

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES AND CARRIERS

RE: CPCN APPLICATION
OF RHODE ISLAND FAST FERRY

DOCKET NO. D-13-51

DIRECT TESTIMONY OF EDWARD M. MAZZE
ON BEHALF OF
INTERSTATE NAVIGATION COMPANY
D/B/A/ THE BLOCK ISLAND FERRY

FEBRUARY, 2015

1 Q. PLEASE STATE YOUR NAME, POSITION AND OFFICE ADDRESS

2 A. My name is Edward M. Mazze. I am currently Distinguished University
3 Professor of Business Administration at the University of Rhode Island. My
4 university office address is 304 Ballentine Hall, Kingston, Rhode Island
5 02881. My home office address is 52 Horizon Drive, Narragansett, Rhode
6 Island 02874.

7 Q. DO YOU HOLD ANY OTHER POSITIONS?

8 A. I serve as a consultant in business and economics to business organizations
9 and government agencies. I am a member of the Board of Directors of
10 Home Loan Investment Bank, FSB, Ocean State Business Development
11 Authority and Urban Ventures. I am also a member of the Economic
12 Development Committee of the Town of Narragansett, the Governors'
13 Insurance Council and the State of Rhode Island's Small Business Advocacy
14 Council.

15 Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL
16 BACKGROUND

17 A. I received my B.B.A. and M.B.A. from the City University of New York in
18 business administration and my Ph.D. in business administration from the
19 Pennsylvania State University. I served as Dean of the W. Paul Stillman
20 School of Business of Seton Hall University, Dean of the School of
21 Management at Temple University and Dean of the Belk College of Business
22 Administration and Co-Director of the Frank Hawkins Kenan Institute of
23 Private Enterprise at the University of North Carolina at Charlotte and Dean
24 of the College of Business Administration of the University of Rhode Island.
25 I served on the faculty of business administration at Virginia Polytechnic
26 Institute and State University, West Virginia University and the University of
27 Detroit. I have held visiting faculty positions at the University of Pittsburgh's
28 Graduate School of Business, the Graduate School of Business of the
29 University of Puerto-Rico and Harvard University. Currently, my academic
30 title is Distinguished University Professor of Business Administration at the
31 University of Rhode Island.

1 I am the author, coauthor and/or editor of twelve books in business and
2 over two hundred articles in newspapers, trade publications and refereed
3 journals such as the Journal of Marketing, Journal of Marketing Research,
4 Journal of Advertising Research, Journal of Economics and Business, Journal
5 of Finance, Journal of Consumer Affairs and the American Business Law
6 Journal.

7 I have served as a member of the Board of Directors of Washington Trust
8 Bancorp, Inc. (NASDAQ), Pulse Electronics Corporation (NYSE), the Barrett
9 Growth Fund and as a member of advisory boards of closely held
10 corporations. I am the former Chairman of the Board and Chief Executive
11 Officer of the William Penn Bank in Philadelphia. Currently, I serve on the
12 Board of Directors of Home Loan Investment Bank, FSB, Urban Ventures
13 and Chairman of the Board of Directors of Ocean State Business
14 Development Authority. I have also served as a member of the Panel of
15 Chapter 7 Trustees of the United States Department of Justice in Rhode
16 Island and Philadelphia and the United States Department of Commerce
17 District Export Council. I served from 2005 through 2013 as Co-Economic
18 Forecast Manager for Rhode Island for the New England Economic
19 Partnership. State government appointments have been in the areas of
20 economic development, marketing, tax competitiveness and small business
21 regulations.

22 In my role as a consultant and university professor, I have designed and
23 conducted marketing research studies for businesses, government
24 agencies, educational institutions and not-for-profit organizations.

25 A copy of my curriculum vitae is attached.

26 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

27 A. I am providing testimony on a marketing research study I conducted in
28 2013 for Interstate Navigation (Interstate) on passenger ridership on
29 Interstate's traditional and hi-speed ferries from Point Judith to Block
30 Island. I will also testify on Rhode Island Fast Ferry's application to provide
31 summer-only, passenger-only high-speed ferry service to Old Harbor, Block
32 Island from Quonset Point. Interstate also lands its ferries in Old Harbor,
33 Block Island.

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Q. PLEASE SUMMARIZE YOUR TESTIMONY

A. I am of the opinion that, based on the results of my marketing research study, Interstate would lose as much as 17% of its traditional ferry passengers and 27% of its hi-speed ferry passengers from Point Judith during the summer months if Rhode Island Fast Ferry is permitted to offer summer-only, passenger only high-speed ferry service from Quonset Point to Old Harbor Block Island under different pricing and travel time scenarios. I am also of the opinion that, if Rhode Island Fast Ferry’s application is approved, Rhode Island Fast Ferry would negatively impact Interstate’s lifeline passenger, vehicle and freight services to Block Island by taking away customers and revenue from Interstate during the summer months. Interstate is highly dependent on its summer passenger revenue to support its year round passenger, vehicle and freight lifeline service to Block Island.

Q. WHAT IS THE BASIS OF YOUR TESTIMONY?

A. I conducted a marketing research study of Interstate’s hi-speed ferry and traditional ferry passengers in 2013. I also reviewed business information provided by Interstate and filings, pleadings and other documents submitted to the Division by Interstate and other parties in this matter.

I have reviewed the direct testimony of Robert Billington (President, Blackstone Valley Tourism Council), Steven J. King, P.E. (Managing Director, Quonset Development Corporation), Elizabeth Dolan (President, North Kingstown Town Council), Myrna George (President, South County Tourism Council, Martha Pughe, (Executive Director, North Kingstown Chamber of Commerce), Lawrence R. Kunkel and Charles A. Donadio, Jr. (President, Rhode Island Fast Ferry) on behalf of Rhode Island, Fast Ferry, Inc. I also reviewed Rhode Island Fast Ferry Inc. Answers to Interstate Navigation, Inc. First Set of Data Requests; Rhode Island Fast Ferry Inc. Answers to Interstate Navigation, Inc. Second, Third and Fourth Set of Data Requests; and Rhode Island Fast Ferry Inc. Responses to The Town of New Shoreham’s First Set of Data Requests

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My testimony and opinions are based on my education, training and experience as a consultant to businesses and government agencies, corporate board memberships, the materials identified above and independent research.

I have no present or contemplated future interest in the outcome of this matter that prevents me from giving unbiased testimony. My compensation in providing this testimony is not contingent upon the outcome of this matter.

Q. WHAT WAS THE PURPOSE OF YOUR MARKETING RESEARCH STUDY?

A. The purpose of the study was to determine if passengers of Interstate’s traditional ferry and hi-speed ferry would travel to Block Island on a fast ferry from Quonset Point in North Kingston under various pricing scenarios.

Q. PLEASE DESCRIBE THE GENERAL CHARACTERISTICS OF THE STUDY.

A. To collect information, a survey was used. The questions in the survey were pretested to make sure that they were clear and not leading. The survey included open-ended questions about the passenger being surveyed and closed-ended questions where the passenger had an explicit set of responses from which to choose, namely, Yes or No. Personal interviews were chosen as the most effective and efficient way to collect information. The participants in the survey were passengers purchasing tickets from Interstate’s ticket office in Point Judith.

A non-probability convenience sample was used to choose respondents. Non-probability convenience samples are often used by businesses in making important decisions.

After reviewing ferry ridership information, it was determined that 200 passengers a day would be a representative sample on pre-selected traditional and hi-speed ferries of the passengers traveling to Block Island from Point Judith each day during the summer months. This number represents about 10% of the passengers each day on the pre-selected ferries.

1 The study was conducted in July, August and September, one day each
2 month, in the morning and early afternoon to collect information from
3 round-trip day-trippers and others.

4 Interviewers were told to select every 10th purchaser of tickets for pre-
5 selected ferries until about 200 questionnaires were completed. The
6 interviewers were instructed to ask each respondent the same questions
7 and record verbatim the responses. The respondents were told that the
8 study was being conducted for marketing and promotion purposes.

9 The marketing research study used generally accepted methods. The target
10 population for the study was defined and properly chosen, the non-
11 probability convenience sample was representative of the target
12 population and the information collected was recorded on pre-printed
13 survey forms by the interviewers and analyzed by me.

14 Q. PLEASE DESCRIBE THE STUDY IN DETAIL

15 A. The marketing research study was conducted on Wednesday, July 31, 2013,
16 Monday, August 12, 2013 and Saturday, September 7, 2013. Online ticket
17 purchasers were not included in the survey.

18 The traditional ferries selected for the study on July 31st departed at 8AM,
19 9:30AM, 10:30AM, 11:45AM, 1:30PM and 3PM; the hi-speed ferries
20 departed at 7:15AM, 9AM, 11:10AM and 1:15PM.

21 The 198 interviews conducted on July 31, 2013 included 117 traditional
22 ferry passengers or 6% of the passengers of the six traditional ferries and
23 81 hi-speed ferry passengers or 23% of the passengers of the four hi-speed
24 ferries.

25 The traditional ferries selected for the study on August 12th departed at
26 8AM, 9:30AM, 10:30AM; the hi-speed ferries departed at 9AM and
27 11:10AM.

28 The 197 interviews conducted on August 12, 2013 included 116 traditional
29 ferry passengers or 6% of the passengers of the three traditional ferries
30 and 81 hi-speed ferry passengers or 33% of the passengers of the two hi-
31 speed ferries.

1 The traditional ferries selected for the study on September 7th departed at
2 9AM, 11AM and 1PM; the hi-speed ferries departed at 8:15AM, 10:30AM
3 and 12:30PM.

4 The 219 interviews conducted on September 7th included 118 traditional
5 ferry passengers or 7% of the passengers of the three traditional ferries
6 and 101 hi-speed ferry passengers or 11% of the passengers of the three
7 hi-speed ferries.

8 The total number of passengers interviewed for the study was 614: 351
9 traditional ferry passengers and 263 hi-speed ferry passengers. The
10 interviews were conducted by Interstate staff.

11 Q. WHAT QUESTIONS WERE ASKED IN THE INTERVIEWS?

12 A. Passengers purchasing tickets for the traditional ferry were asked:

- 13 1. In the summer months, approximately how many times do you
14 travel on the Block Island conventional ferry?
- 15 2. What is your City? State? Zip Code?
- 16 3. How many people are traveling in your party today?
- 17 4. If there was a \$50 round-trip fast ferry to Old Harbor from
18 Quonset Point in North Kingstown, would you take the Quonset
19 fast ferry instead of the Point Judith conventional ferry? Yes, No
- 20 5. If the conventional ferry cost is about \$27 per person less from
21 Point Judith than the Quonset fast ferry, does that change your
22 answer to question 4? Yes, No

23 Passengers purchasing tickets for the hi-speed ferry were asked:

- 24 1. In the summer months, approximately how many times do you
25 travel on the Block Island fast ferry?
- 26 2. What is your City? State? Zip Code?
- 27 3. How many people are traveling in your party today?
- 28 4. If there was a \$50 per person round-trip fast ferry to Old Harbor
29 from Quonset Point in North Kingstown and took 1 hour on the
30 water, would you take the Quonset fast ferry instead of the Point
31 Judith fast ferry? Yes, No

1 5. If the cost is about \$15.00 per person less from Point Judith than
2 from Quonset, does that change your answer to question 4? Yes,
3 No

4 6. If the on the water travel time is about a half hour less from Point
5 Judith than from Quonset, does that change your answer to
6 question 4? Yes, No
7

8 Q. HOW WAS BIAS AVOIDED IN THE STUDY?

9 A. The interviews took place on different days, different weeks and in
10 different months. Questions were pre-tested to make sure that the
11 questions were clear and precise. The names of the respondents were not
12 requested. The questions were closed-ended other than questions about
13 the passenger. Instructions were given to the interviewers on how to select
14 respondents, the questions to ask and told to record the responses
15 verbatim.

16 Passengers on early morning and afternoon ferries were selected for the
17 study since they would be the most likely customers for the fast ferry from
18 Quonset to Block Island.

19 Conducting interviews at the point where the ticket was purchased made it
20 easier to get respondents to participate.
21

22 Q. WHAT WERE THE RESULTS OF THE JULY 31, 2014 SURVEY?

23 A. The 117 respondents from the traditional ferries had 421 people in their
24 parties which accounted for 23% of the passengers on the six traditional
25 ferries. The respondents were from Rhode Island (39%), Connecticut (21%),
26 Massachusetts (12%), New York (9%), and other states and countries (19%).

27 The 81 respondents from the hi-speed ferries had 206 people in their
28 parties which accounted for 58% of the passengers on the four hi-speed
29 ferries. The respondents were from Rhode Island (36%), Connecticut (28%),
30 Massachusetts (17%), New York (6%) and other states and countries (13%).
31

1 The survey found that 23 of the 117 traditional ferry passengers would take
2 the fast ferry from Quonset Point if there was a \$50 round trip and 27 of
3 the 81 hi-speed ferry passengers would take the fast ferry from Quonset
4 Point if there was a \$50 round trip.

5 Of the 27 hi-speed ferry passengers who would take the fast ferry from
6 Quonset Point, 16 would not take that ferry if the cost of the hi-speed ferry
7 from Point Judith was \$15 less per person.

8 Of the 23 traditional ferry passengers who answered yes to taking the fast
9 ferry from Quonset Point, 15 would not take the fast ferry if the cost of
10 taking the traditional ferry from Point Judith was \$27 less per person.

11 Of the 27 hi-speed ferry passengers who would take the fast ferry from
12 Quonset Point, 22 would not take the fast ferry if the on-the-water time is
13 about a half hour less from Point Judith to Block Island.

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15 Q. WHAT WERE THE RESULTS OF THE AUGUST 12, 2013 SURVEY?

16 A. The 116 respondents from the traditional ferries had 461 people in their
17 parties which accounted for 24% of the passengers of the three traditional
18 ferries. The respondents were from Rhode Island (37%), Massachusetts
19 (8%), Connecticut (8%), New York (1%) and other states and countries
20 (46%).

21 The 81 respondents from the hi-speed ferries had 237 people in their
22 parties which accounted for almost 96% of the passengers on the two hi-
23 speed ferries. The respondents were from Rhode Island (22%), Connecticut
24 (8%), Massachusetts (6%), New York (3%) and other states and countries
25 (61%).

26 The survey found that 22 of the 116 traditional ferry passengers would take
27 the fast ferry from Quonset Point if there was a \$50 round trip and 29 of
28 the high speed ferry passengers would take the fast ferry from Quonset
29 Point if there was a \$50 round trip.

1 Of the 29 hi-speed ferry passengers who would take the fast ferry 18 would
2 not take the fast ferry from Quonset Point if the cost was \$15 per person
3 less from Point Judith.

4 Of the 22 traditional ferry passengers who answered yes to taking the fast
5 ferry, 15 would not take the fast ferry from Quonset Point if the cost for
6 taking the traditional ferry from Point Judith was \$27 less per person.

7 Of the 29 hi-speed ferry passengers who would take the fast ferry, 17
8 would not take the fast ferry from Quonset Point if the on-the-water travel
9 time is about a half hour less from Point Judith to Old Harbor, Block Island.

10 Q. WHAT WERE THE RESULTS OF THE SEPTEMBER 7, 2013 SURVEY?

11 A. The 118 respondents from the traditional ferries had 342 people in their
12 parties which accounted for about 21% of the passengers on the three
13 traditional ferries. The respondents were from Connecticut (17%), Rhode
14 Island (17%), Massachusetts (11%), New York (4%) and other states and
15 countries (51%).

16 The 101 respondents from the hi-speed ferry had 256 people in their
17 parties which accounted for about 93% of the passengers on the three hi-
18 speed ferries. The respondents were from Rhode Island (17%), Connecticut
19 (12%), Massachusetts (9%), New York (4%) and other states and countries
20 (58%).

21 Of the 118 traditional ferry passengers, 14 would take the fast ferry from
22 Quonset if there was a \$50 round trip to Old Harbor, Block Island and 15 of
23 the 101 hi-speed ferry passengers would take the fast ferry from Quonset
24 Point to Old Harbor, Block Island if the round trip fare was \$50.

25 Of the 15 hi-speed passengers who would take the fast ferry, 6 would not
26 take the fast ferry from Quonset Point if the cost was \$15 per person less
27 from Point Judith.

28 Of the 14 traditional ferry passengers who would take the fast ferry, 4
29 would not take the fast ferry from Quonset Point if the cost for taking the
30 traditional ferry from Point Judith was \$27 less per person.

1 Of the 15 hi-speed ferry passengers who would take the fast ferry, 5 would
2 not take the fast ferry if the on-the-water time is about a half hour less
3 from Point Judith to Old Harbor, Block Island.

4 Q. WHAT WERE THE RESULTS OF THE STUDY?

5 A. The results of the three surveys were: 17% of traditional ferry respondents
6 answered they would take the fast ferry from Quonset Point to Old Harbor,
7 Block Island if the round-trip cost was \$50 and twenty-seven percent of hi-
8 speed ferry respondents answered they would take the fast ferry if the
9 round-trip cost was \$50.

10 55% of the respondents traveled in parties of two or more.

11 50% of the respondents made only one trip to Block Island during the
12 summer months. Of these respondents, 51% traveled on the hi-speed ferry
13 and 49% the traditional ferry.

14 130 of the 614 surveyed passengers (21%) answered they would take the
15 fast ferry from Quonset Point to Block Island before different scenarios
16 were presented to them.

17 When different pricing and travel time scenarios were introduced to the
18 respondents, the findings were:

19 57% of the traditional ferry passengers (34 of the 59 respondents
20 who would take the fast ferry) answered that they would not take
21 the fast ferry if the cost for taking the traditional ferry from Point
22 Judith was \$27 less per person.

23 56% of the hi-speed passengers (40 of the 71 respondents who
24 would take the fast ferry) answered that they would not take the fast
25 ferry from Quonset Point if the cost was \$15 less from Point Judith.

26 62% of the hi-speed ferry passengers (44 of the 71 respondents who
27 would take the fast ferry) answered that they would not take the fast
28 ferry from Quonset Point if the on-the-water travel time is about a
29 half hour less from Point Judith.

1 Q. WHAT IS YOUR OPINION REGARDING THE IMPACT OF RHODE ISLAND FAST
2 FERRY ON INTERSTATE IF THE CPCN IS GRANTED BASED ON YOUR STUDY?

3 Based on my marketing research study, Rhode Island Fast Ferry would take
4 away as many as 20% of the total passengers of Interstate's ferries during
5 the summer months. This would include 17% of the traditional ferry
6 passengers and 27% of the hi-speed ferry passengers. This would have a
7 significant negative impact on Interstate's yearly revenue and would
8 adversely impact Interstate's ferry operations, including its year-round
9 lifeline passenger, vehicle and freight service from Point Judith to Block
10 Island.

11 Q. YOU STATED THAT YOU REVIEWED THE DIRECT TESTIMONY OF ROBERT
12 BILLINGTON, STEVEN J. KING, ELIZABETH DOLAN, MYRNA GEORGE,
13 MARTHA PUGHE AND LAWRENCE KUNKEL ON BEHALF OF RHODE ISLAND
14 FAST FERRY INC. ALONG WITH THE ANSWERS TO THE DATA REQUESTS OF
15 INTERSTATE AND THE TOWN OF NEW SHOREHAM. DO YOU HAVE ANY
16 OPINIONS ON THEIR TESTIMONY?

17 A. Yes. Billington, King, Dolan, George, Pughe and Kunkel did not rely on or
18 used any economic study, marketing study , traffic study, tourism study of
19 Block Island or marketing plan from Rhode Island Fast Ferry to support their
20 opinions that a fast ferry from Quonset Point (a) would be a more
21 convenient departure point to Block Island for persons living in Northern
22 Rhode Island or from areas outside of South County, (b) that there was
23 pent-up demand for more convenient travel to Block Island, (c) that the
24 proposed fast ferry will support state and federal transportation policy and
25 (d) that a fast ferry from Quonset Point will increase the number of
26 travelers to Block Island via fast ferry rather than redistribute the number
27 of travelers among ferry carriers.

28
29 Billington relied on a Tourism Satellite Account for Rhode Island which
30 made no mention of Block Island, fast ferry service in Rhode Island or the
31 market for additional fast ferry service in Rhode Island. King's knowledge
32 about Rhode Island Fast Ferry's operations came from Rhode Island Fast
33 Ferry's Counsel. Dolan relied on her "firsthand knowledge and experience

1 with severe auto congestion on Route 4 and Route 1 from May through
2 September.” Her opinion was also based “upon her interaction with
3 Governor Chaffee, federal and State officials, including former Secretary of
4 Transportation Ray LaHood.” George relied upon her experience of having
5 lived in South County her entire life. Kunkel relied on the direct testimony
6 of Billington and being recognized by the PUC as an expert in economics,
7 finance and game theory.

8
9 The opinions offered by Billington, King, Dolan, George, Pughe and Kunkel
10 were not supported by any economic, marketing or traffic studies or
11 tourism studies on Block Island, a business or marketing plan provided by
12 Rhode Island Fast Ferry or independent research conducted by the
13 individual providing the direct testimony.

14 Q. YOU STATED THAT YOU REVIEWED THE DIRECT TESTIMONY OF CHARLES A.
15 DONADIO, JR., ON BEHALF OF RHODE ISLAND FAST FERRY, INC. ALONG
16 WITH HIS ANSWERS TO THE DATA REQUESTS OF INTERSTATE NAVIGATION
17 AND THE TOWN OF NEW SHOREHAM. DO YOU HAVE ANY OPINIONS ON
18 MR. DONADIO’S TESTIMONY?

19 A. Yes. Donadio believed that there was a public need for an additional high
20 speed ferry service to Block Island from mainland Rhode Island based on his
21 observations when his office was located across the pier from Interstate
22 Navigation’s operation. As a result of that experience, he concluded that
23 there was a market of passengers who do not to travel to Block Island even
24 by high speed ferry and would use RIFF’s proposed Quonset service if
25 offered the opportunity.

26 Donadio presented no economic, marketing, traffic or tourism studies on
27 Block Island or passenger research to support his opinions. He did not
28 present a business plan, marketing plan or market feasibility study showing
29 that there was a public need for an additional high speed ferry service to
30 Block Island from Quonset Point.

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1 Q. DO YOU BELIEVE FERRY PASSENGERS TO BLOCK ISLAND WOULD BENEFIT
2 FROM COMPETITION BETWEEN INTERSTATE AND RHODE ISLAND FAST
3 FERRY?

4 No, I do not. True competition can be beneficial when it can lower prices,
5 offer better services for passengers and allow firms to compete on a level
6 playing field. However, there are times where competition is not beneficial
7 particularly if reliable and affordable service can best be served by a single
8 regulated carrier. When passengers are receiving adequate service and
9 there is enough capacity to meet the needs of passengers, new competition
10 is not efficient.

11 The direct testimony of Billington, King, Dolan, George, Pughe, Kunkel and
12 Donadio on behalf of Rhode Island Fast Ferry Inc. presented no economic
13 study, marketing study, traffic study, tourism study of Block Island or
14 market feasibility study to support their opinions that a fast ferry from
15 Quonset Point would be a more convenient departure point to Block Island
16 for persons living in Northern Rhode Island or from areas outside of South
17 County. They presented no studies that concluded that there was a pent-up
18 demand for more convenient travel to Block Island and that a fast ferry
19 from Quonset Point will increase the number of travelers to Block Island via
20 fast ferry rather than redistribute the number of travelers among ferry
21 carriers. They presented no studies that concluded that a fast ferry from
22 Quonset Point will support state and federal transportation policy. They
23 presented no studies that showed that the passengers of Interstate
24 Navigation were receiving inadequate service or there was not enough
25 capacity on the current Interstate Navigation hi-speed and traditional
26 ferries to meet the needs of passengers going to and from Block Island to
27 Rhode Island.

28 Rhode Island Fast Ferry plans to offer only passenger service, and only
29 during the summer months taking passengers and revenue away from
30 Interstate. This is not true competition because Rhode Island Fast Ferry will
31 not be running year-round service and will not be carrying vehicles and
32 freight. This is what is known as "cream skimming" or "cherry picking."

1 Interstate's hi-speed ferry accounts for about 16% of its yearly revenue and
2 the traditional ferry accounts for 84% of its revenue. This summer revenue
3 is needed to support the company's lifeline service to Block Island especially
4 during the off-season period. This loss of revenue would result in Interstate
5 raising rates, reducing the number of ferries to Block Island and/or
6 downsizing the number of full-time and seasonal employees.

7 Interstate has invested a lot of money in promoting its hi-speed ferry and
8 traditional ferry services to Block Island. In the last three fiscal years, the
9 company spent almost \$1.5 million on advertising, 15% for the hi-speed
10 ferry service and 85% for the traditional ferry service.

11 In the summer, Rhode Island Fast Ferry and the Interstate hi-speed ferry
12 from Point Judith would be in direct competition for passengers from the
13 same geographic areas. Passengers may even believe the ferry service from
14 Quonset Point is another embarkation option offered by Interstate rather
15 than from Rhode Island Fast Ferry.

16 If the CPCN application is approved, Rhode Island Fast Ferry will benefit
17 from Interstate's eighty-year reputation as The Block Island Ferry and its
18 investment in advertising, yet it will only be in service during the most
19 profitable time of the year for passenger travel to Block Island.

20 Q. DOES THIS COMPLETE YOUR TESTIMONY?

21 A. Yes.

Edward M. Mazze, Ph.D.

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ACADEMIC POSITIONS

- 1998-Present **THE UNIVERSITY OF RHODE ISLAND**
Distinguished University Professor of Business Administration (2006-Present);
Dean, College of Business Administration and Alfred J. Verrecchia-Hasbro Inc.
Leadership Chair in Business (1998-2006)
- 1993-1998 **THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE**
Dean, The Belk College of Business Administration and Professor of Marketing; Co-
Director, The Frank Hawkins Kenan Institute of Private Enterprise-Charlotte (1997-1998)
- 1979-1993 **TEMPLE UNIVERSITY**
Professor of Marketing and International Business; Dean, School of Business and
Management (1979-1986)
- 1975-1979 **SETON HALL UNIVERSITY**
Dean, W. Paul Stillman School of Business and Professor of Marketing; Acting Vice
President for Administrative Services (1977-1979)
- 1970-1975 **VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY**
Coordinator of the Marketing Program and Professor of Business Administration; Director,
Business Extension (1973-1974)
- 1968-1970 **WEST VIRGINIA UNIVERSITY**
Associate Professor of Marketing; Director, Special Programs in Business (1969-1970)
- 1966-1968 **UNIVERSITY OF DETROIT**
Associate Professor of Marketing

CURRENT BOARDS OF DIRECTORS/TRUSTEES

- 2011-Present **HOME LOAN INVESTMENT BANK, F.S.B. (Warwick, Rhode Island)**
Member, Audit and Oversight Committee
- 2004-Present **OCEAN STATE BUSINESS DEVELOPMENT AUTHORITY**
(A Small Business Administration Certified Development Corporation)

SELECTED PREVIOUS BOARDS OF DIRECTORS/TRUSTEES

SMALL BUSINESS AND TECHNOLOGY DEVELOPMENT CENTER, THE UNIVERSITY OF NORTH CAROLINA, Member, Statewide Advisory Board, 1994-1998

THE BEN CRAIG CENTER, THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE, Member, Entrepreneurial Program Advisory Committee 1993-1998

DELAWARE VALLEY COLLEGE OF SCIENCE AND AGRICULTURE, 1991-1997, Honorary Board Member (1997-Present)

WILLIAM PENN BANK, 1984-1987, Chairman of the Board and Chief Executive Officer (1985-1987)

BARRETT GROWTH FUND. 2001-2010, Board of Trustees, Chair, Audit Committee

WASHINGTON TRUST BANCORP, INC. (NASDAQ: WASH), 2000-2011, Member, Audit Committee (2000-2011); Member, Executive Compensation and Human Resources Committee(2000-2011)

PULSE ELECTRONICS (Formerly known as Technitrol, Incorporated) (NYSE: PULS). 1985-2012, Member, Audit Committee (1985-1988, 1996-2012), Member, Executive Compensation Committee (1988-1997, 2000-2002), Member, Governance Committee (2005-2010) Chair, Governance Committee (2010-2012)

SELECTED GOVERNMENT APPOINTMENTS

2011-Present **STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**
Small Business Advocacy Council

2009-2012 **CHAIR, ECONOMIC DEVELOPMENT COMMITTEE**
Town of Narragansett, Rhode Island

2005 **PANEL OF CHAPTER 7 TRUSTEES, UNITED STATES DEPARTMENT OF JUSTICE**
District of Rhode Island

2002-2011 **STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**
Governor's Insurance Council

2000-2007 **STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**
Public Member, Rhode Island Automobile Insurance Service Plan's Governing Board

- 1984-1997 **PANEL OF CHAPTER 7 TRUSTEES, UNITED STATES DEPARTMENT OF JUSTICE**
Eastern District of Pennsylvania
- 1983-1993 **UNITED STATES DEPARTMENT OF COMMERCE**
Delaware/Eastern Pennsylvania Export Council
- 1977-1979 **UNITED STATES DEPARTMENT OF COMMERCE**
District Export Council of New Jersey

SELECTED PROFESSIONAL AND ACCREDITATION POSITIONS

- 2006-2010 **FAIRLEIGH DICKINSON UNIVERSITY, SILBERMAN COLLEGE OF BUSINESS**
Member, Board of Advisors
- 2005-2013 **NEW ENGLAND ECONOMIC PARTNERSHIP**
Forecast Manager, State of Rhode Island (2005-2008); Co-Forecast Manager, State of Rhode Island (2008-2013)
- 2005-2008 **BUSINESS INNOVATION FACTORY**
Member, Research Advisory Council
- 2001-2002 **RHODE ISLAND ECONOMIC POLICY COUNCIL**
Chair, Tax Competitiveness Committee
- 1985-1988 **PHILADELPHIA BAR ASSOCIATION**
Commission on Judicial Selection and Retention
- 1981-1998 **MIDDLE STATES ASSOCIATION OF COLLEGES AND SECONDARY SCHOOLS**
Accreditation Panel, Commission on Higher Education
- 1980-2008 **AACSB INTERNATIONAL-THE ASSOCIATION TO ADVANCE COLLEGIATE SCHOOLS OF BUSINESS**
International Affairs Committee (1984-1986); Initial Accreditation Committee (1980-1985); Accreditation Visitation Teams, Chair and Member (1980-2004)

VISITING PROFESSORSHIPS AND DISTINGUISHED LECTURESHIPS

- 2003, 2006-7 **HARVARD UNIVERSITY**
Faculty, Master of Liberal Arts in Management Program
- 1987 **UNIVERSITY OF LOWELL (MA)**
Commencement Speaker, College of Management Sciences
- 1981 **BALDWIN WALLACE COLLEGE (OH)**
Kamm Distinguished Lecturer
- 1974 **UNIVERSITY OF PUERTO RICO, GRADUATE SCHOOL OF BUSINESS**
Visiting Professor
- 1970 **UNIVERSITY OF PITTSBURGH, GRADUATE SCHOOL OF BUSINESS**
Visiting Associate Professor

REPRESENTATIVE CONSULTING ASSIGNMENTS

- | | |
|---------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Commonwealth of Virginia —Industrial Facilities Financing Study Commission, and Electricity Costs Commission | Coca-Cola, Inc. |
| Philadelphia Bar Association | General Motors Corporation |
| National Association of Home Builders | Schnader, Harrison, Segal & Lewis |
| AT&T Communications of Pennsylvania | Blank, Rome, Comisky & McCauley |
| Lehigh Press, Inc. | Morgan, Lewis & Bockius |
| Dechert, Price & Rhoads | Duke Power Company |
| Fidelity Investments | Concord Telephone Company |
| Ross & Hardies | Radiator Specialty Company |
| Fulbright & Jaworski | Beacon Mutual Insurance Company |
| | Cox Communications—New England |
| | Providence Performing Arts Center |

EXECUTIVE DEVELOPMENT PROGRAMS

- | | |
|-----------------------------------------------------------------------------|------------------------------------|
| University of Cincinnati | Perkins-Elmer Corporation |
| University of Connecticut | University of Pittsburgh |
| Georgia State University | San Francisco State College |
| University of Maryland | Washington University |
| Michigan State University | College of William and Mary |
| Tsinghua University CEO US Training Program (Harvard University) | |

PROFESSIONAL ASSOCIATION MEMBERSHIPS

Academic Liaison Committee, CMO Council [Chief Marketing Officer Council World Wide]

EDITORIAL ASSIGNMENTS

Contributing Columnist – The Job Outlook and Advice for Job Hunters (ProJo.Jobs)
Providence Journal (2006-2009)

Contributing Author -- Sections on Advertising and Consumer Affairs;
Encyclopedia Britannica Book of the Year (1976-1993)

Associate Editor --*Mahon's Industrial Guides for Accountants and Auditors*;
Warren, Gorham & Lamont (1979-1981)

Editorial Staff -- "Marketing Abstracts Section"; *Journal of Marketing* (1971-1978)

General Editor -- *Basic Management Series*, Holt, Rinehart and Winston (1964-1969)

EDITORIAL BOARD MEMBERSHIPS

Advisory Board, *The International Business Press*, The Hawthorn Press, Inc. (1991- 1998)

Journal of Global Marketing (1987-2006)

Journal of Marketing Education (1985-1994)

Journal of the Academy of Marketing Science (1980-1991)

Journal of International Business Studies (1978-1982)

Industrial Marketing Management (1977-2006)

Journal of Economics and Business (1976-1979)

PUBLICATIONS

BOOKS

- Alexander, Milton and Edward M. Mazze (eds.). *Case Histories in Sales Management*. New York: Pitman Publishing Co., 1965. 145pp.
- Alexander, Milton and Edward M. Mazze. *Sales Management: Theory and Practice*. New York: Pitman Publishing, 1965. 550pp.
- Madeheim, Huxley, Edward M. Mazze, and Charles S. Stein (eds.). *Readings in Organization and Management*. New York: Holt, Rinehart and Winston, 1963. 486pp.
- Madeheim, Huxley, Edward M. Mazze, and Charles S. Stein (eds.). *International Business: Articles and Essays*. New York: Holt, Rinehart and Winston, 1963. 229pp.
- Mazze, Edward M. *International Marketing Administration*. San Francisco: Chandler Publishing, 1967. 147pp.
- Mazze, Edward M. *Introduction to Marketing: Readings in the Discipline*. San Francisco: Chandler Publishing, 1970. 362pp.
- Mazze, Edward M. *Personal Selling: Choice Against Chance*. St. Paul: West Publishing, 1976. 331pp.
- Michman, Ronald D., Edward M. Mazze and Alan J. Greco, *Lifestyle Marketing: Reaching the New American Consumer*. Westport, Connecticut: Praeger Books, 2003. 241 pp.
- Michman, Ronald D. and Edward M. Mazze. *Specialty Retailers: Marketing Triumphs and Blunders*. Westport, Connecticut: Quorum Books, 2001. 261pp.
- Michman, Ronald D. and Edward M. Mazze. *The Affluent Consumer: Marketing and Selling the Luxury Lifestyle*. Westport, Connecticut: Praeger Books, 2006. 194pp.
- Michman, Ronald D. and Edward M. Mazze. *The Food Industry Wars: Marketing Triumphs and Blunders*. Westport, Connecticut: Quorum Books, 1998. 246pp.
- Shultz, William J. and Edward M. Mazze (eds.). *Marketing in Action: Readings*. Belmont, California: Wadsworth Publishing, 1963. 486pp.; Abridged Edition. New York: The Benjamin Company, 1968. 244pp.

PROCEEDINGS

- Mazze, Edward M. (ed.) *Marketing in Turbulent Times and Marketing: The Challenges and the Opportunities*. Chicago: American Marketing Association, 1975. 712pp.

MONOGRAPH

- Mazze, Edward M. *Trade Shows in Black and White: A Guide for Marketers*. New Canaan, CT: Trade Show Bureau, 1986. 24 pp.

CHAPTERS IN BOOKS, MONOGRAPHS AND PROCEEDINGS

- Mazze, Edward M. "Management Toward the Year 2000: The Challenges and the Opportunities," in Lewis Benton (ed.). *Management for the Future*. New York: McGraw-Hill, 1978. pp. 219-228.
- Mazze, Edward M. "Public Demands on the Marketing System: Some Philosophical Dimensions," in Lewis Benton (ed.). *Private Management and Public Policy*. Lexington, MA: D.C. Heath, 1980. pp. 121-130.
- Mazze, Edward M. "Rhode Island Economic Forecast" in *Reinventing the New England Economy: What Role for Higher Education?* Walpole, MA: New England Economic Partnership-Fall Outlook Conference, November 9, 2005, pp. 77-90.
- Mazze, Edward M. "The Rhode Island Economic Forecast: A Tough Ride Ahead" in *New England's Power Puzzle: Price, Supply, Infrastructure and Regulation*. Walpole, MA: New England Economic Partnership-Spring Outlook Conference, May 11, 2006, pp. 84-96.
- Mazze, Edward M. "Rhode Island Economic Forecast: Turbulent Times" in *New England's Entrepreneurial Engine: Building Tomorrow's Economy Today*. Walpole, MA: New England Economic Partnership-Fall Economic Outlook Conference, November 14, 2006, pp.77-89.
- Mazze, Edward M. "Rhode Island Economic Forecast: The Challenges Ahead" in *From Sublime To Subprime: The Outlook for Housing – and Households – in New England*. Walpole, MA: New England Economic Partnership-Spring Outlook Conference, May 24, 2007, pp.93-103.
- Mazze, Edward M. "Rhode Island Economic Forecast: Critical Crossroads" in *Back to the Future: Regaining New England's Competitiveness*. Walpole, MA: New England Economic Partnership Fall Outlook Conference, November 13, 2007, pp. 83-93.
- Mazze, Edward M., "Rhode Island Economic Forecast: The Credit Squeeze and Job Creation," in *Crunched: Credit, Housing, and the Consequences for New England* Forecasting Our Economic Future. Walpole, MA: New England Economic Partnership Spring Economic Outlook Conference, May 30, 2008, pp. 70-81.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Feeling The Crunch," in *Frankly Speaking: New England's Economic Future*. Walpole, MA: New England Economic Partnership Fall Economic Outlook Conference. November 20, 2008. pp.71-84.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Can Rhode Island Afford the Future?," in *Can We Afford the Future? The Fiscal and Economic Outlook for New England*. Walpole, MA: New England Economic Partnership Spring Economic Outlook Conference. May 21, 2009, pp. 72-85.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Measuring Rhode Island's Economic Health," in *Re-Energizing the New England Economy: The Role of the Green Revolution*. Walpole, MA: New England Economic Partnership Fall Economic Outlook Conference, November 10, 2009, pp. 75-87.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: From Recession to Recovery: The Role of Small Business," in *Keys to an Economic Turnaround: Fostering Small Business Growth in New England*. Walpole, MA: New England Economic Partnership Spring Economic Outlook Conference, May 20, 2010, pp. 87-100.

- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: A Strategy For Reducing the State Budget Deficit," in *Deficits As Far As the Eye Can See: Seeking Solutions to Our National and State Fiscal Crises*. Walpole, MA: New England Economic Partnership Fall Economic Outlook Conference, November 17, 2010, pp. 77-88
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Building Bridges to Canada," in *New England and Canada--Economic Connections*. Walpole, MA: New England Economic Partnership Spring Economic Outlook Conference, May 19, 2011, pp. 78-89.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: The Changing Demographics of the Economy," in *Millennials, Baby Boomers and New England's Future*. Walpole, MA: New England Economic Partnership Fall Economic Outlook Conference, November 18, 2011, pp. 90-100
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Matching Skills to Jobs," in *Skills and People Matching: Where Are the Jobs?* Walpole, MA: New England Economic Partnership Spring Economic Outlook Conference, May 31, 2012, pp. 87-97.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: The Next Four Years " in *The Next Four Years: Economic Outlook in New England Post-Election*, Walpole, MA: New England Economic Partnership Fall Economic Outlook Conference, December 6, 2012, pp. 81-89.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Reexamining the Manufacturing Sector," in *Manufacturing is Changing: Is New England Ready?* Walpole, MA: The New England Economic Partnership Spring Economic Outlook Conference, May 23, 2013, pp. 87-98.
- Mazze, Edward M. and Edinaldo Tebaldi, "The Rhode Island Economic Outlook and Forecast: Boston's Impact on Our Economy," in *Universal Economics? Boston's Role in the Regional Economic Network*, Walpole, MA: New England Economic Partnership Fall Economic Outlook Conference, November 14, 2013, pp. 93-103.

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- Bird, Monroe M. and Edward M. Mazze. "Measuring the Efficiency of the Industrial Purchasing Department," *Industrial Marketing Management*, 5 (March 1976), 17-22.
- Hamelman, Paul W. and Edward M. Mazze. "Cross-Referencing Between AMA Journals and Other Publications," *Journal of Marketing Research*, 10 (May 1973), 215-218.
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- Hamelman, Paul W. and Edward M. Mazze. "Improving Product Abandonment Decisions," *Journal of Marketing*, 37 (April 1972), 20-26. Reprinted in six readings books.
- Hamelman, Paul W. and Edward M. Mazze. "Measuring the Research Impact of Business Journals: The CASPER Model," *Journal of Economics and Business*, 25 (Spring- Summer, 1973), 164-167.

- Hamelman, Paul W. and Edward M. Mazze. "Toward a Cost/Utility Model for Social Science Periodicals," *Socio-Economic Planning Sciences*, 6 (October 1972), 464-475. Reprinted in a university publication.
- Jensen, Walter, Edward M. Mazze, and Neal Miller. "Legal Reform of Prison Industries: New Opportunities for Marketing Managers," *American Business Law Journal*, 12 (Fall 1974), 173-180.
- Jensen, Walter, Edward M. Mazze, and Duke N. Stern. "New Efforts Towards a Quieter Environment: The Noise Control Act of 1972," *American Business Law Journal*, 13 (Spring 1975), 45-63
- Jensen, Walter, Edward M. Mazze, and Duke N. Stern, "The Consumer Product Safety Act: A Special Case in Consumerism," *Journal of Marketing*, 37 (October 1973), 68-71. Reprinted in three readings books.
- Mazze, Edward M. "Advertising and Market Power," *The Advertising Quarterly*, 26 (Winter 1970-1971), 32-35. Reprinted in an advertising readings book.
- Mazze, Edward M. "An Information Based Approach for Measuring the Relationship Between Public Policy and Industrial Purchasing Decisions," *Industrial Marketing Management*, 2 (October 1972), 78-83.
- Mazze, Edward M. and Candace E. Mazze "Putting a Vocational Expert to Work in a Divorce Case," *Family Advocate*, 36 (Winter 2014), 26-30.
- Mazze, Edward M. and John T. Thompson. "An Organization Development Design for Personnel Management," *Training and Development Journal*, 27 (January 1973), 48-53.
- Mazze, Edward M., Paul W. Hamelman and William H. Kucheman. "Corporate Product Planning: A Vector Analysis Approach," *Long Range Planning Journal*, 6 (June 1973), 35-38.
- Mazze, Edward M. "Determining Shopper Movement Patterns by Cognitive Maps," *Journal of Retailing*, 50 (Fall 1974), 43-48.
- Mazze, Edward M. "Impact of Public Policy on Personnel Management Decisions," *Personnel Journal*, 51 (June 1972), 43-48.
- Mazze, Edward M. "Marketing: A Consumer Socializing Agent," *The Southern Journal of Business*, 5 (January 1970), 25-29.
- Mazze, Edward M. and John T. Thompson. "Organization Renewal: Case Study of a Marketing Department," *MSU Business Topics*, 21 (Summer 1973), 39-44.
- Mazze, Edward M. "Public Policy and Advertising Decisions," *The Advertising Quarterly*, 29 (August 1971), 41-45.
- Mazze, Edward M. "The Social Role of Marketing: Some Current Issues," *The Journal of Consumer Affairs*, 5 (Summer 1971), 207-214.
- Mazze, Edward M. "University Planning: An Organization Model," *The Journal of Educational Administration*, 9 (October 1971), 207-214. Reprinted in *Long Range Planning Journal*.
- Stern, Duke N. and Edward M. Mazze. "Federal Water Pollution Control Act: Amendments of 1972," *American Business Law Journal*, 12 (Spring 1974), 81-86.

OTHER ARTICLES PUBLISHED IN

Atlanta Economic Review; Apparel Manufacturer, The American Salesman; Business Management (UK); Marquette Business Review; Interfaces; The Virginia League Quarterly (Virginia Savings and Loan Association); *Administration Briefs* (American College of Hospital Administrators); *S.A.M. Advanced Management Journal; Government Executive; Management; Product Management; The Wall Street Journal; New York Times; AMA Marketing Educator*; Providence Journal; Providence Business News;

PROFESSIONAL ASSOCIATION PRESENTATIONS

Appeared on programs of:

Academy of International Business
Academy of Marketing Science
American Agricultural Economics Association
American Assembly of Collegiate Schools of Business
Decision Sciences Institute
American Marketing Association
Eastern Academy of Management
Operations Research Society of America
New England Canada Business Council (Energy Trade and Technology Conference)
New England Economic Partnership
National Association of Corporate Directors (New England Chapter)
Turnaround Management Association (Northeast Chapter)

EDUCATION

Ph.D. **The Pennsylvania State University, 1966**
M.B.A. **City University of New York, 1962**
B.B.A. **City University of New York, 1961**

HONORARY SOCIETIES AND AWARDS

Beta Gamma Sigma
Philadelphia Bar Medal, 198

BIOGRAPHICAL LISTINGS

Who's Who in America (2012), 66th Edition
Who's Who in the World (2015), 32nd Edition
Who's Who in Advertising (1990-1991), 1st Edition
Who's Who in American Education (2007-2008), 8th Edition
Who's Who in Finance and Industry (2009-2010), 37th Edition
Who's Who in International Business Education and Research (1999)
Who's Who in the East (2007), 34th Edition
BestLawyers Preferred Expert Database (2007)