

ANTITRUST – SPRING 2013

Professor: Darren Bush

Office: TUII-126

Office Phone (713) 743-3346

E-mail: Dbush@central.uh.edu

Office Hours: M W 9:00 – 10:20 a.m. and by appointment

INTRODUCTION

Course Description: The Antitrust and Regulated Industries courses examine two different legal approaches for controlling private economic power--the antitrust laws, which are designed to establish and maintain competitive markets, and regulatory statutes, which establish government agencies to supervise entry, rates, and service. These two approaches are examined in a way that focuses on the theoretical and practical difficulties of each approach. In Antitrust, the Sherman and Clayton Acts are studied. Topics include monopolization, mergers, agreements among competitors (such as price fixing and market allocation), and distribution agreements (such as tying and exclusive dealing). Discussion will consider whether these statutes seek only to advance economic efficiency, or are intended to achieve broader political or social goals; and will also consider whether the case law does (or can) advance any of these goals.

COURSE DESCRIPTION AND REQUIREMENTS

Required Texts:

- JOHN FLYNN, HARRY FIRST, AND DARREN BUSH, ANTITRUST: STATUTES, TREATIES, REGULATIONS, GUIDELINES, AND POLICIES
- JOHN FLYNN, HARRY FIRST, AND DARREN BUSH, FREE ENTERPRISE AND INDUSTRIAL ORGANIZATION: ANTITRUST (7TH ED. 2010)(*in revision*)(available at the Copy Center)

Course Requirements: Grades will be determined based upon the following percentages:

- a. *Participation (10%)*. Participation should be regular and of good quality. Participation will include, but should not be limited to, answering questions when called upon to do so. Participation will be discussed in greater detail during the first class session.
- b. *Final Exam (90%)*. You will have a comprehensive final exam consisting of two-three questions relating to: Sections 1 and 2 of the Sherman Act, Section 7 of the Clayton Act; all relevant case law, statutes, guidelines, policies, and treaties, and; all related exemptions, defenses, and excuses. **The final is scheduled for May 8th from 1:00 p.m. to 4:00 p.m.** You will be allowed to bring to the exam whatever (inanimate) objects bring you comfort, *except* (i) those prohibited by law or University Policy; (ii) commercial outlines, and; (iii) outlines created by other students (apart from any group outlines created by students consisting entirely of members of this course). The final exam will be discussed in greater detail during the first class session

Prerequisites: There are no prerequisites for this course. You do not need an economics background.

CSD: The University of Houston, when possible and in accordance with 504/ADA Guidelines, will attempt to provide reasonable academic assistance to students who request and require it. Please contact the Center For Students With Disabilities at (713) 743-5400 for more information.

COURSE SYLLABUS

Note: All assignments refer to the Casebook handout available in the copy center, unless otherwise noted. Note that each chapter starts on page 1, so please pay heed to the chapter number. I reserve the right to add, delete, or otherwise modify assignments.

<u>Assignment</u>	<u>Pages</u>
<i>Chapter 1: Introduction to Antitrust</i>	
1. Overview of the United States Antitrust System	33-56
2. Themes for the Study of Antitrust	1-33
3. Jurisdictional Scope, Antecedents and Other Antitrust Systems	56-81
4. Economics & Ideological Goals	82-112
<i>Chapter 2: Monopoly</i>	
5. Introduction, <i>Otter Tail</i> , <i>Aspen Ski</i> , & <i>Kodak</i>	1-29
6. <i>Verizon</i> , <i>Conwood</i> ,	29-45
7. Predation	45-68
8. Predation Continued	68-99
9. Predation Continued and Design Predation	99-131
10. Microsoft	131-167
11. Problem 1	Handout
<i>Chapter 3: Mergers and other Integrations</i>	
12. Introduction and Horizontal Mergers	1-32
13. Jurisprudence of Horizontal Mergers	32-62
14. Horizontal Merger guidelines analysis	62-84
15. Post-Guidelines Analysis	84-118
16. Non-Horizontal Merger	118-151
17. Non-Horizontal Mergers (cont'd) & Remedies	151-190
18. Problem 2	Handout

Chapter 4: Relationships Among Competitors

- | | | |
|-----|---|------------|
| 19. | ADM Price Fixing Video | Movie |
| | Collaboration Among Competitors Guidelines | Supplement |
| 20. | Supreme Court Jurisprudence (Broadcast Music, NCAA) | 1-47 |
| 21. | Supreme Court Jurisprudence cont'd) (Cal Dental) | 47-76 |
| 22. | <u>Leegin Creative Leather Products v. PSKS,</u> | TWEN |
| | 127 S. CT. 2705 (June 28, 2007). | |