

Quarterly Newsletter of the INFORMS Revenue Management and Pricing Section

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Message from the Chair

This year will be an exciting year for our Section. In the summer we will be gathering in Montreal for our annual conference, which will have a terrific program. As in previous years, the conference will feature informative talks by both practitioners and academics. This year our keynote speakers will be Patrick Michelin, director of the "Grandes Lignes" division of the French Railway, and Marcel Boyer, Bell Professor of Industrial Economics (www.cirano.qc.ca/cv.php?lang=en&codereleation=1107) at the University of Montreal, as well as VP and Chief Economist of the Montreal Economic Institute (www.iedm.org/main/main_en.php). Please see the announcement, below, for more information about the conference.

In general, one of the strengths of our Section is its strong representation of both practitioners and academics. To take full advantage of this mix, however, there must be cross-fertilization between the two groups. Conferences like this summer's gathering in Montreal provide one way to encourage communication, but there are others: academics participating in consulting projects and writing cases, practitioners visiting classrooms to discuss real-world revenue management and pricing applications, and summer internships by PhD students in industry. I believe that this last method is particularly important, and I strongly encourage our members from industry to create internships and advertise them on our web site, where there is now a special section devoted to internships (see, <http://revenue-mgt.section.informs.org/jobs.html>). Internship listings should be sent directly to me, at robert.shumsky@dartmouth.edu.

Internships can create real value for both academics and practitioners. The firms that hire interns have the opportunity to work with well-trained students with a fresh perspective, and they gain access to the latest research ideas. Professors who place their students in internships have increased contact with industry and a clearer view of the challenges faced by firms with real-world pricing and revenue management problems. For graduate students, internships offer the chance to see the complexity of industrial-strength problems and the challenges of

implementation. For students there are also placement benefits: business schools and engineering departments often look for industrial, as well as academic, experience when hiring faculty.

My belief in the value of internships follows from my own experience. During graduate school my advisors were wise enough to place me in an internship at Boston's Logan Airport, where I was asked to develop runway and terminal capacity planning models. Not only did this allow me to put my academic knowledge to use, it also exposed me to financial and political issues that certainly did not come up in school (adding a runway to Logan will certainly increase capacity in theory, but it is not so easy to do in practice). Again, I strongly encourage our practitioners to create internship opportunities that focus on revenue management and pricing applications, and then post them on our web site so that we can get the word out.

Finally, I would like to congratulate our newly elected officers: Costis Maglaras (Vice-Chair/Chair-Elect), John Quillinan (Secretary/Treasurer), and Itir Karaesmen (Board Member). Soulaymane Kachani, the outgoing Chair, also joins the Board. We owe Soulaymane many thanks, for he has done a wonderful job and left the Section in excellent shape.

Sincerely,
Rob Shumsky
Section Chair

Membership Renewal

January or February is the time to renew your Section membership for 2008. Renewing is easy, although the procedure depends upon your status with INFORMS. If you were a member of INFORMS in 2007 and have not renewed for 2008, you can do so at <http://renew.informs.org>, choosing Section membership as one of the options. If you have already renewed your INFORMS membership but have not yet joined the Section, or if you want to join the Section without joining INFORMS, then print and submit the [Section membership application \(PDF\)](#) which is available via a link at the bottom of the [Section web page](#).

Section members are encouraged to contact friends and colleagues who are interested in pricing and revenue management to become members of the Section. In particular, academics are urged to ask students under their supervision and students within their departments who are interested in pricing and revenue management to become members. Student members are encouraged to recommend membership to fellow classmates. Our student membership fee is low compared to other INFORMS sections, and participation by all is welcomed.

The 8th Annual INFORMS Revenue Management and Pricing Section Conference in Montreal

The 8th Annual INFORMS Revenue Management and Pricing Conference will take place June 18th through 20th on the University of Montreal campus. Organized by co-chairs Patrice Marcotte and Gilles Savard, the conference promises to be bigger and better than ever. The web site is www.cirreht.ca/informs-rmp2008/.

Those interested in presenting at the conference should send a title and an extended abstract of their proposed talk by March 31, 2008, through the conference website. A limited number of presentations will be selected after a review of the submitted abstracts by the conference scientific committee.

The program will follow the format of previous revenue management conferences in order to allow discussions during and after the presentations and encourage active participation.

Note that students may apply for one of five \$1000 grants. More information can be obtained by clicking on "student grants" in the top left menu of the web site.

Prizes Awarded, and a Request for Information on a Recipient

At the INFORMS Annual Meeting in Seattle this past November, the Section Prize was awarded to William L. Cooper (University of Minnesota), Tito Homem-de-Mello (Northwestern University) and Anton J. Kleywegt (Georgia Institute of Technology) for their paper, "Models of the Spiral-Down Effect in Revenue Management." Their work was lauded for including an elegant framework to analyze a significant problem in revenue management system, as well as for having a real impact on practice. More information about the award and the paper can be found in the minutes from the Section meeting, now available at <http://revenue-mgt.section.informs.org/meeting-minutes.html>.

The Historical Prize was awarded to Marvin Rothstein, formerly of the University of Connecticut, for his groundbreaking work on the airline overbooking problem. The prize committee, however, could not locate any information about Dr. Rothstein. If you have any information, please contact Garrett van Ryzin (gjv1@columbia.edu) so that we can present the award directly to him.

The prize committee consisted of Garrett van Ryzin (Chair), Barry Smith, and Andy Boyd.

Proposals Solicited for the 2009 Summer Conference

The Section has sent out a request for proposals to host the INFORMS Revenue Management & Pricing Conference in 2009. Traditionally, the conference has been held during late June or early July, on Thursday and Friday. For more information about submitting a proposal, email robert.shumsky@dartmouth.edu. The deadline for submitting a proposal is March 1, 2008.

Job and Internship Listings

Job and internship listings can be posted on the Section web page. This service is presently free of charge. To view listings, see <http://revenue-mgt.section.informs.org/jobs.html>. For information about placing a listing, contact Rob Shumsky at robert.shumsky@dartmouth.edu.

Corporate Sponsorship Opportunities

Your organization can help sponsor Section activities and have its name prominently associated with the premier organization for quantitative pricing and revenue management. To learn more, contact John Quillinan at John.Quillinan@disney.com