

Effective Use of Economics in Competition Enforcement

PANEL II

MODELING VS. STORYTELLING: FINDING THE RIGHT BALANCE?

Economic model: panaceum of antitrust?

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The „substantive” antimonopoly law:

- two legal provisions (101/102, 6/9)
- several textlines
- undefined terms prevail
(„controlling of production”, „imposing
onerous contract terms”, etc.)

Antimonopoly law „in a pill” consists of two rules:

I. Do not conspire!

II. Do not abuse your power!

The rest are „just comments”.
(And those are exactly what we need!)

When an economic model looks attractive to us?

Vertical Block Exemption Regulation No. 330/2010

Article 6

Non-application of this Regulation

Pursuant to Article 1a of Regulation No 19/65/EEC, the Commission may by regulation declare that, where parallel networks of similar vertical restraints cover more than 50 % of a relevant market, this Regulation shall not apply to vertical agreements containing specific restraints relating to that market.

Cumulated development effects of parallel networks – an example

$$\sum x_1 + x_2 + x_3 + \dots + x_n \geq y$$

x_1, x_2, x_3, x_n = subsequent purchase exclusivity of „drivers”

$y \geq [30-50]\%$ = value of the antimonopoly „critical mass”

Several issues to consider:

***Who? What? Why? Where? By
what means? How? When?***