

FINANCIAL MARKETS RESEARCH CENTER
Owen Graduate School of Management
Vanderbilt University
Nashville, TN 37203

Conference on Securities Markets Transaction Costs
April 11-12, 1991

Program

Thursday, April 11, 1991 – University Club

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| 8:45 AM – 9:30 AM | Coffee and donuts. |
| 9:30 AM – 9:45 AM | Introductory remarks: Dean Martin Geisel, Hans R. Stoll. |
| | <u>Measuring Trading Costs</u> |
| | Session Chair: James Bradford, J.C. Bradford & Co. |
| 9:45 AM – 10:15 AM | Measuring Trading Costs: Alternative Perspectives and some New Evidence. Hans R. Stoll, Vanderbilt University. |
| 10:15 AM – 10:45 AM | Bid/Ask Spreads around Ex-Dividend Days. Ronald Masulis, Vanderbilt University. |
| 10:45 AM – 11:15 AM | Cost of Trading for Institutions: Empirical Evidence. Josef Lakonishok, University of Illinois. |
| 11:15 AM – 11:30 AM | An Industry Perspective on the Measurement of Trading Costs. Gilbert Beebower, SEI Corporation. |
| 11:30 AM – 11:45 AM | General discussion |
| 12:00 PM – 1:45 PM | Luncheon, University Club |
| | <u>Payment for Brokerage Services</u> |
| | Session Chair: Duke Chapman, Chicago Board Options Exchange. |
| 1:45 PM – 2:15 PM | History of Soft Dollars and Current Practice. Lee Pickard, Pickard and Djinis. |
| 2:15 PM – 2:30 PM | Economic Bases of Traditional Regulatory Approaches to Vertical Arrangements. David Scheffman, Vanderbilt University. |

2:30 PM – 2:45 PM	Commentary on Vertical Arrangements and Bundling from the Perspective of Consumer Protection Regulation. John L. Peterman, Federal Trade Commission.
2:45 PM – 3:15 PM	Break
3:15 PM – 3:45 PM	Soft Dollars and the Quality of Execution: A Progress Report. Marshall Blume, The Wharton School.
3:45 PM – 4:00 PM	Soft Dollars and Fiduciary Responsibility of Plan Sponsors. Alan D. Lebowitz, Department of Labor, Pension and Welfare Benefits Administration.
4:00 PM – 4:15 PM	Payment for Order Flow. Gene Finn, NASD.
4:15 PM – 4:30 PM	Commentary from the Pension Plan Sponsor Perspective. Charles Tschampion, GM Investment Management Corporation.
4:30 PM – 5:00 PM	General discussion
6:00 PM – 8:30 PM	Reception and Dinner, Vanderbilt Plaza Hotel

Friday, April 12, 1991 – Owen School Room 222

8:00 AM – 8:30 AM	Coffee and donuts.
	<u>Technology, Market Structure and Trading Costs I</u>
	Session Chair: James Cochrane, New York Stock Exchange.
8:30 AM – 9:00 AM	Proprietary Trading Systems: Regulatory Issues. Brandon Becker, Division of Market Regulation, Securities and Exchange Commission.
9:00 AM – 9:15 AM	The Wunsch Auction and the Central Market. Steve Wunsch.
9:15 AM – 9:45 AM	Order Precedence Rules, Quote Matching and Automation. Larry Harris, University of Southern California.
9:45 AM – 10:00 AM	Commentary on Market Fragmentation from the Perspective of the Telecommunication Industry. Stanley Besen, Rand Corporation and Georgetown Law School.
10:00 AM – 10:30 AM	Break
	<u>Technology, Market Structure and Trading Costs II</u>

	Session Chair: Rick Kilcollin, Chicago Mercantile Exchange.
10:30 AM – 11:00 AM	Private Information, the Third Market, and Investor Welfare. Larry Glosten, Columbia University.
11:00 AM – 11:15 AM	Perils for the Outsider: Experiences at Cincinnati and Other Markets. Warren Langley, Hull Trading.
11:15 AM – 11:30 AM	Developments at the NYSE. James Shapiro, NYSE.
11:30 AM – 11:45 AM	General discussion
12:00 PM – 1:00 PM	Wrap-Up Luncheon, Owen School.