

BECCLE

BERGEN CENTER FOR COMPETITION LAW AND ECONOMICS

ANNUAL REPORT 2014

BECCLE has completed its third whole calendar year as an independent research center in competition law and economics. Bergen Center for Competition Law and Economics was established in 2011, and it is a center jointly owned by Norwegian School of Economics and the University of Bergen.

The idea to establish a center was initiated in 2010 by people at University of Bergen, Norwegian School of Economics and Norwegian Competition Authority. A committee submitted two reports to the rectors at the University of Bergen and Norwegian School of Economics, one in [October 2010](#) and one in [January 2011](#). In May and June 2011 the boards at University of Bergen and the Norwegian School of Economics decided to establish such a joint center.

BECCLE is a meeting place for economists and lawyers interested in competition policy questions. The center is located in Jekteviksbakken 31, Bergen, Norway. In 2012 BECCLE joined a European network of research institutions with a similar focus: [CLEEN](#) (Competition Law and Economics European Network).

BECCLE moved into a new building in August 2013, and our visiting address is Jekteviksbakken 31, Bergen.



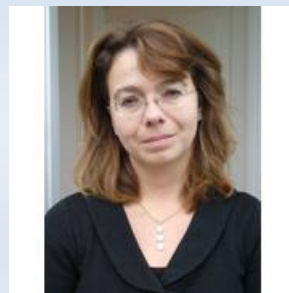
This means that we are co-located with the Faculty of Law at University of Bergen (at the JUSS II building).

News in 2014 – some key figures

Some facts and figures for BECCLE in 2014 (more details below):

- 13 seminars were given
- Hosted one international workshop on Industrial Organization at Norwegian School of Economics
- Gave a PhD course on the economics of vertical restraints at the University of Bergen
- 8 master theses were written on competition policy issues
- Caroline Heide Jørgensen, professor in law at University of Copenhagen, became professor II at BECCLE
- In August Morten Sæthre submitted his doctoral thesis on empirical industrial organization
- In May Malgorzata Cyndecka submitted her doctoral thesis on State Aid Law.
- 7 doctoral students affiliated with BECCLE are now working on competition law and economics
- Started a BECCLE blog at the end of the year

Professor II's at BECCLE



Professor [Caroline Heide Jørgensen](#), University of Copenhagen, started in her part time position at BECCLE in 2014. Her part time position is shared with the Faculty of Law, UiB. Caroline is an expert on EU Competition Law and the deputy chairman of the Danish Competition Council.

Professor [Thibaud Verge](#), CREST in Paris, and professor [Greg Shaffer](#), University of Rochester in the US, both started on their part time position at BECCLE in 2013 and are still active. These are part time position shared with Department of Economics at NHH (Verge) or Department of Economics at UiB (Shaffer). They are both experts on industrial organization and competition policy, with a particular focus on the economics of vertical restraints.

Doctoral students

At the end of 2014 there are seven doctoral students affiliated with BECCLE that work on competition law and economics.

Three of them started in fall 2013 (Håvard Ormberg, Ingrid Halvorsen and Linda Midtun, all three at Faculty of Law at University of Bergen), while four others started their PhD project before 2013 (Ignacio Herrera Anchustegui at Faculty of Law at University of Bergen, Teis Lunde Lømo at Department of Economics at University of Bergen, and Simen Aardal Ulsaker, at Department of Economics at NHH), while Timothy Wyndham (Norwegian School of Economics) started in fall 2014.

Morten Sæthre submitted his PhD thesis in August 2014 at Norwegian School of Economics.

Seminars in 2014

Spring

January 29 at 14:15-15:30

Seminar: [‘The efficiency defence under Art 10\(3\) of the Norwegian Competition Act’](#), Tommy Staahl Gabrielsen, UiB/BECCLE, Ronny Gjedemsjø, UiB/BECCLE and Lars Sørgard, NHH/BECCLE.

February 10 at 14:15-15:30

Seminar: [‘Price squeeze absent a duty to supply’](#), professor Sten Nyberg, Stockholms Universitet.

March 4 at 14:15-16:00

Seminar: Enforcement models in competition law (administrative, prosecutorial, private, criminal), Carl Baudenbacher, president of the EFTA court. Video recording and presentation [here](#).

March 25 at 14:15-15:30

Seminar: [‘Hva kjennetegner karteller – norske og finske historiske karteller’](#), Frode Steen, NHH/BECCLE.

April 9 at 14:15-15:30

Seminar: [‘Horizontal mergers and quality’](#), Kurt Brekke, NHH/BECCLE.

April 23 at 13:30-16:00

Seminar: [‘Regulering og konkurranse i banksektoren’](#), avdelingsdirektør Emil R. Steffensen, Finanstilsynet og konkurransedirektør Christine B. Meyer. Kommentator: Jan Erik Fåne, Finans Norge.

May 8 at 14:15-15:30

Seminar: [‘Reflektioner kring Marknadsdomstolen och dess organisation’](#), professor Jonas Häckner, Stockholms Universitet.

Fall

August 26 at 14:15-15:30

Seminar: [‘Konkurranse og regulering’](#), Christine Meyer, Director General, The Norwegian Competition Authority.

September 8 at 9:15-11:00

Seminar: [‘Nytt klageorgan for for konkurransaker?’](#), Siri Teigum, partner, Advokatfirmaet Thommessen.

September 23 at 14:00-16:00

Seminar: [‘A growing role for economics in State Aid Control?’](#), Gjermund Mathisen, Senior Officer, Legal and Executive Affairs, EFTA Surveillance Authority (ESA), and newly appointed Director for the Authority’s Competition and State Aid unit.

October 14 at 14:15-15:30

Seminar: [‘Picking a Partner among Competitors when Size Matters: The Norwegian Grocery Market’](#), Øytein Foros, Professor, dr. oec., the Norwegian School of Economics, Department of Business and Management Science. and BECCLE, and Hans Jarle Kind, Professor, dr. oec., The Norwegian School of Economics, Department of Economics, and BECCLE.

October 30 at 9:00-11:30

Seminar: [‘The interaction between EU/EEA Public Procurement and Competition Law’](#), Albert Sánchez Graells, Senior Lecturer in Commercial Law, University of Leicester, and Anders Thue, Partner, the Law Firm Simonsen Vogt Wiig.

November 26 at 14:15-15:30

Seminar: [‘Fusjoner godkjent på vilkår’](#), Professor Erling Hjelmeng, Universitetet i Oslo og professor Lars Sørgard, Norges Handelshøyskole.

Workshop on Industrial Organization

May 23 BECCLE hosted a workshop at Norwegian School of Economics on Industrial Organization. The presented papers were the following:

- Ulsaker: [‘Multi-input downstream firms and vertical contracting’](#).
- Marz, Mezzetti and Roberts: [‘Antritrust Leniency with Multi-Product Colluders’](#).
- Gabrielsen, Johansen and Lømo: [‘Resale price maintenance in two-sided markets’](#).
- Brekke, Holmås and Straume: [‘Price Regulation and Parallel Imports of Pharmaceuticals’](#).
- Liu and Dukes: [‘Online Shopping Intermediaries: The Strategic Design of Search Environments’](#).
- Foros, Kind and Shaffer: [‘Turning the Page on Business Formats for Digital Platforms: Does the Agency Model Soften Competition?’](#).

Doctoral course on vertical restraints

In two weeks in May Greg Shaffer and Thibaud Vergè, the two professor II in economics at BECCLE, visited Bergen.



Greg Shaffer



Thibaud Vergè

This made it possible to organize a doctoral course on vertical restraints for PhD students in economics. It was jointly organized by NHH and University of Bergen, and held at University of Bergen 19-28 May.

International networking

BECCLE has been a partner in a joint project with University of California Berkeley which received funding from [Peder Sather Center](#). In November 2013 two workshops were organized at UC Berkeley, and in the academic year 2014-15 this is followed up by a one year stay for Morten Sæthre as a visiting scholar at Department of Economics at University of Berkeley.



Peder Sather tower at Berkeley

The doctoral students Simen Aardal Ulsaker and Teis Lunde Lømo has been visiting scholar at Toulouse school of Economics; Teis the first half year and Simen the whole year 2014. Ignacio Herrera Anchustegui has been visiting the Walter Eucken Institut at the University of Freiburg for three months. Some of the BECCLE associates were also present at the CLEEN conference in Norwich.

BECCLE associates have also presented papers at EARIE in Milan, at CRESSE in Greece and at various international and national workshops, smaller conferences and seminars.

Doctoral thesis on empirical industrial organization

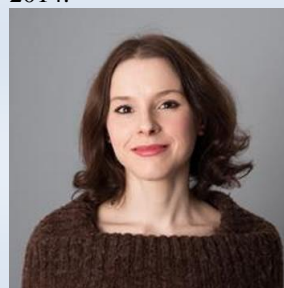
Morten Sæthre submitted his Phd thesis in August 2014. The broad topic of the thesis is how input market conditions can influence the behavior of firms.



The first chapter studies how wages change in Norwegian manufacturing firms with varying degrees of unionization when they undergo a foreign acquisition. The second chapter develops a general empirical framework to identify demand and market power in firms that choose both observed prices and unobserved sales effort. The last chapter studies pharmaceutical retailers' role in the sale of parallel traded drugs.

Doctoral thesis on State Aid Law

Malgorzata Cyndecka submitted here thesis on the Market Economic Investor Principle (MEIP) in State Aid Law in May 2014.



The two main parts of the thesis discusses the applicability and application of the MEIP. In addition the thesis covers the Court's judicial review of the application of the MEIP and discusses the criticism towards the MEIP. Malgorzata successfully defended her thesis in January 2015.

Members of public committees and boards

Several of the members have been active in the public debate through work in committees and as board members:

- Erling Hjelmeng (leader) and Tommy Staahl Gabrielsen is a member of 'Markeds-balanseringsutvalget', submitting a report early summer 2015 on the market structure and regulation of the Norwegian agricultural industry.
- Frode Steen was a member of a public committee that in December 2014 submitted a report (NOU) on the market structure and the regulation of the Norwegian fisheries.
- Kurt Brekke was a member of a public committee that in My 2014 submitted a report (NOU) on the rules for public procurement
- Lars Sjørgard was a member of a public committee that in May 2014 submitted a report on the organization of the Norwegian electricity network

- Tore Lunde was a member of a public committee that in November 2014 submitted a report on the appeal system for competition cases in Norway.

Publications

Doctoral thesis

Sæthre, Morten: "On Input Markets and Incentives: Essays in Empirical Industrial Organization" PhD thesis submitted at department of Economics, Norwegian School of Economics, August 2014.

Articles

Johansen, Bjørn Olav, and, Gabrielsen, Tommy Staahl: [Buyer power and exclusion in vertically related markets](#), *International Journal of Industrial Organization*, 2015(1): 1-19.



Brekke, Kurt, Luigi Siciliani and Odd Rune Straume: 'Hospital competition with soft budgets', *Scandinavian Journal of Economics*, forthcoming.

Johansen, Bjørn Olav and Tore Nilssen: 'The Economics of Retailing Formats: Competition versus Bargaining', *the Journal of Industrial Economics*, forthcoming.

Foros, Øystein, Kjetil Andersson and Bjørn Hansen: 'Empirical evidence on the relationship between mobile termination rates and firms' profit', *Scandinavian Journal of Economics*, forthcoming.

Foros, Øystein, Kenneth Fjell and Hans Jarle Kind: '[On the choice of royalty rule to cover fixed costs in input joint ventures](#)', *International Journal of the Economics of Business*, Online 03.11.2014.

Brekke, Kurt, Dag Morten Dalen and Tor Helge Holmås: '[Diffusion of Pharmaceuticals: Cross-Country Evidence of Anti-TNF drugs](#)', *The European Journal of Health Economics*, 15 (9) 2014, 937-951.

Brekke, Kurt, Rosella Levaggi, Luigi Siciliani, and Odd Rune Straume: '[Patient Mobility, Health Care Quality and Welfare](#)', *Journal of Economic Behavior and Organization*, 105 (2014) 140-157.

Ignacio Herrera Anchustegui: *EFTA Court case E-24/13 Casino Admiral AG v Wolfgang Egger: the obligation of transparency and consequences of its breach when awarding service concessions*, *The Public Procurement Law Review*, 2015 (1), pgs. NA1-NA9.



Halvard Haukeland Fredriksen: *EU/EØS-rettslige proporsjonalitetsvurderinger i nordiske domstoler*, *Europarättslig tidskrift* 2014 s. 712-739

Ingrid Margrethe Halvorsen Barlund, [Kor fritt star nasjonale styresmakter til å regulere egen konkurranse i den indre marknad?](#), *Tidsskrift for Forretningsjus*, 2014 (only available electronically for now)

Garcia Pires, A. J., [Media Plurality, Advertising, and Adaptation of News to Readers' Political Preferences](#), *Information Economics and Policy*, 2014, 28, 28-38.

Sørgard, Lars: '[From research on mergers to merger policy](#)', *International Journal of the Economics of Business*, 2014, 21(1), 37-42.

Clougherty, Joe, Klaus Gugler, Lars Sørgard and Florian Szücs: '[Cross-border mergers and domestic-firmwages: Integrating spillover effects and bargaining effects](#)', *Journal of International Business Studies*, 2014, 45, 450-470.

Daljord, Øystein, Lars Sørgard and Øyvind Thomassen: '[Asymmetric Price Increase in Critical Loss Analysis: A Reply to Langenfeld and Li](#)', *Journal of Competition Law and Economics*, 2014, 10(3), 765-768. It is a reply to [this](#) article.



Master theses

Høyheim, G.: '[Bankregulering og konkurranse – en teoretisk analyse](#)', Master thesis, Department of Economics, University of Bergen, September 2014.

Kronborg, I. H. E. og J. Tangen: [‘Effekter av norske sykehusfusjoner. Medfører sykehusfusjoner læringseffekter og høyere kvalitet?’](#), Master thesis, Norwegian School of Economics, June 2014.

Johannessen, M. F.: [‘Investeringer i bredbåndskapasitet. Litteraturgjennomgang innenfor emnet nettnøytralitet’](#), Master thesis, Norwegian School of Economics, June 2014.

Bredholt, S. og E. H. Nysæther: [‘ICA Norge og Norgesgruppen – nære konkurrenter’](#), Master thesis, Norwegian School of Economics, June 2014.

Rolfsen, M.: [‘Favorisering basert på eierskap i den norske bokbransjen – hvilke incitament har de vertikalt integrerte aktørene?’](#), Master thesis, Norwegian School of Economics, June 2014.

Daub, I.: [‘Møt-konkurransen klausul – en kilde til høyere priser?’](#), Master thesis, Norwegian School of Economics, June 2014.

Skeie, F.: [‘Vesentlig konkurransebegrensning – utfordringer ved det norske inngrepsvilkåret ved fusjoner’](#), Master thesis, Norwegian School of Economics, June 2014.

Aakran, Henrik: [‘Misbruk av dominans. Mot en mer virkningsbasert tilnærming’](#), Master thesis, Faculty of Law, University of Bergen, June 2014

Books, chapters in books and monographs

Fredriksen, Halvard H., and Mathisen: [“EØS-rett”](#), 2nd edition, Fagbokforlaget (Bergen 2014)

Hjelmeng, Erling J., and Sjørgard, Lars: [“Konkurransopolitikk”](#), Fagbokforlaget (Bergen 2014)



Halvard Haukeland Fredriksen, *The EFTA Court and the Principle of State Liability: Protecting the Jewel in the Crown*, in EFTA Court (ed), [The EEA and the EFTA Court – Decentered Integration](#), Hart Publishing Ltd. 2014, ISBN: 978-1-84946-626-4.



Hjelmeng, E., and T. Søreide: [“Debarment in Public Procurement: Rationales and Realization.”](#) In Integrity and Efficiency in Sustainable Public Contracts, edited by G. M. Racca and C. R. Yukins. Brussels: Bruylant

Policy reports

Foros, Ø., Hjelmeng, E.J. and H.J. Kind: [Fastpris på bøker](#), Samfunnsøkonomen. Won the prize as the best article in Samfunnsøkonomen in 2014.

Gabrielsen, T.S: [“Internasjonale trender i forholdet mellom regulering og konkurranse”](#), kapittel i K. Sunnevåg (red.): Handlingsrom for konkurransepolitikken. Festskrift til Christine Meyer, Grieg Forlag, s. 73-79.

Hjelmeng, E. J. and L. Sjørgard: [“Konkurranseloven i domstolene”](#), kapittel i K. Sunnevåg (red.): Handlingsrom for konkurransepolitikken. Festskrift til Christine Meyer, Grieg Forlag, s. 37-53.

Gjendemsjø, Ronny, [Utredning av forholdet mellom regulering av bokbransjen og EØS-konkurranseretten](#).

Debate

People associated with BECCLE are active in the public debate. One example of this is articles written in the press:

Erling J. Hjelmeng, Tommy S. Gabrielsen og Lars Sjørgard: [‘Prissignaler i regi av statsråder’](#), Dagens Næringsliv, 12.12.2014

Øystein Foros og Hans Jarle Kind: [‘Positiv regulering av NRK’](#), Dagens Næringsliv, 24.11.2014

Erling J. Hjelmeng, Tommy S. Gabrielsen og Lars Sjørgard: [‘Ikke glem ICAs plan B’](#), Dagens Næringsliv, 15.10.2014.



Lars Sjørgard: [‘Hagens nye konkurranselov’](#), Dagens Næringsliv, 09.10.2014.

Lars Sjørgard: [‘Ulike vilkår er bra’](#), Bergens Tidende, 18.09.2014

Tommy Staahl Gabrielsen: [‘Teletull med Tele2’](#), Dagens Næringsliv, 17.09.2014

Lars Sjørgard: [‘Importvernet er synderen’](#), Dagens Næringsliv, 22.08.2014.

Halvard H. Fredriksen: [‘Google og EU: Retten til å bli glemt mot retten til å få vite’](#), [Vox Publica](#), 24.06.2014

Øystein Foros og Hans Jarle Kind: [‘Størrelse er viktig når matkjedene dater’](#), Aftenposten, 18.06.2014.

Lars Sjørgard: [‘Sjakk matt av Reitan?’](#), Dagens Næringsliv, 15.04.2014

Tommy Staahl Gabrielsen og Bjørn Olav Johansen: [‘Konsumentvelferd og fastpriser’](#), Dagens næringsliv, 22.03.2014.

Tommy Staahl Gabrielsen: [‘Særdomstol for økonomisaker’](#), Dagens næringsliv 06.03.2014

Lars Sjørgard: [‘Unntak for bøker?’](#), Dagens Næringsliv, 5.02.2014

Blog

At the end of the year BECCLE started a blog. The first three blogs are the following (all in Norwegian):

Ronny Gjendemsjø og Lars Sjørgard: [‘En unødvendig og kostbar forskrift’](#), 29. oktober 2014.

Tommy Staahl Gabrielsen: [‘Antidiskrimineringslov i dagligvaremarkedet?’](#), 30. oktober 2014.

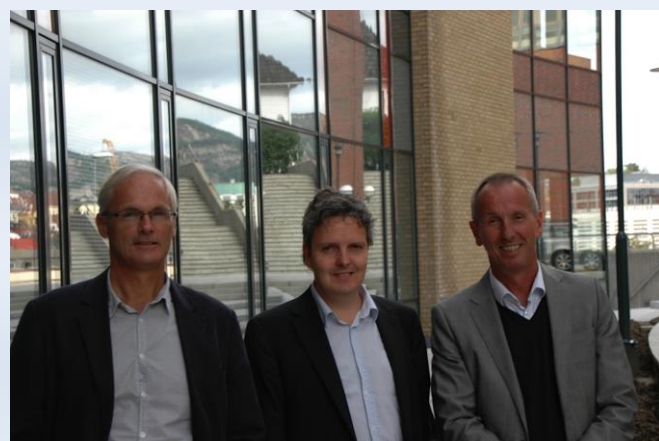
Lars Sjørgard: [‘Fritt frem for veiledende kartellpriser?’](#), 20. desember 2014.

BECCLE

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The general management of BECCLE consists of three academic persons. For the period 2011-2014 they are professor Tommy Staahl Gabrielsen from Department of Economics at University of Bergen (leader), associate professor Ronny Gjendemsjø from Faculty of Law at University of Bergen and professor Lars Sjørgard from Department of Economics at Norwegian School of Economics.



Lars Sjørgard, Ronny Gjendemsjø and Tommy S. Gabrielsen outside BECCLE at the JUSS II building (Jekteviksbakken 31)