

Association of Competition Economics ^{fm} **ACE**

With administrative support from:



ALMA MATER STUDIORUM
UNIVERSITÀ DI BOLOGNA
DIPARTIMENTO DI SCIENZE ECONOMICHE

ACE@15 PROGRAMME
15-16 November 2018, University of Bologna

THURSDAY 15 NOVEMBER 2018

Address: Via Andreatta 8, Bologna

09h00-09h30 Registration and Coffee

09h30-11h00 Welcome Address (Penelope Papandropoulos & Giacomo Calzolari) and First Plenary Session (ROOM A, main hall, ground floor)

From market shares and form-based approach to unilateral effects in innovation and Intel – 15 years of competition economics

Panel: John Fingleton (Fingleton Associates), Renée Duplantis (Brattle Group), Massimo Motta (Universitat Pompeu Fabra), Fiona Scott-Morton (Yale School of Management, CRA),

Chair: Lorenzo Coppi (Compass Lexecon)

11h00-11h30 Coffee Break

11h30 – 12h45 Parallel Sessions A

A.1. EU Merger – QUALCOMM/NXP	A.2. UK Merger – Tesco/Booker – Vertical merger in grocery markets	A.3. Germany Antitrust – CTS Eventim – Exclusive clauses on online platforms	A.4. Italy Antitrust – Aspen Excessive Pricing in pharmaceuticals
Room D, 1st Floor	Room C, 1st Floor	Room E, 2nd Floor	Room G, ground floor
<i>Merger clearance with remedies in semiconductors – Conglomerate/Vertical effects and bargaining power concerns</i>	<i>Local foreclosure assessed with a vGUPPI and buyer power</i>	<i>Dominance and foreclosure in the presence of exclusive clauses in online platforms</i>	<i>Methods for establishing excessive pricing in pharmaceuticals</i>
Chair: Miguel de la Mano (Compass Lexecon)	Chair: Kurt Brekke (Konkurransetilsynet)	Chair: Lapo Filistrucchi (University of Florence, TILEC)	Chair: Mike Walker (CMA)
Paul Hutchinson (RBB) Pierre Regibeau (CRA) Liliane Karlinger (DG Competition) Patrick Rey (Toulouse School of Economics)	David Foster/Jon Adlard (Frontier) Julie Bon (CMA) Howard Smith (Economics Department, Oxford)	Arno Rasek (BKartA) Lars Wiethaus (CRA) Markus Reisinger (Frankfurt School of Finance and Management)	Antonio Butta (AGCM) Paolo Buccirosi (Lear) Yossi Spiegel (Tel-Aviv University)

12h45 – 13h15 Best Paper Award (Room A, Main hall, Ground floor) – N. Miller & M. Weinberg "Understanding the price effects of the MillerCoors Joint Venture", 2017 Econometrica

13h15 – 14h30 Lunch Break - Piazza Giuseppe Verdi, 2, Bologna

14h30 – 15h45 Parallel Sessions B

B.1. France, Merger – Real estate platforms merger: SeLoger/Logicimmo	B.2. Serbia Antitrust – Collusion in the market for sunflower oil	B.3. Spain Antitrust – Collusive pricing in Financial Derivatives	B.4. Antitrust in UK Courts – Britned vs. ABB high voltage cables cartel damages
Room D, 1st Floor	Room C, 1st Floor	Room E, 2nd Floor	Room G, ground floor
<i>Merger analysis on two-sided online platforms with multi-homing</i>	<i>Quantitative and counterfactual analysis to assess anticompetitive outcomes</i>	<i>Empirical valuation of "market prices" using finance tools to calculate over-pricing</i>	<i>Damages in the high-voltage cables cartel: A practical guide to building a counterfactual using economics</i>
Chair: Emilio Calvano (University of Bologna)	Chair: Alexis Walckiers (Autorité Belge de la Concurrence)	Chair: Adina Claiici (Copenhagen Economics)	Chair: Benoît Durand (RBB)
Laurent Flochel (CRA) Etienne Pfister (Autorité de la Concurrence) Lapo Filistrucchi (University of Florence, TILEC)	Dragan Loncar (Peterhof Consulting) Sinisa Milosevic, Jelena Popovic Markopoulos (SCPP) Paolo Buccirosi (Lear)	Juan Delgado (GlobalEconomics) Alejandro Requejo (Compass Lexecon) Javier Garcia-Verdugo (CNMC) Natalia Fabra (UC3M)	James May (Oxera) Xavier Mas / Jon Adlard (Frontier) Carlo Scarpa (University of Brescia)

15h45-16h15 Coffee Break**16h15-17h45 Parallel Sessions C**

C.1. EU Antitrust – The Google Android decision	C.2. Germany Merger – Cement merger: Schwenk/Opterra	C.3. France Antitrust – Transdev/Ouibus	C.4. Antitrust in UK Courts – Unwired vs Huawei: FRAND licences for SEPs
Room D, 1st Floor	Room C, 1st Floor	Room E, 2nd Floor	Room G, ground floor
<i>Abuse of dominance in mobile operating systems and apps – bundling, etc.</i>	<i>Experimenting with new methods for defining local geographic markets and virtual slicing remedies</i>	<i>Predation by a regulated monopoly in an adjacent and newly deregulated market</i>	<i>Determination of FRAND rates and the anti-competitive nature of injunctions in SEPs disputes</i>
Chair: Vincenzo Denicolo (University of Bologna)	Chair: Bojana Ignjatovic (RBB)	Chair: Georges Siotis (UC3M, Compass Lexecon)	Chair: Greg Langus (Compass Lexecon)
Geza Sapi (DG Competition) Oliver Latham (CRA) Stephen Lewis (RBB) Alexandre de Cornière (Toulouse School of Economics)	Rainer Nitsche (E.CA) Arndt Christiansen (BKartA) Kai-Uwe Kuhn (University of East Anglia, CRA)	Helene Bourguignon (MAPP-KPMG Economics) Eshien Chong (Autorité de la Concurrence) Thibaud Vergé (ENSAE Paris Tech, CRA)	Gunnar Niels (Oxera) Pierre Regibeau (CRA) Marc Bourreau (Telecom ParisTech)

18h15-19h15 – Keynote Speech – Room A, Main hall, Ground floor**Video address by Lars-Hendrik Roller and discussion with Tommaso Valletti**

Virtual conversation between the 1st and current (5th) EU Chief Competition Economist on the role of economics in public decision making

Chair – Hans W. Friederiszick (E.CA)

20h00-22h30 Diner at Palazzo Gnudi – Via Riva di Reno, 77

FRIDAY 16 NOVEMBER 2018

Address: Via Andreatta 8, Bologna

9h15 - 10h30 Parallel Sessions D

D.1. EU Merger – Arcelor/Ilva	D.2. Switzerland Antitrust – Bid Rigging in Construction Works (See Gaster)	D.3. Antitrust in Dutch Courts – VBO vs. Funda	Ex-post assessment of the impact of state aid o competition
Room D, 1st Floor	Room C, 1st Floor	Room E, 2nd Floor	Room G, ground floor
<i>Conditional merger clearance: geographic market definition and counterfactual issues</i>	<i>Economic tools used in ex-ante screening to uncover cartels</i>	<i>Abuse of dominance on online platforms – When is preferential treatment abusive?</i>	<i>The Oxera Study assessing ex-post effects of state aid on competition and lessons for ex-ante evaluations</i>
Chair: Soledad Pereiras (Compass Lexecon)	Chair: Ana Sofia Rodrigues (Portuguese Competition Authority)	Chair: Kai-Uwe Kuhn (University of East Anglia, CRA)	Chair: Fabienne Ilzkovitz (DG Competition)
Luca di Martile (DG Competition) Joost Vandebossche (RBB) Philipp Schmidt-Dengler (University of Vienna)	Michael Funk (Swiss Economics) Yavuz Karagök (Swiss ComCo) Frode Steen (Norwegian School of Economics)	Theon van Dijk (E.CA) Sergey Khodjamirian (Compass) Nicole Rosenboom (Oxera) Jan Bouckaert (University of Antwerp, Oxera)	Nicole Robins (Oxera) David Spector (Paris School of Economics, MAPP – KPMG Economics) Vincent Verouden (E.CA) Tomaso Duso (DIW Berlin)

10h30 - 10h45 Coffee Break**10h45 - 12h15 Second Plenary Session – Room A, Main hall, Ground floor*****Competition economics in the 21st century – Digital platforms, Big Data and Artificial Intelligence – Will things really change?*****Panel:** Jacques Crémer (Toulouse School of Economics), Cristina Caffarra (CRA), Stefan Hunt (CMA), Andrea Lofaro (RBB), Tommaso Valletti (DG Competition)**Chair:** Patrick Rey (Toulouse School of Economics)**12h30-12h45 Closing Remarks****12h45-14h15 Lunch and end of the 2018 conference - Piazza Giuseppe Verdi, 2, Bologna***The local organizing committee (Giacomo Calzolari) and ACE thank the Department of Economics of the University of Bologna for its financial support*

Short description of the parallel sessions

<p>A.1. EU merger - Qualcomm/NXP</p>	<p>US cellular chip producer Qualcomm planned to acquire Dutch semiconductor firm NXP for \$ 47 billion. The European Commission cleared this merger with remedies in January 2018, but the transaction eventually failed because of regulatory resistance in other jurisdictions. This panel will discuss the economic analysis carried out by the European Commission in Phase II of the case, which centred mainly around the impact of (i) possible product bundling (in particular regarding chips for cell phone manufacturers), and (ii) the merging of the parties' IP portfolios</p>	<p>C: Miguel de la Mano, Compass Lexecon</p> <p>Paul Hutchinson, RBB Pierre Regibeau, CRA Liliane Karlinger, DG Competition Patrick Rey, Toulouse School of Economics</p>
<p>A.2. UK Merger - Tesco/Booker – vertical merger in grocery markets</p>	<p>The case concerns the vertical merger between the UK's largest grocery retailer, Tesco, and the largest grocery wholesaler, Booker. The CMA used the vertical GUPPI screen for the first time, to assess the Parties' incentives to foreclosure rivals in thousands of local markets with different competitive conditions. The merger also raised significant concerns from competitors that Tesco-Booker would benefit from increased buyer power, and this potentially dampening wholesale competition.</p>	<p>C: Kurt Brekke, Konkurransetilsynet</p> <p>David Foster/Jon Adlard, Frontier Julie Bon, CMA Howard Smith, Economics Department, Oxford</p>
<p>A.3. Germany Antitrust - CTS Eventim – Exclusive clauses on online platforms</p>	<p>In December 2017, the Bundeskartellamt prohibited the use of exclusive clauses by CTS Eventim, the leading German ticketing system for live acts, which enables event organizers to sell tickets via advance booking offices. The Bundeskartellamt held that there were substantial indirect network effects at place between these two user groups and that the exclusivity clauses essentially prevented them from multi-homing and thus foreclosed competing ticketing systems. The parties' economic expert criticized inter alia that the Bundeskartellamt's market definition was too narrow, that CTS wasn't dominant and that rebates implicit in the exclusive contracts would not foreclose customers (prices passed the AEC test).</p>	<p>C: Lapo Filistrucchi, University of Florence, TILEC</p> <p>Arno Rasek, BKartA Lars Wiethaus, CRA Markus Reisinger, Frankfurt School of Finance and Management</p>
<p>A.4. Italy Antitrust - Aspen Excessive Pricing in pharmaceuticals</p>	<p>In September 2016 the Italian Competition Authority found that Aspen had charged an excessive price for a portfolio blood cancer drugs after their price was raised by 300%-1,500%. The case offers the opportunity to discuss when prices are considered excessive.</p>	<p>C: Mike Walker, CMA</p> <p>Antonio Butta, AGCM Paolo Buccirosi, Lear Yossi Spiegel, Tel-Aviv University</p>

<p>B.1. France, merger – Real estate platforms mergers: Seloger/Logicimmo</p>	<p>In February 2018, the French Competition Authority authorized the merger of two platforms operating in the online publication of property ads for real estate professionals. The competitive analysis entailed primarily a study of the risks of price increases, the exclusion of competitors and the coordinated effects on the property ads market for real estate professionals.</p>	<p>C: Emilio Calvano, University of Bologna Laurent Flochel, CRA Etienne Pfister, Autorité de la Concurrence Lapo Filistrucchi, University of Florence, TILEC</p>
<p>B.2. Serbia Antitrust - Collusion in the market for sunflower oil</p>	<p>In 2017 the Commission for Protection of Competition of the Republic of Serbia (CPC) fined two Serbian edible oil producers for entering into an anticompetitive horizontal agreement concerning the outsourcing of production of refined consumable sunflower oil. The collusive outcome was a result of a high degree of commonality of costs between the two (out of existing four) competitors on the market, and a framework which facilitated the exchange of commercially sensitive information. This panel will discuss the economic analysis carried out by the CPC to assess the effects of the agreement as well as counterfactual, i.e. the situation that would have existed on the Serbian market for refined consumable sunflower oil in the absence of the disputed agreement (so-called "but-for test").</p>	<p>C: Alexis Walckiers, Autorité Belge de la Concurrence Dragan Loncar, Peterhof Consulting Sinisa Milosevic, Jelena Popovic Markopoulos, Serbian CPC Paolo Buccirosi, Lear</p>
<p>B.3. Spain Antitrust – Collusive pricing in Financial Derivatives</p>	<p>The Spanish Competition authority has fined four financial entities for coordinating to fix supra-competitive prices in the contracting of financial derivatives for risk hedging, such as interest rate swaps and collars. Discussions will include theoretical modelling and efficiencies considerations and involve two economic consultants besides the authority and the academic discussant.</p>	<p>C: Adina Claiaci, Copenhagen Economics Juan Delgado, GlobalEconomics Alejandro Requejo, Compass Lexecon Javier Garcia-Verdugo, CNMC Natalia Fabra, UC3M</p>
<p>B.4. Antitrust in UK Courts - Britned vs ABB high voltage cables cartel damages</p>	<p>In October 2018, the High Court of England and Wales awarded damages to BritNed of 13 million, which represents a small proportion of the 180 million claimed, in the first cartel claim to reach final judgment, involving a full trial. The judgement provides some insights about how courts are likely to assess economic expert evidence.</p>	<p>C: Benoît Durand, RBB James May, Oxera Xavier Mas / Jon Adlard, Frontier Carlo Scarpa, University of Brescia</p>

<p>C.1. EU Antitrust – the Google Android decision</p>	<p>In July 2018, the European Commission fined Google over 4 Billion Euros for imposing illegal restrictions on Android device manufactures and mobile network operators. This is twice as much as the 2017 fine for favoring Google's own services on internet search results. The allegedly anticompetitive practices include tying, exclusivity rebates, and attempts to prevent the development of alternative versions of the Android operating system.</p>	<p>C: Vincenzo Denicolo, University of Bologna Geza Sapi, DG Competition Oliver Latham, CRA Stephen Lewis, RBB Alexandre de Cornière, Toulouse School of Economics</p>
<p>C.2. Germany Merger – Cement merger: Schwenk/Opterra</p>	<p>The case concerned the planned acquisition of two cement plants of Opterra by rival producer Schwenk, which was finally abandoned by the parties. Among the interesting economic issues was the definition of the relevant geographic market by the Bundeskartellamt on the basis of high-resolution supply stream data to cover actual customer overlap. The parties presented an innovative remedy (offering a "virtual slice" of one cement plant), which, however, failed the market test.</p>	<p>C: Bojana Ignjatovic, RBB Rainer Nitsche, E.CA Arndt Christiansen, BKartA Kai-Uwe Kuhn, University of East Anglia, CRA</p>
<p>C.3. France Antitrust - Transdev/Ouibus</p>	<p>Transdev, a coach operator offering intercity services, accused SNCF of leveraging its dominant position in rail transport to massively cross-subsidize Ouibus, SNCF's own intercity coach service. Transdev claimed that Ouibus was practising predatory prices. Noting that this was an emerging market and that Ouibus' prices were not the lowest, the French Competition Authority rejected the complaint on June 1 2017.</p>	<p>C: Georges Siotis, UC3M, Compass Lexecon Helene Bourguignon, MAPP-KPMG Economics Eshien Chong, Autorité de la Concurrence Thibaud Vergé, ENSAE Paris Tech, CRA</p>
<p>C.4. Antitrust in UK Courts - Unwired vs Huawei: FRAND licences for SEPs</p>	<p>In its April 2017 Judgment in Unwired Planet v Huawei, the High Court in London has determined a FRAND royalty rate - a first time for a UK court. The judge made a number of findings that will have a considerable impact on the licensing negotiations in the telecommunications sector; the panel will unpack and analyze some of these findings.</p>	<p>C: Greg Langus, Compass Lexecon Gunnar Niels, Oxera Pierre Regibeau, CRA Marc Bourreau, Telecom</p>
<p>D.1. EU Merger - Arcelor/Ilva</p>	<p>The operation combines ArcelorMittal with the main assets of Ilva. The Commission investigation raised concerns that the merger could result in higher prices for hot rolled, cold rolled and galvanized flat carbon steel, particularly in Southern Europe, and concluded that imports are not a sufficient constraint to offset these unilateral effects. The merger was approved subject to conditions in May 2018.</p>	<p>C: Soledad Pereiras, Compass Lexecon Luca di Martile, DG Competition Joost Vandebossche, RBB Philipp Schmidt-Dengler, University of Vienna</p>

<p>D.2. Switzerland Antitrust - Bid Rigging in Construction Works (See Gaster)</p>	<p>Screening tools can mitigate the dependency on whistle-blowers and leniency applicants and enable the authorities to fight against bid rigging cartels proactively. The Investigation "See Gaster" in Switzerland was triggered by an ex-ante screening method developed by the Swiss Competition Commission. The investigation indicated the presence of a bid rigging cartel in the region "See Gaster" in 2016. The session will cover the strengths and weaknesses of screening methods with a concrete example.</p>	<p>C: Ana Sofia Rodrigues, Portuguese Competition Authority</p> <p>Michael Funk, Swiss Economics Yavuz Karagök, Swiss ComCo Frode Steen, Norwegian School of Economics</p>
<p>D.3. Antitrust in Dutch Courts - VBO vs Funda</p>	<p>Early 2018 the Amsterdam Court concluded that Funda Real Estate, the largest Dutch residential real estate property website, had a dominant position. However, in its judgement, the Court did not find any evidence for Funda having abused its dominant position. The Court regarded Funda's discriminatory listing of rival real estate property agents not to be distortive of competition in the relevant market.</p>	<p>C: Kai-Uwe Kuhn, University of East Anglia, CRA</p> <p>Theon van Dijk, E.CA Sergey Khodjamirian, Compass Nicole Rosenboom, Oxera Jan Bouckaert, University of Antwerp, Oxera</p>
<p>D.4. Ex post assessment of the impact of state aid on competition</p>	<p>The study discussed by this panel develops an analytical framework to be used for the assessment of the impact of State aid on competition. This framework is then applied in four case studies. The four cases concern: (1) regional aid to an airport in the UK; (2) environmental aid to a starch producer in France; (3) aid for research and development to a substrates manufacturer in France; and (4) aid for services of general economic interest provided by a postal operator in Italy.</p>	<p>C: Fabienne Ilzkovitz, DG Competition</p> <p>Gunnar Niels, Oxera David Spector, Paris School of Economics, MAPP – KPMG Economics Vincent Verouden, E.CA Tomaso Duso, DIW Berlin</p>