mergers in “price-location” models that permit firms to compete by choosing both price and product characteristics.\(^{23}\) This research shows that in “the price-location model, combining close substitute products creates a strong incentive for the merged firm to separate these products, and that separation greatly reduces the incentive to raise prices.”\(^{24}\) Merging firms reposition their products relatively far away from each other to reduce sales cannibalization, and non-merging firms reposition their products in between those of the merged firm, increasing competition for consumers of these products. The net result of the repositioning mitigates the anticompetitive effects of the merger on consumer welfare—an effect that has not been considered by the *Guidelines*, case law, or the record in this proceeding.

24. The theory has not yet been subjected to direct empirical tests, but other empirical studies tend to support the hypothesis that a merged firm has the incentive to separate products that were close substitutes before the merger. Berry and Waldfogel\(^{25}\) found that for 158 markets, increases in concentration of radio station ownership between 1993 and 1997 were associated


\(^{23}\) We note that some basic features of the model are consistent with the DVP markets, while some others are not.

\(^{24}\) Gandhi et al, p. 2.

with increases in variety. Sweeting\textsuperscript{26} analyzed radio stations’ playlists and found that stations with similar formats tended to differentiate their playlists when they came under common ownership. The empirical work supports, but does not confirm, the theory. The theoretical model addresses markets where firms operate in one output market, while the media markets studied in the empirical papers address two-sided markets where firms simultaneously serve advertisers and listeners.

25. In sum, models of post-merger repositioning suggest that more limited “price-only” models may overstate harm to consumer welfare likely to arise from increased mergers because the simpler models fail to consider product repositioning. Additionally, the empirical work on post-merger repositioning suggests that the FCC’s concern that concentration will lead to reduced variety may be exactly misplaced—the available evidence suggests that increased concentration leads to greater diversity.

VI. CONCLUSIONS

26. In light of foregoing, we conclude that the FCC’s existing and proposed structural rules for television station mergers, such as the prohibition of mergers between two “top four” stations and restrictions on the common ownership of two or three local television stations are likely to be overly restrictive and thwart the FCC’s fundamental goals of competition and diversity. In our view, these objectives could be better served by adopting an approach based on a case-by-case analysis of each merger. However, we understand the desire of the Commission to adopt bright-line rules. By benchmarking the proposed FCC rules to the FTC enforcement data we found that the FCC rules would prohibit all of the “other” mergers (i.e., all mergers

considered outside of pharmaceuticals, oil, chemicals, and grocery stores) that the FTC investigated and then declined to challenge. It follows that, relative to the FTC practice, the FCC’s previously proposed rules would have much larger Type I errors, and with the Agencies as a backstop, would have larger Type II errors only for small television stations that would not be routinely investigated by the Agencies.

27. We conclude that liberalization of the structural thresholds utilized by the Commission to regulate broadcast television mergers would likely reduce Type I errors, and increase Type II errors for smaller transactions that are not reviewed by the Agencies. If the FTC’s enforcement practice represents an optimal trade-off between Type I and Type II errors, the Hearst-Argyle proposal, which moves policy closer to the practice of the Agencies, would likely benefit consumers. Hearst-Argyle’s local television ownership rule proposal, which is more liberal than the Commission’s rules, is therefore a step in the right direction, yet, in relation to the enforcement practice of the FTC, it remains quite conservative.

28. We understand that the Commission will periodically evaluate whether its ownership rules remain necessary. Relaxation of the current and proposed FCC rules on mergers will give the Commission the opportunity to gain experience with mergers among firms that it has prohibited until now. With this experience, we would expect the Commission to be able to further adjust structural limits in a future review proceeding, if warranted.
Signature Page

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Education
Stanford University, A.B. (1978), Economics, with honors and academic distinction.
University of Wisconsin, Ph.D. (1983), Econometrics, passed with distinction.

Experience
Teach managerial economics to both MBA’s and executive MBA’s, and assorted topics in non-degree programs. Co-teach undergrad math class Mathematical Models in Economics, with Steven Tschantz.

2003-5 Director, Bureau of Economics, U.S. Federal Trade Commission. Managed 110 employees, including 75 PhD economists who provided economic analysis to support enforcement of antitrust and consumer protection laws.


1989 Kramer Foundation Fellow, University of Chicago Law School

1984-5 Asst. Professor, Department of Economics, Tulane University. Taught grad and undergrad econometrics; grad industrial organization; undergrad micro

Recent Papers

Froeb, Luke, and Steven Tschantz, Mergers among Firms that Manage Revenue, working paper.


Cooper, James, Luke Froeb, Daniel O’Brien, and Michael Vita, Vertical Antitrust Policy as a Problem of


**Recent Talks**

Dec, 2005  A Positive Antitrust Enforcement Agenda  
CEPR Conference, Brussels, Belgium

Nov, 2005  If Merger is the Answer, What is the Question?  
The First Lisbon Conference on Competition Law and Economics, Portugal

Oct., 2005  If Merger is the Answer, What is the Question?  
CFO conference, Huntsville, Alabama

Aug, 2005  Health Care Competition: Can we make it work?  
Health care MBA Advisory Board, Vanderbilt, Nashville, TN

Aug, 2005  Health Care Competition: Can we make it work?  
Breakfast Roundtable Discussion, Vanderbilt, Nashville, TN

June, 2005  International Regulatory Risk  
Pioneer Investments, New Hampshire
June, 2005  Antitrust and Intellectual Property  
ABA Antitrust and Intellectual Property Conference, UC-Berkeley

June, 2005  Regulatory Risk  
Legg-Mason Conference, Nashville, TN

June, 2005  Merger Analysis  
Bates-White Conference, Washington, DC

May, 2005  Vertical Restraints, What Next?  
LECG Panel, Washington, DC

May, 2005  Vertical Restraints  
AEI/Brookings Joint Center Antitrust Program

May, 2005  Vertical Restraints  
George Mason Law School Bundling Roundtable

April, 2005  Post Merger Product Repositioning  
International Industrial Organization Conference

April, 2005  Breakfast with the Bureau Directors  
ABA meetings, Washington DC

April, 2005  Did the FTC Approve Too Many Oil Mergers?  
ABA meetings, Washington DC

March, 2005  Consumer Protection Economics  
Colby College

March, 2005  International Antitrust  
Vanderbilt Development Economics graduate students

Feb, 2005  Critical Enforcement Issues  
Roundtable Discussion at Charles River Associates Annual Conference

Jan, 2005  Use of Economics in Competition Law  
Keynote speech, IBC Conference, Brussels

Dec, 2004  Competition Advocacy and Industry-Wide Antitrust at the FTC  
Office of Fair Trading and Competition Commission, London,

Dec, 2004  Effects-Based Analysis: Mergers and Vertical Restraints  
British Institute of International and Comparative Law, London

Dec, 2004  Antitrust Enforcement R&D: Mergers and Vertical Restraints  
Kings College, London

Dec, 2004  Vertical Restraints: What about the Evidence?  
American Bar Association, Fall Forum, Washington, DC
Nov, 2004 Demand-Pull Research for Antitrust Policy
University of Virginia, Dept. of Econ.

Nov, 2004 Post-Merger Product Repositioning
University of Virginia, Dept. of Econ

Oct, 2004 Quantitative Methods in Merger Control
Summit at Como: A Discussion of Competition Policy, Law & Economics, Italy.

Oct, 2004 Vertical Restraints: What about the Evidence?
George Mason University Law Review Program, Washington, DC

Sep, 2004 Enforcement R&D
EC/US Bilateral Consultations, Brussels, Belgium.

Sep, 2004 Economics and Antitrust: Enforcement R&D
Keynote Address at Annual Meeting of the European Association in Industrial Economics (EARIE), Brandenberg Academy of Sciences, Berlin, Germany

Jun, 2004 Post-Merger Product Repositioning
University de Toulouse, IDEI, Toulouse, France

Jun, 2004 Use of Economic Evidence in Competition Cases
OECD Roundtable, Paris, France

Apr, 2004 Variance and Smoothness Screens for Collusion
International Industrial Organization Conference, Chicago, IL

Apr, 2004 Merger Effects, Promotion and Price
Duke University, Durham, NC

Apr, 2004 Breakfast with the FTC Bureau Directors
American Bar Association Spring Meeting, Washington, DC

Mar, 2004 Economic Analysis of Mergers: Recent Developments
American Bar Association Spring Meeting, Washington, DC

Mar, 2004 Economics in Antitrust: A U.S. Perspective
The Office of Fair Trading, London, UK

Mar, 2004 The View from Brussels and Washington
AEI-Brookings Joint Center for Regulatory Studies, Brussels

Mar, 2004 Economics in Antitrust: A U.S. Perspective
European Commission, Brussels

Mar, 2004 Economists, Damages, and Daubert Pitfalls
Utah State Bar and Law and Economics Society, Salt Lake City

Mar, 2004 Unilateral Effects and Economic Models
Feb, 2004  Unilateral Effects and Economic Models  
Charles River Associates Annual Meeting, Washington, DC  

Jan, 2004  Merger Effects When Firms Compete by Choosing Both Price and Advertising,  
FTC Bureau of Economics Seminar  

Jan, 2004  Whither Merger Simulation  
ABA Economics Committee Brown Bag, Washington, DC  

Dec, 2003  Using Structural Models to Simulate IP Damages  
ABA Antitrust Section & Intellectual Property Committee, Washington, DC  

Nov, 2003  Mergers among Firms that Practice Yield Management  
INFORMS Annual Meeting, Atlanta, GA  

Nov, 2003  Price Discrimination and Competition: Implications for Antitrust  
American Bar Association Fall Forum, Washington, DC  

Nov, 2003  Role of Expert Economic Testimony in Antitrust Litigation  
The Committee on Antitrust and Trade Regulation of the Bar of the City of NY  

Aug, 2003  Continuity in Economics at the FTC  
ABA Antitrust Brownbag  

May, 2003  Merger Simulation and Market Delineation  
Two-day training seminar at the Canadian Competition Bureau, Ottawa  

April, 2003  Merger Simulation and Market Delineation  
Two-day training seminar at the Office of Fair Trading, London  

May, 2002  Quantitative Cost-Benefit analysis of Mergers  
Three-day training seminar Swedish Competition Authority, Stockholm  

April, 2002  Vertical Restraints and Upstream Horizontal Mergers: Does the retail sector matter?  
University of Florida, Gainesville  

**Antitrust Consulting**  
2003-2005 FTC (antitrust, consumer protection, competition policy)  
2002  AT&T-Comcast; Princess-Carnival.  
2001  Reed Elsevier-Harcourt, Pepsi-Gatorade  
2000  Sprint-WorldCom, Brahma-Antarctica, U.S. Department of Justice  
1999  Central Parking Systems-Allright  
1998  Lockheed-Grumman; Monsanto-American Home Products  
1997  U.S. Department of Justice-Antitrust Division (wrote software)  
1996  L’Oreal-Maybelline; General Mills-Ralston; Campbell Soup-Van de Kamps
Older Research (by topic)

Antitrust Policy


Auctions


Mergers


**Law & Economics**


**Patent Damages**


Econometrics


Critiques of Empirical Market Delineation


Critiques of Structure-Performance Studies


Miscellaneous


**Book Reviews**


**Software**


**Awards, grants, professional activities**

2005 Outstanding Professor of Vanderbilt’s Executive MBA program
2005 ABA Economic Evidence Task Force
2005 Editorial Board of *Competition Policy International*
2002 Dean's Award for Outstanding and Widespread Research Impact
2001 Klebler-Gerry Lecturer, St. Olaf’s College.
2001 Dell STAR (Strategic Technology And Research) Grant to update web-based Mathematica simulation games.
2000 Dean's Award for Teaching Excellence.
1999 Outstanding Professor of the Vanderbilt International Executive MBA program
1998 Outstanding Technological Innovation in Business Education for web-based Mathematica simulation games. Awarded by Price-Waterhouse and the University of Virginia McIntire School of Commerce.
1998 Editorial Board of *International Journal of the Economics of Business*
1995 Grant Recipient, the Provost's Initiative on Technological Innovation in the Classroom to develop the Vanderbilt University Mathematica Web Server.
1994-02 Editor, *Antitrust Policy*, an on-line resource linking economic research, policy, and cases.
1993 Steering Committee Member for the Undergraduate Computation and Engineering Sciences project to promote the emerging field of computational science, 1993-1997.
Dr. Williams specializes in analyses involving antitrust, industrial organization, and regulation; he has conducted economic research and prepared testimony on a variety of antitrust and regulatory issues in the telecommunications, electric power, natural gas, oil and pipeline, and numerous other industries. He has published articles in a number of academic journals, including the American Economic Review, Journal of Economics and Management Strategy, Journal of Industrial Economics, Behavioral Science, Economics Letters, Antitrust Bulletin, Texas Law Review, Review of Industrial Organization, Yale Journal on Regulation, and Quarterly Journal of Economics and Business. He has provided testimony and comments before the Federal Communications Commission, the U.S. Securities and Exchange Commission, and the U.S. Postal Service, as well as a number of state regulatory commissions, the U.S. Court of Federal Claims, and U.S. District Court in Texas. He has consulted on matters involving competition in telecommunications markets for spectrum auctions, MFJ waiver requests, and such services as long-distance and wireless communications. Dr. Williams’ research includes:

- Analyses of market definition, market power, and regulation in the computer, energy, telecommunications, and other industries;

- Studies of horizontal and vertical mergers to determine whether they would lead to the exercise of market power in such industries as airlines, avionics, bus and truck transportation, electric utilities, gaming, music, natural gas pipelines, petroleum, radio and television programming, satellites, and other industries;

- Analyses of antitrust issues, including monopolization, price fixing, resale price maintenance, and tying arrangements, in a variety of industries;

- Evaluation of rate and entry regulation in the natural gas, electric power, postal service, securities, and telecommunications industries;

- Market definition analyses for both antitrust and economic markets; and

- Analyses of liability and damages in issues involving breach of contract.

Previously, Dr. Williams was an economist with the U.S. Department of Justice, Antitrust Division and was a Vice President of Analysis Group/Economics. Dr. Williams holds a B.A. degree in economics from the University of California, Santa Barbara, and he received his M.A. and Ph.D. degrees in economics from the University of Chicago.
SELECTED CASEWORK

FEDERAL TRADE COMMISSION
Valero L.P.’s proposed merger with Kaneb Services LLC

NEVADA GAMING COMMISSION AND STATE GAMING CONTROL BOARD
Harrah’s Entertainment, Inc.’s proposed merger with Caesars Entertainment, Inc.
Consultant to Gaming Commission and Gaming Control Board. Expert report on economic analysis of the competitive effects of the proposed merger, 2005.

NEVADA GAMING COMMISSION AND STATE GAMING CONTROL BOARD
MGM Mirage’s proposed merger with Mandalay Resort Group

AMERICAN ARBITRATION ASSOCIATION
Ford Dealer Computer Services, Inc. n/k/a Dealer Computer Services, Inc. v. Woodville Ford, Inc.

FEDERAL COMMUNICATIONS COMMISSION
In the Matter Unbundled Access to Network Elements, Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers.

UNITED STATES DISTRICT COURT

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF GEORGIA
In re Gemstar Development Corporation Patent Litigation, Master File No. MDL-1274-WBH
FEDERAL TRADE COMMISSION
_In the Matter of Rambus Inc._

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF TEXAS, DALLAS DIVISION
Exxon Mobil Corporation v. United States of America, Civil No. 3-00CV0815-M.
Expert report, deposition, and court testimony for the United States on the representative market or field price of gas for the purpose of establishing depletion allowance, 2002.

FEDERAL TRADE COMMISSION
Phillips Petroleum Company’s proposed merger with Conoco Inc.

SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF LOS ANGELES
_Alan Wayne et al. v. BP Oil Supply Company, No. BC244334._
Economic analysis of petroleum prices, 2002.

FEDERAL TRADE COMMISSION
TMP Worldwide, Inc.’s (parent of Monster.com) proposed acquisition of HotJobs, Inc.

U.S. DEPARTMENT OF JUSTICE, ANTITRUST DIVISION
United Airlines’ proposed acquisition of US Airways.

AMERICAN ARBITRATION ASSOCIATION

AMERICAN ARBITRATION ASSOCIATION
Ford Dealer Computer Services, Inc. v. Prestige Ford, AAA Case No. 54 117 00326 98.
AMERICAN ARBITRATION ASSOCIATION
Ford Dealer Computer Services, Inc., Inc. v. Trademark Motor Co., AAA Case No. 70 177 189 00.

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF OHIO

FEDERAL TRADE COMMISSION
Time Warner’s proposed acquisition of EMI.

FEDERAL TRADE COMMISSION
Midwest Gasoline Price Investigation.

FEDERAL TRADE COMMISSION
Equilon’s proposed acquisition of terminal facilities from GATX.

FEDERAL COMMUNICATIONS COMMISSION
In the Matter of Application of MCI WorldCom Inc., and Sprint Corporation for Transfer of Control of Sprint Corporation to MCI WorldCom, Inc.

FEDERAL TRADE COMMISSION
British Petroleum Corporation’s proposed acquisition of Atlantic Richfield Corporation.

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FEDERAL COMMUNICATIONS COMMISSION
Application by New York Telephone Company (d/b/a Bell Atlantic – New York), Bell Atlantic Communications, Inc., NYNEX Long Distance Company, and Bell Atlantic Global Networks, Inc., for Authorization to Provide In-Region, InterLATA Services in New York.
  Economic analysis of the effects of entry by Bell Atlantic into interLATA phone services, 1999.

TEXAS STATE DISTRICT COURT, TRAVIS COUNTY, TEXAS

FEDERAL ENERGY REGULATORY COMMISSION
Natural Regulation of Short-Term Gas Transportation Services, Docket No. RM98-10; Regulation of Interstate Natural Gas Transportation Services, Docket No. RM98-12.
  Economic analysis of proposed auction of pipeline capacity, 1999.

NEBRASKA PUBLIC SERVICE COMMISSION
In the Matter of the Commission, On Its Own Motion, To Investigate GTE Midwest Incorporated’s Cost To Establish Rates For Interconnection, Unbundled Network Elements, Transport And Termination And Resale Services, Application No. C-1416.
  Testimony on stranded costs, 1998.

NEW MEXICO STATE CORPORATION COMMISSION
In the Matter of the Consideration of the Adoption of a Rule Concerning Costing Methodologies, Docket No. 96-310-TC, Volume XI; In the Matter of the Implementation of New Rules Related to the Rural, High Cost, and Low Income Components of the New Mexico Universal Service Fund, Docket No. 97-334-TC.
  Testimony on stranded costs, 1998.

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  Testimony on stranded costs, 1997.

ARKANSAS PUBLIC SERVICE COMMISSION
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  Testimony on economically efficient prices for unbundled network elements and wholesale services, 1997.
FEDERAL COMMUNICATIONS COMMISSION
In the Matter of Application by Ameritech Michigan for Authorization under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of Michigan, CC Docket No. 97-137.
    Economic analysis of the effects of entry by Ameritech into interLATA phone services, 1997.

HAWAII PUBLIC UTILITIES COMMISSION
In the Matter of the Petition of Sprint Communications Company L.P. for Arbitration of Interconnection Rates, Terms, Conditions, and Related Arrangements with GTE Hawaiian Telephone Company Incorporated, Docket No. 96-0375.
    Testimony on economically efficient prices for unbundled network elements and wholesale services, 1996.

MICHIGAN PUBLIC SERVICE COMMISSION
    Testimony on economically efficient prices for unbundled network elements and wholesale services, 1996.

MINNESOTA PUBLIC UTILITIES COMMISSION
    Testimony on economically efficient prices for unbundled network elements and wholesale services, 1996.

MISSOURI PUBLIC SERVICE COMMISSION
In the Matter of AT&T Communications of the Southwest, Inc.'s Petition for Arbitration Pursuant to Section 252(b) of the Telecommunications Act of 1996 to Establish an Interconnection Agreement Between AT&T and GTE Midwest Incorporated, Case No. TO-97-63.
    Testimony on economically efficient prices for unbundled network elements and wholesale services, 1996.

NEBRASKA PUBLIC SERVICE COMMISSION
    Testimony on economically efficient prices for unbundled network elements and wholesale services, 1996.
NEBRASKA PUBLIC SERVICE COMMISSION
Testimony on economically efficient prices for termination services, 1996.

TEXAS PUBLIC UTILITY COMMISSION
Testimony on economically efficient prices for termination services, 1996.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
In the Matter of the Petition of Sprint Communications Company L.P. for Arbitration of Interconnection Rates, Terms, Conditions, and Related Arrangements with GTE Northwest Incorporated, Docket No. UT-9603485.
Testimony on economically efficient prices for unbundled network elements and wholesale services, 1996.

FEDERAL TRADE COMMISSION
In the Matter of: Mattel, Inc. and Hasbro, Inc.
Economic analysis of the proposed merger, 1996.

STATE OF CALIFORNIA, PUBLIC UTILITIES COMMISSION
Economic analysis of proposed pricing rules, 1996.

FEDERAL COMMUNICATIONS COMMISSION
Economic analysis of the Act, 1996.

FEDERAL COMMUNICATIONS COMMISSION
In the Matter of Market Entry and Regulation of Foreign-Affiliated Entities, IB Docket No. 95-22, Reply Comments of Telefonica Larga Distancia de Puerto Rico, Inc.

FEDERAL ENERGY REGULATORY COMMISSION
Alternative Ratemaking Procedures, Docket No. RM95-6-000.
UNITED STATES HOUSE OF REPRESENTATIVES, COMMITTEE ON WAYS AND MEANS, SUBCOMMITTEE ON OVERSIGHT

FEDERAL ENERGY REGULATORY COMMISSION
SFPP, L.P., Docket Nos. OR92-8-000 et al, Comments of Chevron Refining Company and Navajo Refining Company.

MICHIGAN PUBLIC SERVICE COMMISSION
In the Matter of the Commission’s Own Motion to Establish Permanent Interconnection Arrangements Between Basic Local Exchange Service Providers, Case U-10860, Comments of Ameritech Michigan, Inc.
   Economic analysis of efficient interconnection and wholesale prices for local exchange services, 1995.

ILLINOIS COMMERCE COMMISSION
   Economic analysis of efficient interconnection and wholesale prices for local exchange services, 1995.

PUBLIC SERVICE COMMISSION OF WISCONSIN
Investigation of the Appropriate Standards to Promote Effective Competition in the Local Exchange Telecommunications Market in Wisconsin, Docket No. 05-TI-138, Comments of Ameritech Wisconsin, Inc.
   Economic analysis of efficient interconnection and wholesale prices for local exchange services, 1995.

FEDERAL ENERGY REGULATORY COMMISSION

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In the Matter of Alternative Regulatory Frameworks for Local Exchange Carriers, I.87-11-033, Response of Pacific Bell (U 1001 c) to Administrative Law Judge’s Ruling Establishing Procedure for Consideration of IntraLATA Equal Access
   Economic analysis of equal access issues in local toll markets, 1995.
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
Order Instituting Rulemaking on the Commission’s Own Motion into Competition for Local Exchange Service, Docket No. R.95-04-043, Response of GTE California, Inc.
Economic analysis of the effect of the Commission’s local competition rules on the ability of local exchange carriers to earn a fair return on invested capital, 1995.

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United States of America v. Western Electric Co., Inc. and American Telephone and Telegraph Co., Civil Action No. 82-0192 (HHG). Motion of Pacific Telesis Group to Vacate the Decree

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA
United States of America v. Western Electric Co., Inc. and American Telephone and Telegraph Co., Civil Action No. 82-0192 (HHG). Motion of Bell Atlantic Corporation, BellSouth Corporation, NYNEX Corporation, and Southwestern Bell Corporation to Vacate the Decree

FEDERAL ENERGY REGULATORY COMMISSION
Texas Eastern Transmission Corporation, Docket Nos. CP94-6-000, et al.
Analyzing economic effects of allowing interstate pipeline to hold upstream capacity, 1994.

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911 Emergency Services, Inc. d/b/a American Medical Response of Sacramento Valley v. Sacramento Regional Fire/EMS Communications Center et al.
Declaration on essential facilities claim in antitrust suit, 1994.

UNITED STATES DISTRICT COURT, EASTERN DISTRICT OF NEW YORK
Bell Atlantic Corporation, Bell Atlantic Mobile Systems, Inc., NYNEX Corporation, and NYNEX Mobile Communications Co. v. AT&T Corp. and McCaw Cellular Communications, Inc.

CONTRACT ARBITRATION PANEL
Tosco Refining Company and GWF.
Testimony on market definition in price redetermination for sale of petroleum coke, 1994.

UNITED STATES COURT OF FEDERAL CLAIMS
Exxon Corporation v. United States of America, Fed. Cl. No. 660-89 T
Deposition and court testimony on the representative market or field price of gas for the purpose of establishing depletion allowance, 1994.
FEDERAL COMMUNICATIONS COMMISSION
Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252
Comments filed with the Commission on the subject of the competitive implications of spectrum caps applied to wireless telephony services, co-authored with R. Preston McAfee, 1994.

FEDERAL COMMUNICATIONS COMMISSION
Implementation of Section 309(j) of the Communications Act Competitive Bidding, PP Docket No. 93-253
Economic analyses of auction design for the sale of spectrum license rights for Personal Communications Services, 1993-1994.

FEDERAL ENERGY REGULATORY COMMISSION
Economic analysis of supply and demand conditions present when gas supply contracts were signed in connection with hearing on the recovery of transition costs under Order No. 636, 1993.

FEDERAL ENERGY REGULATORY COMMISSION
Texas Eastern Transmission Corporation, Docket No. RP93-125-000
Economic analysis of the prudency of gas supply contracts in connection with hearing on the recovery of transition costs under Order No. 636, 1993.

NIAGARA MOHAWK POWER COMPANY
Bypass of Utility Generation Facilities
Economic analysis of bypass possibilities by customers, 1993.

CONTRACT ARBITRATION PANEL
Tosco Refining Company and GWF
Testimony on market definition in price redetermination for sale of petroleum coke, 1993.

FEDERAL ENERGY REGULATORY COMMISSION
In the Matter of Stingray Pipeline Company, Docket No. RP91-212-000

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES
Stuart Breslow, etc. et al. v. Precision Electronic Engineering, Inc., etc., et al.
FEDERAL ENERGY REGULATORY COMMISSION
Great Lakes Gas Transmission Limited Partnership, Docket No. RP91-143

CONTRACT ARBITRATION PANEL
Texas Eastern Gas Pipeline Company and ProGas Limited

INTERNATIONAL CHAMBER OF COMMERCE
Panhandle Eastern Pipe Line Company v. Northwest Alaskan Pipeline Company

UNITED STATES DISTRICT COURT
Litton Co. v. Honeywell, Inc.

NEW JERSEY DISTRICT COURT
Sands Casino, Inc. v. Trump Properties

UNITED STATES DISTRICT COURT, RHODE ISLAND

FEDERAL ENERGY REGULATORY COMMISSION
Economic analyses of market power and comparability of unbundled transportation service with the transportation service embedded in system sales service, 1990-1992.

CONTRACT ARBITRATION PANEL
Texas Eastern Transmission Corporation and W&T Offshore, Inc.

FEDERAL ENERGY REGULATORY COMMISSION
In Re Pipeline Service Obligations, Docket Nos. RM91-11-000, et al.
Economic analysis of the comparability of unbundled transportation service on interstate natural gas pipelines with the transportation service embedded in system sales service, 1991.

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In the Matter of: Marathon Oil
UNITED STATES DISTRICT COURT, DALLAS COUNTY, TEXAS
Fulbright & Jaworski v. The Kiwi Aviation Group, Inc., et al.
   Economic analysis of predation claim in the business jet industry, 1990.

UNITED STATES DISTRICT COURT, DISTRICT OF CONNECTICUT
Great Northern Nekoosa Corporation v. Georgia-Pacific Corporation et al.

FEDERAL TRADE COMMISSION
In the Matter of: Elf Aquitaine, Inc. and Pennwalt, Inc.
   Economic analysis of the proposed merger, 1989.

U.S. DEPARTMENT OF JUSTICE
In the Matter of: American Airlines and Delta Airlines
   Economic analysis of the proposed merger of computer reservation systems, 1989.

UNITED STATES DISTRICT COURT
USAir, Inc. et al. v. American Airlines, Inc. and United Airlines, Inc.

UNITED STATES DISTRICT COURT
San Diego Wood Preserving, Inc. v. Reichhold Chemicals, Inc.
   Deposition testimony and economic analysis of damage claim, 1989.

UNITED STATES DISTRICT COURT
City of Vernon v. Southern California Edison Company

UNITED STATES DISTRICT COURT
Oasis Petroleum Corporation v. Texaco Oil Corporation

PUBLICATIONS


Preston McAfee and Hugo Mialon).

Deregulation of Entry in Long-Distance Telecommunications (2002), Institute of Public Utilities, Michigan State University (with Paul W. MacAvoy).


U.S. DEPARTMENT OF JUSTICE REPORTS (CONTRIBUTOR)


Notice of Intervention of the U.S. Department of Justice as a Limited Participator and Opposition to USPS Motion for Waiver, Destination – BMC Parcel Post Classification and Rate Changes (Experiment),” November 22, 1985.


U.S. DEPARTMENT OF JUSTICE CASES

MERGER INVESTIGATIONS

General Electric Company’s acquisition of RCA.

Westwood One, Inc.’s acquisition of NBC Radio.

Turner Broadcasting System, Inc.’s attempted acquisition of CBS.

Norfolk Southern, Inc.’s acquisition of North American Van Lines.

Cooper Industries, Inc.’s acquisition of Westinghouse Electric, Corp.’s Lighting Fixture Business.

Southwestern Public Service Company’s acquisition of New Mexico Electric Service Company.

ITT-Continental Baking Company’s acquisition of Bost Bakery, Inc.

Williams Companies’ acquisition of Northwest Energy, Corp.

Archer-Daniel-Midland’s acquisition of Gold Kist’s Valdosta, Georgia soybean processing plant.

PRICE FIXING

United States of America v. Weeks Marine, Inc.
CONSENT DECREES

United States of America v. Wallpaper Institute

United States of America v. Greyhound, Corp.

United States of America v. Balley Manufacturing, Corp.
PROFESSIONAL EXPERIENCE:

Dr. Srinagesh has analyzed interconnection arrangements among providers of telecommunications services including local interconnection, local-long distance interconnection, wireless-wireline interconnection, and Internet interconnection, including the use of engineering economics models of telecommunications networks, and analyzed several mergers of large telecommunications firms, and mergers and antitrust allegations in markets for telecommunications equipment. Dr. Srinagesh has also supported bidders in spectrum auctions, analyzed allegations of "sham bidding" in spectrum auctions, and developed strategic and business analyses of emerging telecommunications technologies, including wireless technologies. He has analyzed methodologies for calculating renewal prices for spectrum licenses in New Zealand. More recently, he has analyzed allegations of anticompetitive behavior in local telecommunications markets, the use of imputation tests, and damages arising from insufficient coverage by a provider of mobile telephone services. Apart from traditional telecommunications, he has analyzed damages resulting from alleged bid-rigging, from the sale of equipment alleged to be Y2K-noncompliant, from violations of intellectual property rights (both lost profits and reasonable royalty), breach of contract, alleged monopolization or attempted monopolization in telephone equipment markets, attempted monopsonization and predatory behavior in markets for timber and lumber, and damages in breach of contract cases.

ERS Group
  • Principal (2006 – present)

Dr. Srinagesh has analyzed mergers of newspapers, and co-authored a study on efficiencies generated by the merger of contiguous newspapers. He has analyzed vertical arrangements in the U.S. wine industry, the competitiveness of roaming arrangements in the U.S. cellular industry, and allegations of abuse of monopsony power in the DRAM chips.

Charles River Associates
  • Principal (1996 – 2006)

Traditional Telephony. Analyzed and co-authored declarations on the claimed cost and revenue synergies of the SBC-Ameritech and GTE-Bell Atlantic mergers; analyzed the cost basis of interconnection rates for clients in the US, Colombia, Mexico, and Australia using engineering economics or cost proxy models developed for the US; analyzed cost proxy models in Australia and the U.K., analyzed the use and misuse of international cost benchmarks for clients in Australia, the US, Colombia, Mexico and New Zealand; reviewed differences in service of quality between rural and non-rural telephone companies; analyzed whether lifting the rural exemption would be unduly economically burdensome to a rural carrier; land calculated damages to a Competitive Local Exchange Carrier that resulted from alleged anticompetitive behavior by an Incumbent Local Exchange Carrier. Conducted cost-benefit analysis of local number portability in Hong Kong. Analyzed competitiveness of ILEC special access offerings after pricing flexibility was granted.

The Internet. Co-authored reports identifying relevant Internet markets and analyzing the competitive effects of the WorldCom-MCI and proposed MCI-Sprint mergers on the Internet backbone market, represented clients before the US Department of Justice and the European Commission on issues related to Internet backbones; developed business and strategic analyses of the market for converged/consolidated telecommunications services in Canada and Australia; and analyzed antitrust issues pertaining to high-speed DSL-based Internet access.

Wireless. Advised a mobile carrier on the development of an engineering-economics model of a wireless network to identify the traffic-sensitive costs of call completion; submitted a white paper on the forward-
looking costs of PCS networks to the FCC on behalf of Sprint PCS; represented a wireless company before the FCC on interconnection arrangements between wireless and wireline companies. Helped evaluate spectrum and support bidders in spectrum auctions in the US, Canada and Australia. For a wireless provider in the UK, analyzed the OFTEL/Analysys engineering-economics model of a mobile provider’s forward-looking costs. Analyzed the regulation of mobile call termination in calling party pays regimes, with applications to Latin American markets. Analyzed damages arising from a cellular service provider’s alleged failure to provide adequate coverage and capacity. Analyzed proposed regulations of international roaming charges in the EU.

Cable. Analyzed “open access” proposals for cable modem services in the US and Canada.

Other. Analyzed reasonable royalties for a software patent for computer-based futures trading, analyzed damages from the alleged sale of Y2K non-compliant telecommunications equipment, analyzed damages from the failure of a hotel chain to honor a contract for the provision of telecommunications services, and analyzed liability and damages in cases involving allegations of monopolization in markets for telecommunications equipment, mergers of telecommunications equipment vendors, and allegations of monopsonization and predatory behavior in timber and lumber markets. Analyzed the effects of franchise fees for the use of municipal rights of way on competition in the market for local telephone services. Calculated damages in a patent infringement case related to golf grips.

Bell Communications Research
- Member of Technical Staff (1988 – 1995)

Developed quantitative models of optimal pricing for telecommunications products (peak load pricing, real time pricing, optional calling plans); analyzed national information infrastructure initiatives and Internet growth; analyzed pricing structures to support multiple QoS on packet networks; developed business and economic analyses of Internet growth and Internet interconnection arrangements. Taught courses on strategic marketing in telecommunications to senior executives of Matav (Hungary Telephone) in 1994 and the Philippines Long Distance Telephone Company in 1996. Consulted on Internet-related issues with OSiPTEL, the telecommunications regulator in Peru.

Awarded the Bellcore President’s Recognition Award, 1993, for contributions to Bellcore’s NII program. Co-authored policy statement on the NII, signed by the CEOs of 14 large telecommunications companies, including the seven Regional Bell Operating Companies (RBOCs), AT&T, MCI, Sprint, GTE, Southern New England Telephone, Cincinnati Bell, and Bellcore. The industry position was a key factor in shaping the current Internet architecture, in which the NSF’s high-speed backbone (vBNS) is strictly limited to experimental users.

Awarded the Bellcore Information Networking Service Quality Award, 1992, for work on the public policy related to the Internet and the NII, in support of a task force comprising the seven RBOCs.

Williams College
- Assistant Professor (1983 – 1988)

Taught undergraduate courses including Principles, Intermediate Micro- and Macroeconomics, and Econometrics. Developed and taught courses on the Economics of Uncertainty and the Economics of Sports. Research on nonlinear pricing, quality discrimination and product line pricing, and duality theory.

University of Illinois
- Assistant Professor (1979 – 1983)

Taught courses in the undergraduate, Ph.D. and MBA programs. Research on nonlinear prices and dynamic choice under uncertainty.

EDUCATION:

Ph.D., Economics, University of Rochester
M.A., Economics, Delhi School of Economics, India
B.A., Economics Honors, St. Stephen’s College, Delhi University, India

SPECIALIZATION:

Telecommunications, auctions, antitrust.

EXPERT REPORTS:


PUBLICATIONS AND RESEARCH PAPERS:


“Evaluating the Competitive Effects of Mergers of Internet Backbone Providers,” with Stanley Besen and Jeffrey Spigel. ACM Transactions on Internet Technology, v 2, no. 3, 187-204.


and Ingo Vogelsang. Lawrence Erlbaum, Mahwah. 1999.


Working Papers
WORKING PAPERS:

"An Economic Analysis of Sender Keep All Interconnection Arrangements," with J. Gong, October 1996.


PROFESSIONAL ASSOCIATIONS AND MEMBERSHIPS:


Reviewed for the National Science Foundation, Decision Risk and Management Science Program.

Member of the American Economic Association.