



# IDEI-R Conference on

## « *The Economics of The Software and Internet Industries* »

*Toulouse, January 18-20, 2001*

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# Program

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**THURSDAY, January 18, 2001**

9:00 **Registration**

9:15 **Welcoming Address by J.J. LAFFONT**

## E-COMMERCE 1

**Chair: B. Jullien**

9:30 – 11:00 **D. ULPH** (University College London) and **N. VULKAN** (University of Bristol)  
"E-Commerce, Mass Customisation and Price Discrimination"

**P. LEGROS** (ECARES) and **K. STAHL** (University of Mannheim)  
"Global vs. Local Competition: The Case of E-Commerce"

*Discussant: C. Shapiro* (University of California, Berkeley)

11:00 – 11:30 **Coffee break** ☕

**Chair: O. Ashenfelter**

11:30 – 12:30 **G. ELLISON** (MIT and NBER) and **S. FISHER ELLISON** (MIT)  
"Search, Obfuscation, and Price Elasticities on the Internet"

*Discussant: M. Motta* (European University Institute, Florence)

12:30 – 14:00 **Lunch**

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## SOFTWARE INDUSTRY

**Chair: G. Saint-Paul**

14:00 – 15:30 **J. JOHNSON** (Cornell University)  
"Some Economics of Open Source Software"

**M. IVALDI** (EHESS and IDEI) and **J. FONCEL** (GREMARS, Université de Lille III)  
"Operating System Prices in the Home PC Market"

*Discussant: D. Evans* (NERA)

15:30 – 16:00 **Coffee break** ☕

## COMPATIBILITY ISSUES

**Chair: L. Waverman**

16:00 – 18:00 - **J.H. HAHN** (Keele University)  
"Functional Quality Degradation of Software with Network Externalities"

- **C. STEFANADIS** (Federal Reserve Bank of New York) and **J. P. CHOI** (Michigan State University, East Lansing)  
"Tying, Investment, and the Dynamic Leverage Theory"

- **J. NAHM** (Hong Kong University of Science and Technology)  
"The Effect of Compatibility on Software Supply and Hardware Demand: Forward and Backward Compatibility"

*Discussant: P. Rey* (IDEI)

20:00 **Dinner "Château de Launac"**

**FRIDAY, January 19, 2001**

**E-COMMERCE 2**

**Chair: J. Choi**

9:30 – 11:00 **P. PEREIRA** (Universidad Complutense de Madrid) and C. MAZÓN (Universidad Complutense de Madrid)  
"Electronic Commerce, Consumer Search and Retailing Cost Reduction"

**B. CAILLAUD** (CERAS -ENPC, Paris) and B. JULLIEN (GREMAQ-IDEI)  
"Chicken and Egg: Competing Matchmakers"

*Discussant: P. Aghion (Harvard University and University College London)*

11:00 – 11:30 **Coffee break** ☕

**Chair: J. Crémer**

11:30 – 12:30 **F. ZETTELMAYER** (University of California, Berkeley), F. SCOTT MORTON (Yale University) and J. RISSO (J.D. Power and Associates)  
"Internet Car Retailing"

*Discussant: X. Vives (Institut d'Análisis Económica, CSIC)*

12:30 – 14:00 **Lunch**

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**ALLIANCES**

**Chair: D. Newbery**

14:00 – 15:30 **D. ELFENBEIN** (Harvard University) and J. LERNER (Harvard University)  
"Links and Hyperlinks: An Empirical Analysis of Internet Portal Alliances, 1995-1999"

**P. DOGAN** (GREMAQ)  
"Vertical Integration in the Internet Industry"

*Discussant: D. Fudenberg (Harvard University)*

15:30 – 16:00 **Coffee break** ☕

**INTERCONNECTION**

**Chair: K. Stahl**

16:00 – 18:00 **N. GANDAL** (Tel Aviv University , Univ. of California-Berkeley and CEPR) and D. DRANOVE (Northwestern University)  
"The DVD vs DIVX Standard War: Empirical Evidence of Vaporware"

**L. SORGARD**, O. FOROS and H. J. KIND (Norwegian School of Economics and Business Administration )  
"Access Pricing, Quality Degradation, and Foreclosure in the Internet"

**J. TIROLE (IDEI)**, J.J. LAFFONT (IDEI), S. MARCUS (GENUITY) and P. REY (IDEI)  
"Internet Interconnection and the Off-Net-Cost Pricing Principle"

*Discussant: M. Riordan (Columbia University)*

**SATURDAY, January 20, 2001**

**NETWORK EXTERNALITIES**

**Chair : H. Cremer**

8:30 – 9:30      **T. BRESNAHAN** (Stanford University)  
"Network Effects in the Microsoft Case"

*Discussant: J. Crémer (IDEI)*

9:30 – 10:00      **Coffee break** ☕

**ROUNDTABLE ON INTELLECTUAL PROPERTY RIGHTS**

**Chair: P. Seabright**

10:00 – 12:00

- **J. BESSEN** (Research on Innovation)
- **J. LERNER** (Harvard University)
- **C. SHAPIRO** (University of California, Berkeley)
- **J. TIROLE** (IDEI)

12:30              **Lunch**