

ANTITRUST LAW

Description

This course provides an introduction to the legal doctrines, public policies, and intellectual theories that inform the practice and administration of federal antitrust law. Throughout the semester, you will encounter problems posed by monopolies, mergers, joint ventures, tying arrangements, exclusive dealing, collaboration in pricing, and other business behavior, as they have arisen in a wide variety of industries and markets. We will discuss these problems together, applying the recurring terms and elements of antitrust law, including geographic market definition, product market definition, entry barriers, market foreclosure, antitrust injury, legitimate business purposes, market structure, market concentration, market performance, market failure, monopoly power, market power, the rule of reason, and the per se rule. After taking this course, you will be familiar with the historical development of the law, its present state, and the ideologies and policy choices that will shape its future paths. You will also be able to apply the principles of antitrust law to new industries and markets, so that you can be an informed observer, or even a participant, in its future development.

Casebook, Supplement, and Additional Materials

The casebook is PITOFKY ET AL., *TRADE REGULATION: CASES AND MATERIALS* (6th ed. 2010), published by Foundation Press. Further required materials will be posted on the course Web site, as indicated in the reading assignments below (“Web”) or as announced in class.

Web-Based Simulations

Accompanying certain topics are Web-based simulations that may assist you in visualizing some of the more technical concepts in the course. In each case, try inputting different values and options and see if you can predict the outcomes of the simulation before they happen. This mode of learning may be new to many of you. If you experience any difficulties, try asking a classmate for help, or come by during office hours and we’ll work through it together.

Class Participation and Grading

The class will be divided into three rotating “on-call” groups. “On-call” assignments are specified by reading units (see below), not class days. You may volunteer during any class session, and are strongly encouraged to do so. If you are on call but unprepared and wish to be spared being called on in class, you may email or speak to me before class and I will do my best to remember not to call on you.

During class, you may not use your computer in a way likely to distract other students from appropriate classroom activities.

There will be a three-hour open book, open note final examination. Your participation grade will be A+, which will count for between 0% and 20% of your final grade, based on the overall quality of your assigned and unassigned participation. The examination likely will consist of three or four questions, at least one of which will involve some discussion of theoretical and policy issues, and the remainder of an issue-spotting variety similar to the assigned problems.

Office Hours

Room 5079, 962-4116. Tuesdays and Thursdays, 10:45-12; other times if my door is open; and by appointment. At other times, email is preferred. Do not rely on voicemail for time-sensitive matters.

Secretary

Doug Debaugh, Faculty Support Center, Room 5125.

Order of Topics

The principal cases are listed for your convenience; however, you are responsible for all of the material on the pages listed, whether or not it is covered in class. *Minor revisions to this syllabus are likely; they will be announced in class and posted on the class Web site.*

<i>Unit</i>	<i>Group</i>	<i>Topics</i>	<i>Principal Cases</i>	<i>Pages (S=Supplement)</i>	<i>Problems</i>
1		Antitrust policy		1-14	
2	1	Historical cases; competition, monopoly and economic performance	Dyer's, Schoolmaster, Case of Monopolies, Mitchel	14-35	
3		Monopoly power and market performance		149-52; Web demo	
4	2	Legislative history; cartels; early cases	Trans-Missouri Freight, Addyston Pipe & Steel	35-46	
5	3	Monopoly power; introduction to market definition	Alcoa, DuPont (Cellophane)	112-145	
6	1	Product market definition	Microsoft, Staples, Oracle	98-101, 147-48, 767-72, 1057-59, 1073-75	
7	2	Geographic market definition	Grinnell	152-75	1
8	3	Cartels: The "per se" rule	Chicago Board of Trade, Appalachian Coals, Socony Vacuum	188-209	2
9	1	Cartels: Characterization questions	Superior Court Lawyers, BMI, Virginia Excelsior	209-11, 215-30, 355-59	
10	2		NCAA, Brown University	230-56, 273-74	3
11	3	Cont'd	California Dental, Texaco	256-74	4
12	1	Market division	Topco, General Leaseways, Palmer	283-306	5
13	2	Concerted refusals to deal	Fashion, Klor's, Nynex	307-22	
14	3	Cont'd	Toys "R" Us, Radiant Burners, Rambus	484-96, 327 (n.12)-337	
15	1	Cont'd	Northwest Stationers, Indiana Dentists	337-54, 360-61	6
16	2	Joint ventures	Associated Press, SCFC ILC	361-378, 383-89	7

17	3	Price leadership and “conscious parallelism”	Interstate Circuit, Theatre Enterprises, Twombly	469-84, 496-99
18	1	Vertical price fixing	Leegin	625-49
19	2	Customer/territorial restraints	Continental TV, Colgate	653-71, 681-88
20	3	Vertical restraints and refusals to deal	Monsanto, Business Electronics	688-710
21	1	Monopolization	Aspen Skiing, Eastman Kodak, Verizon	726-47
22	2	Cont’d	Microsoft	747-56 (n.2), 772- 89
23	3	Exclusive dealing	Dentsply	948-63
24	1	Predatory pricing	Brooke Group	823-48
25	2	Tying arrangements	Jefferson Parish, Microsoft	867-85, 906-12