

**CRESSE Lawyers' School**  
*Sunday, July 6<sup>th</sup> – Friday, July 11<sup>th</sup> 2014*  
*Corfu island, Greece*

*The Role of Economics  
in Competition Law and Practice*



Organised by the  
Competition and Regulation  
European Summer School and Conference  
(CRESSE)  
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## Overview - Objectives

The **objective of the course** is to introduce the economic theories that underlie competition law, the methods and tools that are used to assess whether business practices are socially harmful or benign and the economic issues related to the enforcement of the law. It is designed to provide students with a deep understanding of economic concepts and theories and of how they are applied to competition policy and a solid grounding in the tools and methods used in the examination of specific cases.

The course is **taught by some of the foremost competition economists in the world**. It covers both an introduction to microeconomics, game theory and industrial organisation theory, as well as, all the areas in the application of economics to competition policy. The latter includes the analysis of market power, market definition, cartels and other coordinated behaviour, abusive unilateral conduct by dominant firms (all exclusionary practices), vertical restraints, horizontal and vertical mergers, antitrust and intellectual property, issues related to the evaluation of damages in competition cases and the assessment of fines and issues related to the assessment of economic evidence in courts.

The course is provided concurrently with the acclaimed **CRESSE Summer School in Competition Economics** ([www.cresse.info](http://www.cresse.info)) that will be given for the ninth consecutive year in 2014, the participants of which are also practicing professionals and PhD students, but mostly with some economics or technical background<sup>1</sup>.

### Who is the course for?

The **course is targeted to lawyers** practicing in competition law or in another field of law in which knowledge of economics is helpful. As such, the course does not require students to have any prior knowledge of economics or quantitative techniques. Lectures rely on verbal descriptions and graphs to convey key concepts and **special emphasis is given in drawing on case examples** in order to review and apply the economic principles and methods.

There are no formal entry requirements but the course is designed for legal practitioners looking to gain a rigorous introduction to the increasingly important role that economics plays in competition law. Applicants will be asked to fill in a **Application Form** (see below) demonstrating their suitability for the course, including a **short personal statement** that indicates what they hope to achieve from attending it.

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<sup>1</sup> Apart from this difference, the regular CRESSE Summer School runs over two weeks, it is of 104 academic hours duration in contrast to the 32 hours duration of the course described here that is directed to lawyers and includes additional modules on advanced quantitative techniques and on sectoral regulation.

## Key Benefits

- Gives an extensive in-depth insight into the economics needed for competition law cases.
- Programme material is written by experts – some of the foremost experts in the world in competition economics.
- Each participant will receive a signed **Certificate of Attendance**, which includes details for the Sessions attended, of their duration and of the instructors that were involved in the teaching of each Module. The Certificate of Attendance is sent to each participant at about the end of September.
- The course gives the opportunity to participants to obtain within **just one week** an extensive introduction to the economics that underlie the assessment of competition law cases, in beautiful surroundings.

## Structure – Duration (2014 Lawyers' School)

The 2014 CRESSE Course on the Role of Economics in Competition Law and Practice will run from Sunday afternoon, 6th of July 2014, to the following Friday afternoon, 11th of July 2014. **The teaching method is by two-hour seminars.** Apart from Sunday (1 afternoon session), in all other days there will be 3 sessions per day of 2 academic hours each – two sessions in the morning and one after lunch. The sessions each day will end at 3:30 in early afternoon.

Two **Special Lectures** will also take place delivered by **Professor Amelia Fletcher** (University of East Anglia) and **Professor Massimo Motta** (Chief Economist, DG COMP).

**In total, the Course will be 16 sessions or 32 academic hours** (1 academic hour = 50 minutes).

## Location

### ❖ Venue

The course will be held in **GRECOTEL CORFU IMPERIAL EXCLUSIVE RESORT** ([www.corfuimperial.com](http://www.corfuimperial.com)) in the beautiful island of **Corfu** ([www.corfu.gr/web/guest/home](http://www.corfu.gr/web/guest/home)) in Greece.

### ❖ Accommodation

Participation in the course **includes the cost of accommodation** for six nights in two alternative hotels and transportation to and from the seminar venue. Participants may choose one of the following hotels:

- **AQUIS PARK HOTEL CORFU** ([www.parkhotelcorfu.eu](http://www.parkhotelcorfu.eu)) (**all inclusive**) in the village of Gouvia, a beautiful village which combines the calmness of the day and the lively atmosphere of the night, 8 km north of Corfu town

- **AQUIS MON REPOS PALACE** ([www.aquisresorts.com/aquisresorts/mon-repos-palace-overview.aspx](http://www.aquisresorts.com/aquisresorts/mon-repos-palace-overview.aspx)) (**breakfast only**) located at the tip of Garitsa bay, only 1 km away from the historical “old Town of Corfu”.

## Detailed Course Contents

<b>Sunday,</b> 15:00 – 16:40	<b>SESSION 1</b> <b>Basic economic concepts and the role of economics</b>
<b>Lecturer:</b>  <b>Prof. Pierre Regibeau</b> <i>(Vice-President, Charles River Associates)</i>	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. 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>Sunday, 16:45 – 17:30</b> <b>SPECIAL LECTURE</b>	
<b>Prof. Massimo Motta</b> <i>(Chief Economist DG COMP)</i> <b><i>Title: TBA</i></b>	
<b>Monday,</b> 09.00 – 10:40	<b>SESSION 2:</b> <b>Markets, Welfare and the Benefits of Competition</b>
<b>Lecturer:</b>  <b>Prof. Patrick Rey</b> <i>(Toulouse School of Economics)</i>	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.

<p><b>Monday, 10:55 – 12:35</b></p>	<p><b>SESSION 3: Oligopoly and game theory</b></p>
<p><b>Lecturer:</b></p> <p><b>Prof. Joe Harrington</b> <i>(Dept. of Business Economics and Public Policy, The Wharton School, University of Pennsylvania)</i></p>	<p>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.</p>
<p><b>Monday, 13:50 – 15:30</b></p>	<p><b>SESSION 4: Cartels and other coordinated practices</b></p>
<p><b>Lecturer:</b></p> <p><b>Prof. Joe Harrington</b> <i>(Dept. of Business Economics and Public Policy, The Wharton School, University of Pennsylvania)</i></p>	<p>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.</p>
<p><b>Monday, 15:45 – 17:15 SPECIAL LECTURE</b></p>	
<p><b>Prof. Amelia Fletcher</b> <i>(University of East Anglia, former Chief Economist, OFT)</i> <b><i>“The implications for competition policy of behavioral economics and on-line markets”</i></b></p>	

<p><b>Tuesday, 9:00 – 10:40</b></p>	<p><b>SESSION 5 Market Definition and Determinants of Market Power</b></p>
<p><b>Lecturer:</b>  <b>Prof. Yannis Katsoulacos</b> <i>(Athens University of Economics and Business)</i></p>	<p>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.</p>
<p><b>Tuesday, 10:55 – 12:35</b></p>	<p><b>SESSION 6 Assessing economic evidence in courts and introduction to the subject of assessment of abusive unilateral conduct of dominant firms</b></p>
<p><b>Lecturer:</b>  <b>Prof. Frederic Jenny</b> <i>(ESSEC Business School)</i></p>	<p>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>
<p><b>Tuesday, 13:50 – 15:30</b></p>	<p><b>SESSION 7 Assessment of abusive unilateral conduct of dominant firms</b></p>
<p><b>Lecturer:</b>  <b>Prof. Frederic Jenny</b> <i>(ESSEC Business School)</i></p>	<p>When does foreclosure lead to competitive harm? Tests for unilateral anticompetitive abuse by dominant firms. Predatory pricing. Loyalty rebates.</p>

<p><i>Wednesday, 09:00 – 10:40 and 10:55 – 12:35</i></p>	<p><b>SESSIONS 8 AND 9</b> <b>Assessment of abusive unilateral conduct of dominant firms</b></p>
<p><b>Lecturer:</b>  <b>Prof. Patrick Legros</b> <i>(Université libre de Bruxelles)</i></p>	<p>Price-based exploitative and exclusionary abuses – excessive pricing, price discrimination and margin squeeze; refusal to sell (in close coordination with session 16); facilitating practices. Anti-competitive and pro-competitive Exclusive Dealing (in close coordination with sessions 10 and 11). Anti-competitive and pro-competitive tying, bundling and bundled discounts.</p>
<p><i>Wednesday, 13:50 – 15:30 and Thursday, 9:00 – 10:40</i></p>	<p><b>SESSION 10 AND 11</b> <b>The Economics of Inter-firm Vertical Agreements - Vertical Restraints in practice</b></p>
<p><b>Lecturer:</b>  <b>Prof. Patrick Rey</b> <i>(Toulouse School of Economics)</i></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><b>Thursday,</b> <b>10:55 – 12:35 and</b> <b>13:50 – 15:30</b></p>	<p><b>SESSIONS 12 and 13</b> <b>Assessment of Mergers</b></p>
<p><b>Lecturer:</b>  <b>Prof. Bruce Lyons</b> <i>(University of East Anglia)</i></p>	<p>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.</p>
<p><b>Friday,</b> <b>09:00 – 10:40</b></p>	<p><b>SESSION 14</b> <b>Evaluating damages in competition cases and assessment of fines</b></p>
<p><b>Lecturer:</b>  <b>Prof. Maarten Pieter Schinkel</b> <i>(Amsterdam Center for Law and Economics)</i></p>	<p>The European Commission’s fining guidelines, in combination with leniency and settlements. Dimensions for challenges and strategic behaviour. Quantification of damages by various methods (before-during-after, yardstick, structural modeling). Determination of begin and end dates; overcharges; lost profits; pass-on; interest and yield.</p>
<p><b>Friday,</b> <b>10:55 – 12:35 and</b> <b>13:50 – 15:30</b></p>	<p><b>SESSIONS 15 and 16</b> <b>Antitrust and Intellectual Property</b></p>
<p><b>Lecturer:</b>  <b>Prof. Pierre Regibeau</b> <i>(Vice President, Charles River Associates)</i></p>	<p>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.</p>

**Lecturers (including Special Lecture Speakers)**  
(in alphabetical order)



**Prof. Amelia Fletcher**  
(University of East Anglia)

**URL:**  
<http://business.uea.ac.uk/people/amelia-fletcher>

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**Prof. Joe Harrington**  
(Dept. of Business Economics and Public Policy, The Wharton School, University of Pennsylvania)

**URL:**  
<https://bepp.wharton.upenn.edu/profile/21516/>

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**Prof. Frederic Jenny**  
(ESSEC Business School)

**URL:**  
<http://www.essec.edu/faculty/fred-eric-jenny>

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

**URL:**  
[http://www.aueb.gr/pages\\_en/prosopiko/faculty\\_en\\_short.php?facid=1206](http://www.aueb.gr/pages_en/prosopiko/faculty_en_short.php?facid=1206)

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**Prof. Patrick Legros**  
(Université libre de Bruxelles)

**URL:**  
<http://www.plegros.net/>

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**Prof. Bruce Lyons**  
(University of East Anglia)

**URL:**  
<http://www.uea.ac.uk/economics/people/All+People/Academic/blyons>

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**Prof. Massimo Motta**  
(Chief Economist DG COMP)

**URL:**  
<http://www.barcelonagse.eu/MassimoMotta.html>

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**Prof. Pierre Regibeau**  
(Charles River Associates)

**URL:**  
[http://www.crai.com/ecp/staff/regibeau\\_p.htm](http://www.crai.com/ecp/staff/regibeau_p.htm)

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**Prof. Patrick Rey**  
(Toulouse School of Economics)

**URL:**  
<http://idei.fr/member.php?i=50>

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**Prof. Maarten Pieter Schinkel**  
(Amsterdam Center for Law and Economics)

**URL:**  
<http://www.mpschinkel.nl/>

## Fees and how to apply

### ❖ If you wish to apply

Those who are interested in applying to the Lawyers' Summer School "The Role of Economics in Competition Law and Practice" should fill in the **Application Form** available **on line** in

<http://www.cresse.info/uploadfiles/Lawyers'ApplicationForm.doc>

and send it together with a **short CV** to the CRESSE Secretariat ([info@cresse.info](mailto:info@cresse.info)).

### ❖ Fees Structure and Special Discounts

	Amount	It Includes:
Participation in the School	<b>2150 euro</b>	<ul style="list-style-type: none"><li>- Participation in all the sessions of the Lawyers' School (1 week)</li><li>- Lawyers' School material - detailed notes written by each of the experts</li><li>- 6 days accommodation in one of the alternative hotels (see above "accommodation")</li><li>- Transportation from hotel to the School Venue and return</li><li>- Participation in the Coffee Breaks</li></ul>
1 <sup>st</sup> Early applicants discount	<b>1850 euro</b>	It includes all the above provided that the applicant has registered and paid at least 50% of the fees <b><u>before March 15th 2014</u></b>
2 <sup>nd</sup> Early Applicants discount	<b>1950 euro</b>	It includes all the above provided that the applicant has registered and paid at least 50% of the fees <b><u>before May 3rd 2014</u></b>
Discount for Organizations	<b>1400 euro</b>	For the second and additional participants from the same organisation

## Contact

For any additional information please contact:

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