



**CRESSE 2018 Lawyers' Course**  
*"The Role of Economics in Competition Law and Practice"*

**Friday, June 29th – Monday, July 2nd, 2018**  
**Heraklion, Crete, Greece**

**Detailed Course Contents**

<b>Friday, June 29th, 11:20 – 13:00</b>	<b>SESSION 1: Basic Economic Concepts and the Role of Economics I</b> by Prof. Yannis Katsoulacos (Athens University of Economics and Business)  The importance and effects of Competition Policy. Dimensions of competition – price, quality, variety, innovation. Types of competition – static vs. dynamic. Economic objectives of competition law. The use of the error-cost framework; the advantages (and disadvantages) of an economics-based approach. Demand, cost concepts, supply, profit maximisation. The notion of equilibrium.
<i>13:00 – 14:00 LUNCH BREAK</i>	
<b>Friday, June 29th, 14:00 – 15:40</b>	<b>SESSION 2: Markets, Welfare and the Benefits of Competition</b> by Prof. Patrick Rey (Toulouse School of Economics)  Markets at work: supply and demand; competitive equilibrium. Competition in practice: a market game. Measuring well-being: consumer surplus, profits and total welfare; productive and allocative efficiency. The benefits of competition.
<b>Friday, June 29th, 16:00 – 17:40</b>	<b>SESSION 3: Basic Economic Concepts and the Role of Economics II</b> by Prof. Yannis Katsoulacos (Athens University of Economics and Business)  Types of markets: perfect competition, monopoly, monopolistic competition, oligopoly. The Lerner index and the measurement of market power. The concept of market structure and its measurement (in close coordination with Session 5).
<b>Friday, June 29th, 18:00 – 19:40</b>	<b>SESSION 4: Oligopoly and Game Theory</b> by Prof. Maarten Pieter Schinkel (University of Amsterdam)  The role of oligopolies in economy. Introduction to game theory. Static games. Cournot and Bertrand models of oligopoly. Dynamic games. Applications of game theory in competition policy.



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June 30th,

09:10 – 10:50

and

11:10 – 12:50

**SESSION 5 AND 6: Assessment of Mergers**

by Dr. Matthew Bennett (Vice President, Charles River Associates)

Horizontal Mergers: Legal and economic framework; unilateral effects; the role of diversion ratios; merger simulation models; upward pricing pressure (UPP); coordinated effects; analysis of efficiencies. Conglomerate and vertical mergers.

*12:50 – 14:00 LUNCH BREAK*

Saturday,

June 30th,

14:00 – 15:40

**SESSION 7: Market Definition and Determinants of Market Power**

by Prof. Yannis Katsoulacos (Athens University of Economics and Business)

The role of product and geographic market definition in competition policy. Demand and Supply Substitution. The Hypothetical monopoly test. Critical loss analysis. Shortcomings and fallacies. Other quantitative price tests. Legal definitions, concepts and basic economics of Market Power (single firm dominance, collective dominance). Market share, concentration and other factors that enhance or reduce market power. Barriers to entry and expansion, network externalities.

Saturday,

June 30th,

16:00 – 17:40

**SESSION 8: Cartels and Other Coordinated Practices**

by Prof. Maarten Pieter Schinkel (University of Amsterdam)

Economic theory of collusion. Tacit collusion. Different forms of collusive practices including horizontal price fixing, horizontal market sharing, restrictions in production, collusive tendering, information exchanges, bid rigging. Structural factors conducive to coordinated conduct. Facilitating factors. Detecting and discouraging cartels. The role of leniency programs.

*17:40 – 17:50 Move to Conference Room "MINOS"*

Saturday,

June 30th,

17:50 - 18:30

**SPECIAL KEYNOTE LAWYERS' LECTURE**

by

Prof. Herbert HOVENKAMP

(University of Pennsylvania Law School)

*"Is the Consumer Welfare Principle Imperiled?"*

Sunday,

July 1st,

08:40 – 10:20

**SESSION 9: Assessing Economic Evidence in Courts and Introduction to the Subject of Assessment of Abusive Unilateral Conduct of Dominant Firms**

by Prof. Frederic Jenny (ESSEC Business School)

How should economic evidence be assessed in courts?  
Abusive unilateral conduct of dominant firms and attempts to monopolize: transatlantic differences. The economics-based approach. Substantive standards.



<p>Sunday, July 1st, 10:40 – 12:20</p>	<p><b>SESSION 10: Assessment of Abusive Unilateral Conduct of Dominant Firms</b> by Prof. Frederic Jenny (ESSEC Business School)</p> <p>When does foreclosure lead to competitive harm? Tests for unilateral anticompetitive abuse by dominant firms. Predatory pricing. Loyalty rebates.</p>
<p><i>12:20 – 13:40 LUNCH BREAK</i></p>	
<p>Sunday, July 1st, 13:40 – 15:20 and 15:40 – 17:20</p>	<p><b>SESSIONS 11 &amp;12: Assessment of Abusive Unilateral Conduct of Dominant Firms</b> by Prof. Damien Geradin (Euclid Law)</p> <p>Price-based exclusionary abuses – margin squeeze (predatory pricing and rebates are covered in Section 6); refusal to sell; facilitating practices. Anti-competitive and pro-competitive Exclusive Dealing. Anti-competitive and pro-competitive tying, bundling and bundled discounts.</p>
<p>Sunday July 1st, 17:40 – 18:40</p>	<p><b>SESSION 13: The Implications for Competition Policy of Behavioural Economics</b> by Prof. William Kovacic (Director, Competition Law Center, The George Washington University)</p> <p>The session examines a significant new development in competition policy. It considers the role that behavioural economics is already playing, and how this might be expected to develop going forward.</p>
<p>Monday, July 2nd, 09:00 – 10:40 and 11:00 – 12:40</p>	<p><b>SESSIONS 14 AND 15: The Economics of Inter-firm Vertical Agreements - Vertical Restraints in Practice</b> by Prof. Patrick Rey (Toulouse School of Economics)</p> <p>Categorisation of vertical restraints, economic effects of vertical restraints. Vertical coordination: double marginalisation, retail services, marketing, quality, reputation, free-riding. Competition dampening: how can vertical restraints be used to soften competition among rival structures. Facilitating practices: how can vertical restraints be used to facilitate collusion.</p>
<p>Monday, July 2nd, 14:00 – 15:40</p>	<p><b>SESSION 16: The Economics of Exploitative Abuses</b> by Dr. John Davies (Senior Vice President, Compass Lexecon)</p> <p>Excessive prices, market power and consumer welfare. Risks of intervention. United Brands: (a) price-cost tests and (b) ‘unfair’ prices. Economic measures of costs and profit. Economic value. ‘Unfair when compared with other products’ - price benchmarks. ‘Unfair in itself’? Relationship with other abuses.</p>



## **SESSION 17: Antitrust and Intellectual Property**

**by Prof. Pierre Regibeau (Vice President, Charles River Associates)**

**Monday,**

**July 2nd,**

**16:00 – 17:40**

Economics of intellectual property rights. Conflicts between objectives of antitrust and IP and role of IP in antitrust. Licensing practises under articles 101 and 102.

Agreements among groups of IP owners; standard setting; patent pools (are the effects of agreements different when IP is involved from their effects in ordinary markets?)

Abusive licensing by a single dominant IP owner.

*Note: All CRESSE Lawyers' Lectures will take place in Out of the Blue Capsis Elite Resort in Conference Room "ARIADNI C" apart from Special Keynote Lecture by Prof. Hovenkamp (on Saturday, June 30<sup>th</sup>, 17:50 – 18:30) that will take place in Conference Room "MINOS".*