



PRICING AND BIDDING IN A UNIVERSAL SERVICE PROGRAM

SYRACUSE UNIVERSITY
School of Information Studies

CROSS-SUBSIDIES IMPOSSIBLE WITH COMPETITION

Location	Cost	Price	Profit/Loss	Net
Under monopoly conditions				
Rural	\$/month	\$	\$	
Urban	\$	\$	\$	
Net				\$
Under competition conditions				
Rural	\$	\$	\$	
Rural	\$	\$	\$	
Net				\$

Competitor
charges \$ 30