Cases in European Competition Poiicy: The Economic Analysis

i'

Edited by

Bruce Lyons



	Contents by potentially anticompetitive business practices	page viii
	Contents by markets '•	X
	List of figures •	xi
	List of tables	xiii
	List of contributors	XV
	Preface	xvii
	Introduction: the transformation of competition policy in Europe	4
	Bruce Lyons	1
	Anticompetitive befoaviour by firms with market power	23
	Introduction	23
A.I	Abuse of a dominant position	27
l	Michelin II - The treatment of rebates Massimo Motta	29
2	Interoperability and market foreclosure in the European Microsoft case	
	Kai-Uwe Kuhn and John Van Reenen	50
4.2	Market investigations	73
3	Mobile call termination in the UK: a competitive bottleneck? Mark Armstrong and Julian Wright	75

Contents

	Relationship between buyer and seller power in retailing: UK supermarkets (2000)	
	Paul .W. Dobson	100
В	Agreements between firms	129
	Introduction	129
B.I	Cartels	135
5	The graphite electrodes cartel: fines which deter? Morten Hviid and Andreas Stephan	137
6	Assessment of damages in the district heating pipe cartel Peter Mollgaard	159
B.2	Other horizontal agreements	177
7	Interchange fees in payment card systems: price remedies in a two-sided market Jean-Charles Rochet	179
8	The Orders and Rules of British Horseracing: anticompetitive agreements or good governance of a multi-sided sport?	
	Bruce Lyons	192
В.3	Vertical agreements	217
9	Efficiency enhancing or anticompetitive vertical restraints? Selective and exclusive car distribution in Europe Frank Verboven	219
10		
10	Beer - the ties that bind Michael Waterson	245
11	Parallel trade of prescription medicines: the Glaxo <i>Dual Pricing</i> case	
	Patrick Rev and James S. Venit	268

Contents

С	Mergers , •	283
	Introduction	283
C.I	Measurement of unilateral effects ,	291
12	A merger in the insurance industiy: much easier to measure unilateral effects than expected Christian Gollier and Marc Ivaldi	293
13	Merger simulations of unilateral effects: what can we learn from the UK brewing industry?	
	Margaret E. Slade -	312
C.2	Coordinated effects	347
14	The ups and downs of the doctrine of collective dominance: using game theory for merger policy Eliana Garces-Tolon, Damien Neven and Paul Seabright	349
15	Capacity constraints and irreversible investments: defending against collective dominance in <i>UPM Kymmene/Norske Skog/Haindl</i> Kai-Uwe Kuhn and John Van Reenen	383
C.3	Vertical and conglomerate effects	411
1 6	Vertical effects between natural gas and electricity production: the Neste-IVO merger in Finland	440
	Rune Stenbacka	413
17	Horizontal, vertical and conglomerate effects: the GE-Honeywell merger in the EU	
	Xavier Vives and Gianandrea Staffiero	434
	Bibliography	465
	Index	482