

DARIN N. LEE, PH.D.

LECG, LLC
350 Massachusetts Ave., Suite 300
Cambridge, MA 02139
Tel: +1 (617) 761-0108
Fax: +1 (617) 621-8018
E-mail: darin_lee@lecg.com
Website: <http://www.darinlee.net/>

EDUCATION

Ph.D., Economics, BROWN UNIVERSITY, Providence, RI, 1998
Specialized Fields: Game Theory, Microeconomic Theory, Industrial
Organization & Bargaining Theory
A.M., Economics, BROWN UNIVERSITY, Providence, RI, 1995
M.A., Economics, QUEEN'S UNIVERSITY, Kingston, Canada, 1993
B.Sc. (Honors), UNIVERSITY OF VICTORIA, B.C., Canada, 1991

PRESENT POSITION

LECG, LLC, Cambridge, MA, July 2005 – Present
Principal, Transportation and Auction Groups

LECG, LLC, Cambridge, MA, January 2002 – June 2005
Senior Managing Economist, Transportation and Auction Groups

LECG, LLC, Cambridge, MA, January 2001- December 2001
Managing Economist, Transportation and Auction Groups

LECG, LLC, Cambridge, MA and Emeryville, CA, July 1998 - December 2000
Senior Economist, Transportation and Auction Groups

PUBLICATIONS IN REFEREED JOURNALS

- 1) “Retracting a Gift: How Does Employee Effort Respond to Wage Reductions?”, with Nicholas Rupp, *Journal of Labor Economics*, Volume 25, Number 4, October 2007, pages 725-762.
- 2) “Domestic Codesharing, Alliances and Airfares in the U.S. Airline Industry”, with Harumi Ito, *The Journal of Law & Economics*, Volume 50, pages 355-380, 2007.
- 3) “The Impact of Passenger Mix on Reported Hub Premiums in the U.S. Airline Industry,” with María José Luengo Prado. *Southern Economics Journal*, Vol. 72, No. 2, pp. 372–394, 2005.
- 4) “Comparing the Impact of the September 11 Terrorist Attacks on International Airline Demand,” with Harumi Ito. *International Journal of the Economics of Business*, Volume 12, No. 2, pages 225-249, 2005.
- 5) “Domestic Codesharing Practices in the U.S. Airline Industry”, with Harumi Ito, *Journal of Air Transport Management*, Vol. 11, No. 2, pages 89-97, 2005.
- 6) “Assessing the Impact of the September 11th Terrorist Attacks on U.S. Airline Demand,” with Harumi Ito. *Journal of Economics and Business*, Volume 57 (1), pp. 75-95, 2005.
- 7) “Entry Patterns in the Southwest Airlines Route System,” with Charles Boguslaski and Harumi Ito. *Review of Industrial Organization*, Volume 25 (3), pp. 317-350, 2004.
- 8) “Are Passengers Willing to Pay More for Additional Legroom?” with María José Luengo Prado. *Journal of Air Transport Management*, Volume 10, No. 6, pp. 377-383, 2004.
- 9) “Lessons from the Nigerian GSM Auction,” *Telecommunications Policy*, Volume 27, pp. 407-416, 2003.
- 10) “An Assessment of Some Recent Criticisms of the U.S. Airline Industry’,” *Review of Network Economics*, Vol. 2(1), pp. 1-9, March 2003.
- 11) “Concentration and Price Trends in the U.S. Domestic Airline Industry,” *Journal of Air Transport Management*, Volume 9, No. 2, pp. 91 –101, 2003.
- 12) “The Core for Economies with Asymmetric Information: An Axiomatic Approach,” with Oscar Volij, *Journal of Mathematical Economics*, Vol. 38, 1, pp.43-63, 2002.
- 13) “A Note on Individualistic Foundations of the Core in Economies with Asymmetric Information,” *Economics Letters*, Volume 61, pp. 203-208, 1998.

BOOKS, BOOK CHAPTERS AND WORK IN PROGRESS

- 1) *Advances in Airline Economics, Volume 1, Competition and Antitrust*, Editor. Amsterdam: Elsevier, 2006.
- 2) *Advances in Airline Economics, Volume 2, The Economics of Airline Institutions, Operations and Marketing*, Editor. Amsterdam: Elsevier, 2007.
- 3) “The Impact of Domestic Codesharing on Market Airfares: Evidence from the U.S.”, with Harumi Ito, in *Advances in Airline Economics, Volume 1*, Darin Lee, Editor, pages 141-162. Amsterdam: Elsevier, 2006.
- 4) “Market Density and Low Cost Carrier Entries in the U.S. Airline Industry: Implications for Future Growth,” with Harumi Ito, forthcoming in *Low Cost Carriers – A Global Experience*. Bangalore, IBS Press, 2006.
- 5) “Incumbent Responses to Lower Cost Entry: Evidence from the U.S. Airline Industry,” with Harumi Ito, Unpublished Manuscript, November 2003.

OTHER PAPERS AND PUBLICATIONS (NON REFEREED)

- 1) DARIN LEE, “Liberalizing the U.S.- Hong Kong Air Transport Agreement: The Importance of Codesharing Opportunities,” May 2001
- 2) DARIN LEE, “Lessons from the Nigerian GSM Auction,” *LECG Perspectives*, January 2002.

UNIVERSITY TEACHING EXPERIENCE

UNIVERSITY OF COLORADO-DENVER, Department of Economics, 1994 and 1995,
Visiting Lecturer

Courses in Graduate Microeconomics and Mathematical Economics.

BROWN UNIVERSITY, Department of Economics, Fall 1993 - Spring 1997
Teaching Assistant

Courses in Microeconomics, Bargaining Theory, Game Theory, Industrial Organization and Macroeconomics

PROFESSIONAL ENGAGEMENTS

Testimony & Expert Reports

- Expert report and deposition testimony in the matter of *US Airways, Inc. vs. Kelly O'Donnell and Gary Tomada*, United States District Court, District of New Mexico, No. 07-1235-MCA-LFG.
- Filed expert report in the matter of *United Air Lines vs. Air Line Pilots Association, et. al.*, United States District Court, Northern District of Illinois, Eastern Division. (Joint with Daniel M. Kasper)
- Filed expert declaration in the matter of Congestion Management Rule for John F. Kennedy International Airport and Newark Liberty International Airport, U.S. Department of Transportation Docket No. FAA-2008-0517. (Joint with Daniel M. Kasper)
- Filed expert declaration in the matter of Congestion Management Rule for LaGuardia Airport, U.S. Department of Transportation Docket No. FAA-2006-25709. (Joint with Daniel M. Kasper)
- Expert report, deposition and trial testimony in *Gary H. Ramey, et. al vs. District 141, International Association of Machinists and Aerospace Workers, et. al.* United States District Court, Eastern District of New York, 2007.
- Filed expert report in *Republic/NFR & C. Parking of Louisville v. Regional Airport Authority of Louisville and Jefferson County*, Civil Action No. 3:01CV-633-S.
- Filed expert declaration in Star Alliance Application for Antitrust Immunity, Before the U.S. Department of Transportation, Dockets OST-05-22922, OST-96-1434. (Joint with Daniel M. Kasper)
- Filed expert testimony in SkyTeam Application for Antitrust Immunity, Before the U.S. Department of Transportation, Docket No OST-2004-19214. (Joint with Daniel M. Kasper)

Airline Labor Matters: Dr. Lee is an expert in labor matters regarding the airline and related industries. Over the past several years, Dr. Lee has actively advised numerous air carriers on wide range of labor matters, including:

- For a major U.S. airline, authored expert report analyzing the statistical probability of certain pilot job actions.
- For several major U.S. airlines (both mainline and regional), provided expert analysis regarding labor negotiations in advance of Chapter 11 bankruptcy as well as analyses in conjunction with Section 1113(c), 1113(e) and 1114 contract relief.

- For several major U.S. airlines, provided expert analysis to support labor contract negotiations.
- For a large airline union, provided independent expert testimony in class action lawsuit brought forth by a class of its members regarding effects of September 11th on U.S. airline industry.
- For an international airline caterer, provided expert analysis to support labor contract interest arbitration.
- For several major U.S. airlines, provided expert analysis in support of forced majeure labor arbitrations.
- For a major U.S. carrier, analysis of industry & economic issues in conjunction with Presidential Emergency Board regarding pilot negotiations.

Airline Economics, Competition Policy, and Financial Damages: Dr. Lee is an expert in the airline industry and has in-depth knowledge of the economics of the airline industry, airline data, regulatory and competition policy issues. Representative case experience includes:

- Provide expert consulting services to several major U.S. mainline and regional airlines in connection with Chapter 11 reorganization.
- Provide expert consulting services to several U.S. carriers contemplating potential mergers.
- Provide expert testimony and analysis for international airline alliances in support of antitrust immunity applications.
- Analysis of industry, economic & antitrust issues on behalf of three major U.S. airlines and industry group in class action suit regarding hidden city ticketing.
- Provided valuation of a major carrier's U.S. slot holdings.
- Provided valuation of a major carrier's Narita slots holdings and route authority.
- Comments on behalf of industry airline association regarding the use of market based mechanisms to reduce delay and congestion at U.S. airports.
- Analysis of industry, economic & antitrust issues on behalf of a major U.S. airline regarding the use of baggage templates at Dulles International Airport. (U.S. District Court for the Eastern District of Virginia, Civil Action No. 00-684-A).
- Provide consulting services to major industry group with regards to slot auctions and congestion pricing.

- Analysis of proposed rule making regarding demand management options at New York's LaGuardia airport.
- Industry analysis for major airline in conjunction with post 9/11 workforce reductions.
- Analysis of industry & economic issues on behalf of industry backed Internet travel agency.
- Analysis of industry & economic issues for major U.S. and European alliance partners regarding a potential immunized alliance and Open Skies.
- Analysis of discriminatory airport rates, charges and access fees by U.S. and Canadian airports for air carriers and ground transportation providers.
- Authored whitepaper on behalf of major U.S. airline in support of codesharing application with major Hong Kong airline.
- Analysis of industry & economic issues on behalf of Chamber of Commerce for a U.S. metropolitan hub city.
- Analysis of consolidation strategies for a major U.S. airline in conjunction with the proposed and realized industry mergers of 2001.
- Analysis of industry, economic & antitrust issues on behalf of United Air Lines in *United Air Lines v. Mesa Airlines and Westair Commuter Airlines*. (United States District Court for the Northern District of Illinois Eastern Division, No. 97 C4455).
- Analysis of industry, economic & damage issues on behalf of GATX/Airlog in *GATX/Airlog v Evergreen International Airlines, Bank of New York, AIA, and G.E. Capital*. (U.S. District Court, Oakland Division, No. C96-2494CW).
- Analysis of industry and economic issues on behalf of American Airlines regarding application for new service to China.
- Analysis of industry & damage issues for ValuJet/AirTran in *ValuJet/AirTran vs Sabreliner and SabreTech*. (Circuit Court of St. Louis County, State of Missouri #97CV-003725)
- Analysis of industry & economic issues for a major U.S. airline in predatory pricing suit.

- Analysis of industry & economic issues for a major U.S. airline in response of allegations of hub dominance.
- Analysis of industry, regulatory and economic issues for a major U.S. airline and Canadian holding company during negotiations regarding the potential acquisition of Canadian Airlines.

Auctions and Markets: Dr. Lee also specializes in the auctions, markets and game theory. He has served as Auction Strategist for numerous wireless telecommunication firms during spectrum auctions in the US, UK, Nigeria, Egypt, Brazil and Switzerland where he was responsible for rules analysis, development of bidding strategies, and round-by-round analysis of bidding behavior. Dr. Lee has also provided auction advice to firms in the electricity, airline and diamond industries and has published articles on auctions and game theory in policy journals such as *Telecommunications Policy* as well as leading economic journals such as the *Journal of Mathematical Economics* and *Economics Letters*. Representative engagements include:

- Chief auction strategist for a large bidder in FCC Auction #73, 2007-2008.
- For a U.S. wireless telecommunications firm (2006): Chief auction strategist during FCC auction #66 (AWS).
- For a major auction software company (2006): Provided logic and software beta testing for Illinois electric capacity auction software.
- For a major African wireless telecommunications firm (2006): Chief auction strategist during Egyptian Mobile License Auction.
- For a major auction software company (2002): Analyzed rules and tested software for Texas Electricity Capacity auction.
- Advised U.S. General Accounting Office (GAO) on matters regarding spectrum auctions.
- For an industry group representing major U.S. Airlines (2001-): Consulting services on the feasibility of airport take-off and landing slot auctions.
- For a major producer and market maker of diamond rough (2001-): Consulting services on pricing, auctions, and market microstructure.
- For a major U.S. Electric Utility (2001): Auction Design Consultant, Basic Services Generation Auction (New Jersey)

- For a major wireless provider in South Africa (2000/2001): Principal Auction Strategist, Nigerian GSM auction.
- For an international telecommunications firm (2000): Principal Auction Strategist, UK LMDS auction.
- For an international telecommunications firm (1999-2000): Principal Auction Strategist, UK 3G auction.
- Provided bid strategy advice to bidder in the Swiss LMDS auction. (2000)
- Provided analysis of the “winner’s curse” in U.S. vs. Nextwave bankruptcy settlement (U.S. C-block auction). (1999)
- Advised the Colombian government on efficient auction design for PCS service. (1998)
- Provided bid strategy advice to bidder in the Brazil B block auction. (1998)

CONFERENCE AND OTHER INVITED PRESENTATIONS

- Embraer Semi-Annual AMA’s Meeting, Sao Jose dos Campos, Brazil, May 29, 2007.
- International Industrial Organization Conference, Atlanta, April 2005.
- American Economic Association Winter Meetings, Philadelphia, January 2005.
- International Industrial Organization Conference, Chicago, April 2004.
- Southern Economics Association Annual Conference, San Antonio, November 2003.
- Federal Reserve Bank of Chicago, June 2003.
- International Industrial Organization Conference, Boston, April 2003.
- Stony Brook International Game Theory Conference, July 1997

Conference Service:

- Session Chair, International Industrial Organization Conference, Atlanta, April 2005.
- Session Organizer and Chair, American Economic Association Meetings, Philadelphia, January 2005.
- Session Organizer and Chair, International Industrial Organization Conference, Chicago, April 2004
- Discussant, International Industrial Organization Conference, Boston, April 2004
- Discussant, Southern Economics Association Conference, San Antonio, November 2003
- Discussant, International Industrial Organization Conference, Boston, April 2003

Journal Referee For:

Journal of Industrial Economics, Southern Economic Journal, Journal of Law, Economics & Organization, Review of Industrial Organization, Journal of Urban Economics, Journal of Transport Economics and Policy, Telecommunications Policy, Journal of Air Transport Management

PROFESSIONAL AFFILIATIONS

American Economic Association
International Industrial Organization Society
Sloan Industry Studies Affiliate

MEDIA QUOTES, ANALYSES AND INTERVIEWS

- “Southwest locks in fuel costs, a gamble that keeps fares in check”, *Detroit Free Press*, September 28, 2008.
- “Airfares changing plans for vacations”, *The Arizona Republic*, September 21, 2008.
- “Fuel costs boost airline ticket prices”, *Newsday*, April 21, 2008.
- “Emirates eyes U.S. to reach lofty goal”, *Los Angeles Times*, January 7, 2008.
- “The next step: airline alliances look towards antitrust immunity”, *Airline Business*, August 21, 2007.
- “Carriers Clash over latest routes to China”, *Atlanta Business Chronicle*, August 21, 2007.
- “La concurrence est de plus en plus vive entre les ‘low costs’”, Interview in *Les Echos (French Financial Times)*, July 30, 2007.
- “Why the skies have gotten crowded”, *The Wall Street Journal*, July 21, 2007.
- “Regional Jets Adding Room”, Associated Press, July 6, 2007.
- “Discounter Won’t Play, so airlines rescind fare hike”, Bloomberg News, May 15, 2007.
- “Gaming the System”, interview with *Forbes.com*, May 31, 2006.

- “Airfare outlook: High and Going up”, *Minneapolis Star Tribune*, April 15, 2006.
- “AirTran shifts its focus”, *Atlanta Business Chronicle*, April 18, 2005.
- “Budget Airlines Set Off on a Cross-Country Joy Ride”, *The New York Times*, April 3, 2005.
- “Airlines Might Be Ready to Close Fare Gap”, *The Minneapolis Star Tribune*, January 4, 2005.
- “Airlines Fearing a Vicious Circle of Weak Finances and Low Morale”, *The New York Times*, November 3, 2004.
- “Survival of Fittest and Leanest Becomes Strategy for the Airlines”, (Analysis of legacy and low cost carrier passenger overlap) *The New York Times*, October 30, 2004.
- “A Nation of Airport Haves and Have-Nots”, *The New York Times*, September 26, 2004.
- “Why The Big Boys Won't Come Back”, *Fortune Magazine*, June 1, 2004.
- “Regional Airports Hope to Take Off”, *The Hartford Courant*, May 31, 2004.
- “Airlines Taking Niche Approach To Many Flights”, *The New York Times*, May 15, 2004.
- “Airlines Are Looking at a Long, Hot Summer”, *The New York Times*, April 15, 2004.
- “No Longer On the Brink, American Air Is Still in Peril”, *The New York Times*, March 18, 2004.
- “Are Peanuts No Longer Enough?”, *The New York Times*, March 7, 2004.
- “If We Build It, Will They Come?”, [Radio Interview](#) on WRNI (Providence, RI Public Radio), February 13, 2004.
- “Southwest's \$29 Fares Jolt US Airways in Philadelphia”, *The New York Times*, February 13, 2004.

- “The East Joins the Low-Fare Bazaar”, *The New York Times*, February 8, 2004.

HONORS AND AWARDS

Abramson Dissertation Prize, Department of Economics, Brown University, 1997
Stephen Ehrlich Foundation Research Grant, Brown University, 1997
Stephen Ehrlich Foundation Research Grant, Brown University, 1996