Discussion on “Revisiting the HMT, and the role of common sense market definitions”

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The market definition debate

- “Why bother?” (W. Blumenthal, 2004); “Why (ever) define markets?” (L. Kaplow, 2010).

- Market definition “Impossible and Counterproductive” (L. Kaplow, 2013) or “Possible and Productive” (G. Werden, 2013).


- Entwinement of the rational of the HMT and Direct Assessment of effects. A “con”?
  - “Is market definition an input to competitive effects or an output? The answer is probably "Both" or "Neither": It’s a case of simultaneous determination” (W. Blumenthal).
  - Both pose the same questions, build on the same economic concepts & try to assess market power.
  - The key difference is in the “actor(s)”. 
The market definition debate

- **Entry and market dynamics** and evolution
- **Coordinated effects** – structural conditions for internal and external sustainability
- **Conceptual framework** for systematising reasoning and information (mainly, not only)
- Widespread; **established paradigm**: first mover advantage as an established paradigm (Kaplow’s claim on the “Nostalgia” of Relevant Market Definition?)
The market definition debate

- Full fletched quantitative exercise of HMT. Implications of the literature?
- Are all the listed cons HMT specific?
- Market share thresholds for notification (e.g., Portugal)
- The debate enlightens us to “lightening up on market definition” (D. Evans, 2012)
- No never, nor always, nor must. Both conceptually and analytically
Thank you

FAIR PLAY.
With competition, everybody wins.

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