9th Conference on Postal and Delivery Economics:

CHALLENGES AND DEVELOPMENTS IN POSTAL AND DELIVERY SERVICES

June 6–9, 2001 Sorrento, Italy

Presented by CENTER FOR RESEARCH IN REGULATED INDUSTRIES





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Wednesday, June 6, 2001

5:00 - 6:00 Registration 6:00 **Reception**

7:00 Welcome and Introduction to Conference: Michael A. Crew & Paul R. Kleindorfer

Dinner & Speech: Corrado Passera, Chief Executive Officer, Poste Italiane SpA

"Le Ginestre" (floor C)

Palace Bar (ground floor)

Thursday, June 7, 2001

After Dinner Drinks

7:30 Breakfast

9:00 - 10:40 Concurrent Sessions

Floor A Sala Tritoni

Foyer Barcaccia

Sala Tritoni

USO I Sala Ulisse STRATEGY I
Chair: Chair: Peter Johnson

Discussants: Alessandra Fratini, David Treworgy and

Jose Marcos

Discussants: Christian Schunck & Robert Campbell

Philippe De Donder, Frank Rodriguez & Helmuth

Cremer: Liberalisation, the Universal Service Obligation and Funding: an Analysis of the Postal

Market

Jeff Colvin & Mary Kay Perkins: Entry, Competition,

and the Cost of Universal Service

Ian Reay: The Provision of Universal Service in a

Competitive Postal Market

Mary Elcano, Andrew German, & Robert Reisner:

Commercializing the Posts: Human Resources

Strategies

Derek Osborn: Drivers of Change in the Postal

Industry

Luis Jimenez: Winning Strategies for Posts in the

New Economy

10:40 - 11:00 Coffee Break

11:00 - 12:40

Concurrent Sessions s

DEMAND Sala Ulisse

Chair: Gregor McGregor

Discussants: Richard Moriarty, Donald O'Hara &

Monika Plum

John Nankervis, Sophie Richard, Soterios Soteri, &

Frank Rodriguez: Disaggregated Letter Traffic

Demand in the UK

Sarah Marcy & Jean-Pierre Florens: Mail Demand in

Long and Short-Run

Frank Wolak: The Changes in Household Demand for

Postal Delivery Services: 1986-1999

STRATEGY II

Chair: Gary S. Jensen

Discussants: Lizbeth Dobbins & Mark van der Horst

David Eagles: Modernizing Letter, Advertising and

Publisher Mail Services in Canada

Allen Kane, Edward Gamache & David Treworgy:

Strategic and Tactical Responses of Postal Sector

Organizations to Electronic Diversion

Alan Robinson & David Rawnsley: USPS Finances:

Is there a Financially Viable Future

12:40 - 2:00 Lunch S.Antonio (floor 2)

Thursday, June 7, 2001 (CONTINUED)

2:00 - 3:30 Concurrent Sessions Floor A

USO II Sala Ulisse INTERNATIONAL Sala Tritoni

Chair: Michael Shinay

Discussants: Rohan Malhotra & Bill Price

John Haldi: Saturday Delivery: Who Provides It? Who

Needs It?

Anna Lundgren & Sten Selander: USO on a

Liberalized Postal Market

Tim Walsh: Postal Infrastructures, Developing

Countries and National Economic Development

Michael Bradley, Jeff Colvin & Roxanne Oliver: The Impact of Open Access on the Terminal Dues

System

James Campbell: Modern Postal Reform Laws: A

Discussants: Roger Sherman & Frank Wolak

Shoji Maruyama, Takanobu Nakajima, & Takeshi

Nakagawa: Productivity and Efficiency Analysis in

Heikki Nikali: Productivity and the Substitution

between Labor and Capital in Postal Organisations

Comparative Analysis

Chair: Yann Petel

Postal Services

Chair: George Omas

in the Activities of Counters

Experience

Chair: Thomas Baldry

Discussant: Gene Del Polito

3:30 Break

6:00 Reception

7:00 – Dinner

After Dinner Drinks

Pagoda Bar (outdoor pools)

Floor A

Agrumento (outdoor garden)
Palace Bar Terrace (ground floor)

Friday, June 8, 2001

7:30 Breakfast

9:00 - 10:40 Concurrent Sessions Floor A

PRICING Sala Ulisse PRODUCTIVITY AND COST I Sala Tritoni

Chair: Anton van der Lande

Discussants: John Panzar & Jochen Holzwarth

Helmuth Cremer, E.B. de Villemeur, B. Roy & J. Toledano: Optimal Pricing and Global Price Cap in the

Postal Sector

Michael Crew & Paul Kleindorfer: Two-Tier Pricing

under Liberalization

Cara Schwarz Schilling: Pricing Schemes in

Liberalized Postal Markets

10:40 - 11:00 Coffee Break Foyer Barcaccia

11:00 - 12:40 Concurrent Sessions

E-COMMERCE Sala Ulisse PRODUCTIVITY AND COST II Sala Tritoni

Chair: Louis F. O'Brien

Discussants: Mary Bundy, Leon Pintsov &

Norma Nieto

Peter Andersson: Household's use of Postal Services in

the IT-Age

Markku Mäkitalo: Creating Win E-fulfilment

Strategies for Postal and Distribution Organisations

Bernd Müller, Peter Weber & Horst Manner-

Romberg: The Increasing Need for Ways of Efficient Communication within the Courier-Express and Postal

Markets Lunch

12:40 - 2:00

James Sauber & Dale Belman: Establishing Postal Wages: Issues in the Measurement of Comparability

Agrumento (outdoor garden)

Discussants: Philip Hatfield & Peter Morrow

Geoff Bickerton & Dale Clark: Productivity and

Efficiency in a Public Post Office: The Canadian

C. Cazals, P. Duchemin, J-P. Florens, B. Roy,

& O. Vialaneix: Econometric Study of Cost Elasticity

Friday, June 8, 2001 (CONTINUED)

2:00 - 3:30 Concurrent Session Floor A

REGULATION I Sala Ulisse PRODUCTIVITY AND COST III Sala Tritoni

Chair: David Spence

Discussants: Stephen Agar, Thomas Lübbig,

& Alessandra Perrazzelli

Gabriele Kulenkampff: Regulating Access to the Postal Network - Analysing the German Regulatory

Framework

Robert Mitchell: Postal Administrations and Non-Postal Products: A Study of Justifications and

Difficulties Associated with Decisions to Diversify into

Non-Postal Areas.

Antonia Niederprüm: Cross-Subsidies and Competition

in the Market of Postal Services

Paul Seckar, Ben Bruce & Michelle D. Hertz:

Chair: Michael A. Crew

Process?

Innovative Contractual Arrangements as a Means of Realizing Cost Efficiencies in the Postal Sector

Discussants: Diego Piacentino & Doris Hildebrand

Jose Soarés, Joáo Confraria & Alberto Pimenta:

Costs on Postal Services: Is It Possible to use the

Telecommunications Network as a Metaphor and

Construct a Postal Cost Model through Engineering

3:30 Break Foyer Barcaccia

6:00 Reception Palace Bar Terrace (ground floor)

7:00 – Dinner Agrumento (outdoor garden)

After Dinner Drinks Pagoda Bar (outdoor pools)

Saturday, June 9, 2001

7:00 a.m. Breakfast

9:00 - 10:30 REGULATION II Sala Tritoni (floor A)

Chair: Catherine Churchard

Discussants: Richard Eccles, Edward J. Gleiman, & Ian Volner

William Kovacic: Mandating Ex Post Assessments of Regulatory Initiatives in the Postal Services Sector

Walter Maschke: Does the Postal Logistics Network Represent a Natural Monopoly?

Daniel Krähenbühl, Patrik Kerler, & Matthias Finger: The Next Step: Privatising Postal Services

10:30 - 11:00 Coffee Break Foyer Barcaccia (floor A)

11:00 - 12:00 USO III Sala Tritoni (floor A)

Chair: John C. Campanelli

Discussants: Cathy Rogerson & Sture Wallendar

R. Cohen, B. Ferguson, C. Pace, G. Scarfiglieri, R. Scocchera, V. Visco Comandini, J. Waller, & S. Xenakis:

Postal Delivery Systems and the Burden of Universal Service: A Comparison of Italy and the United States

Michael Crew & Paul Kleindorfer: Meeting the Universal Service Obligation (USO) under Deregulation

12:00 - 12:50 **ROUNDTABLE DISCUSSION:** Michael Crew, Edward Gleiman, Paul Kleindorfer, John Panzar, Roger Sherman,

& Joëlle Toledano . . .

12:50 - 12:55 Concluding Remarks – Michael A. Crew

12:55 - 2:00 Lunch (Conference Ends) Agrumento (outdoor garden)

POSTAL AND DELIVERY ECONOMICS PUBLICATIONS

The following edited books resulted from Previous Postal Conferences:

- Regulation and the Nature of Postal and Delivery Services, edited by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 1992
- Commercialization of Postal and Delivery Services: National and International Perspectives, edited by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 1994
- Managing Change in the Postal and Delivery Services, edited by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 1997
- Emerging Competition in the Postal and Delivery Services, edited by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 1999
- Current Directions in Postal Reform, edited by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 2000
- Future Directions in Postal Reform, edited by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 2001

The following is a text on postal economics:

The Economics of Postal Service, by Michael A. Crew and Paul R. Kleindorfer, Kluwer Academic Publishers, 1992

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CONFERENCE STAFF

Professor Michael A. Crew, Director—CRRI

Conference Chair

Jeremy T. Guenter, Administrative Assistant—CRRI,

Conference Administrator

Center for Research in Regulated Industries

Graduate School of Management, Rutgers University
180 University Avenue, Newark, NJ 07102-1897, USA

Telephone: 973-353-5049 (Office); 973-353-1348 (fax)

Michael A. Crew: 908-221-0524 (Home)

Email: mcrew@andromeda.rutgers.edu (Michael Crew) crri@andromeda.rutgers.edu (Jeremy Guenter) Professor Paul R. Kleindorfer, *Conference Co-Chair* The Risk Management and Decision Processes Center The Wharton School, University of Pennsylvania Philadelphia, PA 19104, USA

Telephone: 215-898-5830; 215-573-2130 (fax) Email: <u>Kleindorfer@wharton.upenn.edu</u>

CRRI

The Center for Research in Regulated Industries (CRRI), located at Rutgers University, aims to further study of regulation by research in economics, finance, and institutions. Its publications, seminars, workshops, and courses make available the latest advances to academics, managers, consultants, and regulatory commission staff. The Center has twenty-five years of experience providing research, instruction, conferences, courses, seminars, and workshops in economics of network industries. The Center's *Journal of Regulatory Economics* is an international scholarly bi-monthly publication intended to provide a forum for the highest quality research in regulatory economics. Other research from the Center's programs has been published in the book series *Topics in Regulatory Economics and Policy*.

The **Center for Research in Regulated Industries** is pleased to be the recipient of The Hermes Award, 1992, awarded by the European Express Organization.

POSTAL CONFERENCE 2002

The Center for Research in Regulated Industries is pleased to announce that the 10^{th} Conference on Postal and Delivery Economics will be held in Germany in June 2002.

SPEAKERS, DISCUSSANTS, & CHAIRS

Agar, Stephen: Head of Company & Commercial Law,

Legal Services, Consignia plc **Andersson, Peter:** Linkoping University

Bickerton, Geoff: Research Director, Canadian Union of Postal Workers

Poldw: Thom

Baldry, Thomas: Director, Mail Import & International Relations, Deutsche Post World Net

Bundy, Mary: Director, LINX, a division of EDS

Cabannes, Severin: Chief Financial Officer, La Poste

Campanelli, John C.: President of R.R. Donnelley Logistics

Campbell, James: Attorney, Washington, DC

Campbell, Robert: Dean of Arts, Wilfrid Laurier University Cazals, Catherine: Researcher Universite des Sciences Sociales, Institut D'Eonomie Industrielle (IDEI)

Churchard, Catherine: Legal Services Director, Consignia plc **Cohen, Robert:** Director, Rates Analysis & Planning, U.S. Postal Rate Commission

Colvin, Jeff: Principal Economist, Marketing Cost Analysis, United States Postal Service

Confraria, João: Board Member, ICP - Instituto das Comunicações de Portugal

Cremer, Helmuth: Professor, Universite des Sciences Sociales, Institut D'Eonomie Industrielle (IDEI)

Crew, Michael: Professor of Economics, Rutgers University **DeDonder, Philippe:** Assistant Professor, Universite des Sciences Sociales, Institut D'Eonomie Industrielle (IDEI)

Del Polito, Gene: President, Association for Postal Commerce Dobbins, Lizbeth: Manager - Customer Satisfaction, United States Postal Service

Eagles, David: Director of Marketing Finance, Canada Post Corporation

Eccles, Richard: Partner, CMS Cameron McKenna Elcano, Mary: Partner, Brown and Wood LLP. Fratini, Alessandra: Lawyer, Poste Italiane Gleiman, Edward J.: Bethesda, Maryland Haldi, John: President, Haldi Associates, Inc.

Hatfield, Philip: Principal Consultant, PricewaterhouseCoopers **Hildebrand, Doris:** Managing Partner, EE&MC European

Economic & Marketing Consultants

Holzwarth, Jochen: Managing Partner, CTcon

Jensen, Gary S.: Vice President, Corporate Development & Marketing, Siemens ElectoCom L.P.

Jimenez, Luis: Vice President and Chief Strategy Officer, Pitney Bowes

Johnson, Peter: Vice President, A.T. Kearney (a division of EDS)

Kane, Allen: Senior Vice President, United States Postal Service

Kleindorfer, Paul: Universal Furniture Professor, University of Pennsylvania

Kovacic, William: General Counsel, Federal Trade Commission

Krähenbühl, Daniel: Economist, Corporate Development, Swiss Post

Kulenkampff, Gabriele: Director "Communications, Postal Services and Logistics," WIK - Wissenschaftliches Institut für Kommunikationsdienste GmbH

Lübbig, Thomas: Member, Freshfields Bruckhaus Deringer **Lundgren, Anna:** Postal Advisor, National Posts and Telecom Agency

MacClancy, Michael: Senior Consultant, Triangle Management Services Ltd

Mäkitalo, Markku: Director, Direct Marketing Services, Finland Post Ltd.

Malhotra, Rohan: UK Public Affairs Manager, UPS Ltd Manner-Romberg, Horst: CEO, MRU Manner-Romberg Consultancy

Marcos, Jose M.: Director, Correos y Telégrafos
 Marcy, Sarah: IDEI - Universite des Sciences Sociales
 Maruyama, Shoji: Senior Researcher, Institute for Posts and Telecommunications Policy

Maschke, Walter: Managing Director of Public Affairs and Regulation, Deutsche Post World Net

McGregor, Gregor: Chief Executive, Consumer Council for Postal Services

Mitchell, Robert W.: Special Assistant to the Commission, U.S. Postal Rate Commission

Moriarty, Richard: Director, Competition and Regulation, Postal Services Commission

Morrow, Peter: Managing Consultant, LINX (a division of EDS)

Müller, Bernd: MRU Manner-Romberg Consultancy
Nankervis, John: Reader in Economics, University of Surrey
Niederprüm, Antonia: Researcher, "Communications, Postal
Services and Logistics," WIK - Wissenschaftliches Institut
für Kommunikationsdienste GmbH

Nieto, Norma: Principal Consultant, PricewaterhouseCoopers Nikali, Heikki: Researcher, Finland Post Ltd.

O'Brien, Louis: Vice President and Controller, Canada Post Corporation

O'Hara, Donald: Manager, Classification and Product Development, United States Postal Service

Omas, George: Commissioner, U.S. Postal Rate Commission Osborn, Derek: Senior Consultant, Consignia plc

Panzar, John: Louis W. Menk Professor of Economics, Northwestern University

Passera, Corrado: Chief Executive Officer, Poste Italiane SpAPerkins, Mary Kay: Associate Professor of Economics,Howard University

Perrazzelli , Alessandra: Partner, O'Connor and Company European Lawyers

Petel, Yann: Chef du Service des Postes et des Personnels. Ministere de l'Economie des Finances et de l'Industrie

Piacentino, Diego: Associate Professor, Universita di Roma 'La Sapienza'

Pimenta, Alberto: Director-Strategic Development, CTT Correios de Portugal S.A.

SPEAKERS, DISCUSSANTS, & CHAIRS (CONTINUED)

Pintsov, Leon: Fellow-Operations and Technology, Pitney Bowes Inc.

Plum, Monika: Market Research Manager, Francotyp-Postalia AG&Co.

Price, Bill: Director, Economic Strategy & Regulatory Affairs, Canada Post Corporation

Rawnsley, David: President, Postal Services International Reay, Ian: Liberalisation and Monopoly Policy Manager, Consignia plc

Reisner, Robert: Vice President, Strategic Planning, United States Postal Service

Robinson, Alan: Direct Communications Group

Rodriguez, Frank: Head of Economics, Consignia plc Rogerson, Cathy: Director, PricewaterhouseCoopers Sauber, James: Research Director, National Association of

Letter Carriers

Schunck, Christian: Dipl.-Volkswirt, Referent (Assistant Director), Deutsche Post World Net

Schwarz-Schilling, Cara: Head of Section 'Economics of Regulating postal markets', Regulatory Authority for Telecommunications and Post

Seckar, Paul: Principal Consultant, Price Waterhouse Coopers

Selander, Sten: Director, National Posts and Telecom Agency **Sherman, Roger:** Professor of Economics, University of Houston

Shinay, Michael: Director, PricewaterhouseCoopers
 Spence, David: Senior Counsel, Regulatory Affairs, FedEx
 Soarés, Jose: Advisor to the Board, ICP - Instituto das
 Comunicações de Portugal

Toledano, Joëlle: Chef du Service Doctrine Economique et Prospective, La Poste

Treworgy, David: Partner, PricewaterhouseCoopers **van der Horst, Mark:** Chair of European Express Association, Postal Commission, United Parcel Service

van der Lande, Anton: Vice President – Public Affairs International, United Parcel Service

Visco Comandini, Vincenzo: Director for Strategies and Markets Unit, Poste Italiane SpA

Volner Ian: Partner, Venable, Baetjer, Howard & Civiletti **Wallander, Sture:** Vice President, International Relations Secretariat, Posten AB

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Moriarty, Richard: Director, Competition and Regulation, Postal Services Commission

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Secretariat, Posten AB

HOTEL INFORMATION

The conference will be held in Sorrento, Italy. The conference site is:

The Sorrento Palace

Via S. Antonio - 80067, Sorrento Italy Phone: 081/8784141; Fax: 081/8783933

http://www.sorrentopalace.it

Hotel reservation forms can be obtained at our web site (http://www.rci.rutgers.edu/~crri/Post.htm). The reservation forms must be sent to the Sorrento Palace. The Conference rates are Lit. 1.200.000 / €619.75 for a single room with meals and Lit. 1.810.000/€ 934.78 for double room with meals. Please note on reservation form that you are attending the 9th Conference on Postal and Delivery Economics (Rutgers University).

FEES AND EXPENSES

- A registration fee of \$985 is payable to Rutgers University.
- Food and lodging at the Conference are not included in the registration fee.
- The conference fee is waived for a limited number of employees of sponsoring organizations

Please forward the Registration Form to Jeremy T. Guenter at:

Center for Research in Regulated Industries, Graduate School of Management, Rutgers University 180 University Avenue, Newark, NJ 07102-1897, USA

Signature of Participant:

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C

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