



Fifth bi-annual conference on
*« The Economics of the Software
and Internet Industries »*

Toulouse, January 8-9, 2009

SCIENTIFIC COMMITTEE

Daron Acemoglu, Philippe Aghion, Susan Athey, Glenn Ellison, Luis Garicano, Michael Katz, Josh Lerner, Preston McAfee, John Van Reenen and Hal Varian.

ORGANIZING COMMITTEE

Jacques Crémer, Bruno Jullien and Paul Seabright.

CONFERENCE VENUE

Hôtel Mercure ATRIA
Amphithéâtre Verdi
Boulevard Lascrosses
8, Esplanade Compans Caffarelli
31000 Toulouse - France

CONFERENCE SECRETARIAT

Florence Chauvet
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Speakers have 25 minutes, discussants 10 minutes, remaining time for open questions.

Thursday, January 8, 2009

8:45 – 9:00 Introduction and welcome by Patrick REY, Director of IDEI

PLENARY SESSION 1 – Auctions and mechanisms

☞ *Amphi. Verdi*

Chair: Patrick REY (TSE, GREMAQ and IDEI)

9:00 – 9:40 **Glenn ELLISON** and Susan ATHEY (Harvard University and MIT)
Position Auctions and Consumer Search

Discussant: **Michael WHINSTON** (Northwestern University)

9:40 – 10:20 **Chrysanthos DELLAROCAS** (Robert H. Smith School of Business, University of Maryland)
Simultaneous Auctions of Imperfect Substitute Goods by Sellers of Different Reputations

Discussant: **Bruno JULLIEN** (TSE, GREMAQ and IDEI)

10:20– 11:00 **Jason HARTLINE** (Northwestern University, Electrical Engineering and Computer Science), Liad BLUMROSEN (Microsoft Research) and Shuzhen NONG (Microsoft AdCenter)
Position Auctions and Non-uniform Conversion Rates

Discussant: **Yossi SPIEGEL** (Tel Aviv University)

11:00 – 11:20 **Coffee break** ☕

PARALLEL SESSION 1 – Standards, licensing

☞ *Amphi. Verdi*

Chair: Wilfried SAND-ZANTMAN (TSE, GREMAQ and IDEI)

11:20 – 12:00 **Jean TIROLE** (TSE and IDEI) and Josh LERNER (Harvard Business School)
More on Patent Pools

Discussant: **Patrick REY** (TSE, GREMAQ and IDEI)

12:00 – 12:40 **Reiko AOKI** (IER, Hitotsubashi University and University of Auckland) and Aaron SCHIFF (University of Auckland)
Collective Rights Organizations and Investment in Upstream R&D

Discussant: **Wilfried SAND-ZANTMAN** (TSE, GREMAQ and IDEI)

PARALLEL SESSION 2 – Web 2.0

☞ *Room Seria 1*

Chair: Paul SEABRIGHT (TSE, GREMAQ and IDEI)

11:20 – 12:00 **Andres HERVAS-DRANE** (Harvard Business School and Universitat Autònoma de Barcelona)
Word of Mouth and Recommender Systems: A Theory of the Long Tail

Discussant: **Guido FRIEBEL** (TSE, IDEI and University of Frankfurt)

12:00 – 12:40 **Alexia GAUDEUL** (University of East Anglia and ESR Centre for Competition Policy), Chiara PERONI (School of Economics, University of East Anglia), and Laurence MATHIEU (ESRC Centre for Competition Policy)
Blogs and the Economics of Reciprocal Attention

Discussant: **Paul SEABRIGHT** (TSE, GREMAQ and IDEI)

12:40 – 14:00 **LUNCH**

PARALLEL SESSION 3 – Open source

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Chair: Jacques CREMER (TSE, GREMAQ and IDEI)

14:00 – 14:40 **Doh-Shin JEON** (Universitat Pompeu Fabra and TSE) and Silvio PETRICONI (Universitat Pompeu Fabra)

Dynamics of Knowledge-Based Service Industry and Open Source

Discussant: **Michael SCHWARZ** (Yahoo! Research)

14:40 – 15:20 **BEHRINGER Stefan** (Universität Frankfurt)

The Provision of a Public Good with a Direct Provision Technology and a Large Number of Agents

Discussant: **Georges CASAMATTA** (TSE)

15:20 – 16:00 **Michael SCHWARZ** (Yahoo! Research) and Yuri TAKHTEYEV (UC Berkeley School of Information)

Half a Century of Public Software Institutions: Open Source as a Solution to Hold-Up Problems

Discussant: **Jacques CREMER** (TSE, GREMAQ and IDEI)

PARALLEL SESSION 4 – Search and advertising

☞ *Room Seria 1*

Chair: Markus REISINGER (University of Munich)

14:00 – 14:40 **Greg TAYLOR** (University of Southampton)

Competing Search Engines with Utility Maximising Consumers and Ordinary Search Results

Discussant: **Markus REISINGER** (University of Munich)

14:40 – 15:20 **Alexander WHITE** (TSE)

Search Engines: Left Side Quality versus Right Side Profits

15:20 – 16:00 **Anindya GHOSE** and Sha YANG (Stern School of Business, New York University)

Organic and Paid Search Advertising: Complements, Substitutes or Neither?

Discussant: **Mark SCHANKERMAN** (LSE, University of Arizona and CEPR)

16:00 – 16:30 **Coffee break** ☕

16:30 – 18:00 **ROUNDTABLE 1 – Online Advertising** ☞ *Amphi. Verdi*

Chair: Jacques CREMER (TSE, GREMAQ and IDEI)

Chrysanthos DELLAROCAS (Robert H. Smith School of Business, University of Maryland)

Miklos SARVARY (INSEAD)

Michael SCHWARZ (Yahoo)

20:00 **DINNER** – *Restaurant La Corde, 4 rue Jules Chalande, 31000 Toulouse*

Friday, January 9, 2009

PLENARY SESSION 2 – Empirical studies of IT ☞ *Amphi. Verdi*
Chair: Pierre DUBOIS (TSE)

9:00 – 9:40 **Fiona SCOTT MORTON** (Yale School of Management and NBER),
Jorge SILVA RISSO (UC Riverside) and Florian ZETTELMEYER
(Northwestern University and NBER)
The Links between Internal Organization, Technology, and Product Market Strategies

Discussant: **Pierre DUBOIS** (TSE)

9:40 – 10:20 **Mark SCHANKERMAN** (LSE, University of Arizona and CEPR) and
Sharon BELENZON (Fuqua School of Business, Duke University) and
Motivation and Sorting in Open Source Software Innovation

Discussant: **Marc IVALDI** (TSE and IDEI)

10:20– 11:00 **Marshall VAN ALSTYNE** (Boston University and MIT), Sinan ARAL (NYU
Stern School of Business) and Erik BRYNJOLFSSON (MIT Sloan School of
Management)
Productivity Effects of Information Diffusion in Email Networks

Discussant : **Juergen MUELLER** (Berlin School of Economics)

11:00 – 11:20 **Coffee break** ☕

PARALLEL SESSION 5 – Empirical studies ☞ *Amphi. Verdi*
Chair: Stéphane STRAUB (TSE and ARQADE)

11:20 – 12:00 **Brian V. VIARD** (Cheung Kong Graduate School of Business) and
Nicholas ECONOMIDES (Stern School of Business, New York University)
The Effect of Content on Global Internet Adoption

Discussant: **Stéphane STRAUB** (TSE and ARQADE)

12:00 – 12:40 **Neil GANDAL** and Chaim FERSHTMAN (Tel Aviv University)
R&D Spillovers: The “Social Network” of Open Source Software

Discussant: **Doh-Shin JEON** (Universitat Pompeu Fabra and TSE)

PARALLEL SESSION 6 – Innovation

☞ *Room Seria 1*

Chair: **David SALANT** (TSE)

11:20 – 12:00 **Jay Pil CHOI** (Michigan State University) and Byung-Cheol KIM (Georgia Institute of Technology)
Net Neutrality and Investment Incentives

Discussant: **David SALANT** (TSE)

12:00 – 12:40 **Ferdinand MAHR** (Institute for Communication Economics, LMU Munich) and Tobias KRETSCHMER (LMU Munich and Centre for Economic Performance, LSE)
Organizational and Strategic IT Alignment and Firm Performance: A Study of German Manufacturing Firms

Discussant: **Fiona SCOTT MORTON** (Yale School of Management and NBER)

12:40 – 14:00 **LUNCH**

PARALLEL SESSION 7 – Incentives and information

☞ *Room Seria 1*

Chair: **Philippe DE DONDER** (TSE)

14:00 – 14:40 **Marc LELARGE** (INRIA – ENS)
Economics of Malware: Epidemic Risks Model, Network Externalities and Incentives

Discussant: **Alexander WHITE** (TSE)

14:40 – 15:20 **Feng ZHU** (USC – Marshall School of Business) and Xiaoquan ZHANG (HKUST Business School and MIT Center for Digital Business)
Group Size and Incentive to Contribute: A Natural Experiment at Chinese Wikipedia

Discussant: **Philippe DE DONDER** (TSE)

15:20 – 16:00 **Cyril HARITON** (European Commission, DG Competition/CET) and Jacques CREMER (TSE, GREMAQ and IDEI)
Rental of Durable Good

Discussant: **Paul SEABRIGHT** (TSE, GREMAQ and IDEI)

PARALLEL SESSION 8 – Two-sided markets

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Chair: **Thierry MAGNAC** (TSE, GREMAQ and IDEI)

14:00 – 14:40 **Seung-Hyun HONG** (University of Illinois) and Leonardo REZENDE (PUC-Rio)
Lock-In and Unobserved Preferences in Server Operating System Adoption: A Case of Linux vs. Windows

Discussant: **Thierry MAGNAC** (TSE, GREMAQ and IDEI)

14:40 – 15:20

Thomas TREGOUET (Ecole Polytechnique)
Vertical Integration in Two-Sided Markets

Discussant: **Jean-Charles ROCHET** (TSE, GREMAQ and IDEI)

15:20 – 16:00

Timothy DERDINGER (University of Southern California)
Vertical Integration and Two-Sided Market Pricing: Evidence from the Video Game Industry

Discussant: **Sharon BELENZON** (Fuqua School of Business, Duke University)

16:00 – 16:30

Coffee break ☕

16:30 – 18:00

ROUNDTABLE 2 – Competition in Content

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Chair: Paul SEABRIGHT (TSE, GREMAQ and IDEI)

Helen WEEDS (University of Essex)

Pierre BUIGUES (LECG, TBS, previously EU Commission)

Bruno JULLIEN (TSE, GREMAQ and IDEI)