

## Economies of Scale in Red Cross Blood Centers: A Re-Evaluation

### Abstract

This paper presents a statistical analysis of the hypothesis that there are economies of scale in obtaining blood. Based on two years of Red Cross collection data we show that economies of scale do exist except possibly at very high volumes of activity. This conclusion contradicts an earlier Transfusion article by Jacobs and Rawson (7). The collection and recruitment components are also examined separately and show this same pattern of U-shaped economies of scale. In both combined costs and recruiting costs alone, a greater percentage of the variation in data is explained than by the earlier analysis.