

Platform MFN Clauses: Why should online sellers want fair trade?

15Th ASCOLA Conference – June 27, 2020

Dirk Auer & Geoffrey Manne



Three important features of online retail

- Innovation
 - Fast-moving sector
 - Important business model innovation
- Visibility
 - Both brands and platforms seek it
 - Ubiquity of two-sided markets with potential feedback loops:
 - Brands (retailers, hotels, etc.) can turn to platforms to boost sales (access new users)
 - Platforms need to acquire strong retailers to attract users
- Multiple distribution channels
 - Brands need to decide where to sell

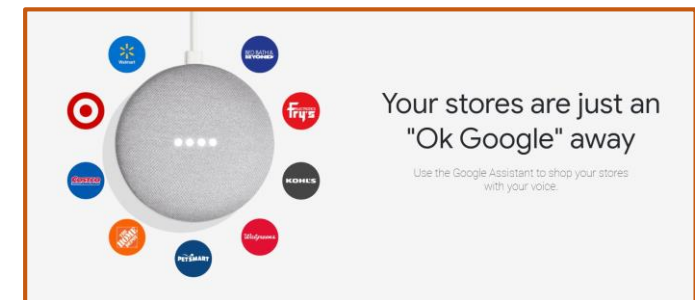
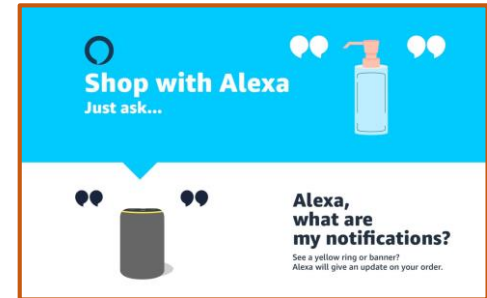
Innovation in online retail (i)

- Imagine I want to purchase some running shoes
 - Similar reasoning could apply to apps, hotels, insurance, etc.
- There are multiple online places where I could start looking:



Innovation in online retail (ii)

- Prices are important!
- But differentiation/innovation is also key
 - “In-store” experience
 - User-friendly GUIs, targeted recommendations, investments in certain brands, reviews, ad support, virtual assistant ordering (e.g. Alexa), virtual try-on, etc.
 - After-sales services
 - Return policies, return-ready packaging, etc.
- Especially in the online space, firms are still searching for a winning paradigm



Retail platform GUIs (i)

Amazon Prime

prime

Free UK Delivery by Amazon
FREE Delivery on orders over £10 for books or over £20 for other categories shipped by Amazon

Deals

Today's Deals

Department

Men's Shoes
Men's Road Running Shoes
Men's Fashion Trainers
Men's Trail Running Shoes
Men's Track and Field Shoes
Men's Sports and Outdoor Shoes
Men's Outdoor Cross Trainers
Men's Basketball Shoes
Men's Running Shoes

Women's Shoes
Women's Road Running Shoes
Women's Fashion Trainers
Women's Trail Running Shoes
Women's Loafers & Moccasins
Women's Sports and Outdoor Shoes
See more

Boys' Shoes
Boys' Road Running Shoes
Boys' Trail Running Shoes
Boys' Track and Field Shoes
See all 9 Departments

Any Customer Review

★★★★☆ & Up
★★★★☆ & Up
★★★★☆ & Up

Brand

Nike
 Asics
 Get Fit
 Brooks
 Under Armour
 adidas
 Vibird
 Feixuan
 Woodworm
 Airtech
 CAMEL CROWN
 New Balance

International Shipping

International Shipping Eligible

Subscription Option

Subscribe & Save

Men's Shoe Size

1	2	2.5	3	3.5
4	4.5	5	5.5	6
6.5	7	7.5	8	8.5
9	9.5	10	10.5	11
11.5	12	12.5	13	

Shoe Closure Type

Lace-Up
 Slip-On
 Buckle
 Hook & Loop

Pronation

Neutral
 Overpronation

Brand Edits

Popular Brands

Colour

Women's Shoe Size


2	2.5	3	3.5	4
4.5	5	5.5	6	6.5
7	7.5	8	8.5	9
9.5	10	10.5	11	11.5
12	13			


Global Store


Amazon.com Selections

Running shoes

Shop Settings


"33" prime



"33" prime


"33" prime


Sponsored

THE BIG STYLE SALE Save big on top brands


Price and other details may vary based on size and colour.




New Balance
Men's Draft[®] Road Running Shoe
★★★★☆ ~ 61
£49.40 ~~£55.00~~
£4.25 delivery




New Balance
Men's 680 Road Running Shoe
★★★★☆ ~ 154
£65.24 ~~£69.00~~
£6.06 delivery




New Balance
Women's Draft[®] Road Running Shoe
★★★★☆ ~ 98
£50.07 ~~£55.00~~
£4.24 delivery




MAHTRIP
Men's Trainers Road Running Shoes
Casual Mesh Athletic Sneakers for Gy...
★★★★☆ ~ 888
£24.98
£5.34 delivery
Only 4 left in stock.




adidas
Men's Duramo Lite 2.0 Running Shoe
★★★★☆ ~ 42
£37.34
£4.28 delivery



Nike
Men's Downshifter 9 Running Shoes
★★★★☆ ~ 1,164
£34.86
£6.02 delivery




SOLLOMENSI
Mens Womens Running Shoes Trainers
Sports Gym Walking Jogging Athlet...
★★★★☆ ~ 2,847
£33.99




ASICS
Men's Patriot 11 Running Shoes
★★★★☆ ~ 131
£43.12
£6.11 delivery

Amazon's Choice Customers shopped Amazon's Choice for...


"running shoes"




"running shoes men"




"gym shoes"



"nike shoes"





Women

Men


Kids

'running shoes'


Sort
Size
Brand
Colour
Sport type
Price
Material
Sustainability
Pattern

Collection
Toe
Show all filters


2,143 items




Nike Performance
REVOLUTION 5 - Neutral running sh...
81 g
£34.99




adidas Performance
RUNFALCON - Neutral running shoe...
116.5 g
£28.95




Nike Performance
REVOLUTION 5 - Neutral running sh...
116.5 g
£47.99




adidas Performance
RUNFALCON - Neutral running shoe...
84.5 g
£42.99




Nike Performance
REVOLUTION 5 - Neutral running sh...
87 g
£47.99




Nike Performance
REVOLUTION 5 - Neutral running sh...
77 g
£34.99



Nike Performance
REVOLUTION 5 - Neutral running sh...
99 g
£47.99



Nike Performance
REVOLUTION 5 - Neutral running sh...
117.5 g
£47.99




Nike Performance
REVOLUTION 5 - Neutral running sh...
98.5 g
£47.99

Retail platform GUIs (ii)

- Amazon Prime
 - Lightning
 - Free UK Delivery by Amazon
 - FREE Delivery on orders over £10 for books or over £20 for other categories shipped by Amazon
- Deals
 - Today's Deals
- Department
 - Men's Shoes
 - Men's Road Running Shoes
 - Men's Fashion Trainers
 - Men's Trail Running Shoes
 - Men's Track and Field Shoes
 - Men's Sports and Outdoor Shoes
 - Men's Outdoor Cross Trainers
 - Men's Basketball Shoes
 - Men's Running Shoes
 - Women's Shoes
 - Women's Road Running Shoes
 - Women's Fashion Trainers
 - Women's Trail Running Shoes
 - Women's Leisure & Casual
 - Women's Sports and Outdoor Shoes
 - See more
 - Boy's Shoes
 - Boys' Road Running Shoes
 - Boys' Trail Running Shoes
 - Boys' Track and Field Shoes
 - See all 8 Departments
- Avg. Customer Review
 - ★★★★☆ 4.5+
 - ★★★★☆ 4.0+
 - ★★★☆☆ 3.5+
 - ★★☆☆☆ 3.0+
 - ★☆☆☆☆ 2.5+
- Brand
 - Nike
 - Adidas
 - Gap Fit
 - Brooks
 - Under Armour
 - Allbirds
 - Vibram
 - Fila
 - Westwood
 - Altech
 - CAMEL CROWN
 - New Balance
- International Shipping
 - International Shipping Eligible
- Subscription Option
 - Subscribe & Save
- Men's Shoe Size

1	2	2.5	3	3.5
4	4.5	5	5.5	6
6.5	7	7.5	8	8.5
9	9.5	10	10.5	11
11.5	12	12.5	13	
- Shoe Closure Type
 - Lace-Up
 - Slip-On
 - Buckle
 - Heel & Lace
- Protection
 - Neutral
 - Overpronation
- Brand Lifts
 - Popular Brands
- Colour
- Women's Shoe Size


3	3.5	4	4.5	5
4.5	5	5.5	6	6.5
7	7.5	8	8.5	9
9.5	10	10.5	11	11.5
12	13			
- Global Store
 - Amazon.com Selections




Running shoes

'running shoes'


Sort Size Brand Colour Sport type Price Material Sustainability Pattern



£33⁹⁹ prime




£33⁹⁹ prime



£33⁹⁹ prime


Running shoes

[Shop Sollomensi >](#)


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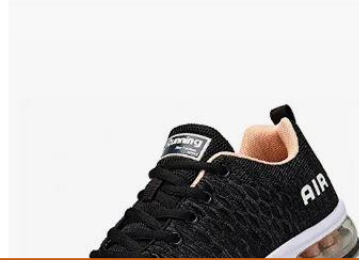
THE BIG STYLE SALE


Save big on top brands

fashion 


Price and other details may vary based on size and colour











Best Seller











Nike Performance
REVOLUTION 5 - Neutral running sh...
96 g

£27.99

Nike Performance
REVOLUTION 5 - Neutral running sh...
117.5 g

£27.99

Nike Performance
REVOLUTION 5 - Neutral running sh...
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 - Men's Running Shoes
 - Women's Shoes
 - Women's Road Running Shoes
 - Women's Fashion Trainers
 - Women's Trail Running Shoes
 - Women's Leisure & Casual
 - Women's Sports and Outdoor Shoes
 - See more
 - Boys' Shoes
 - Boys' Road Running Shoes
 - Boys' Trail Running Shoes
 - Boys' Track and Field Shoes
 - See all 9 Departments
- Avg. Customer Review
 - ★★★★☆ 4.1★
 - ★★★★☆ 4.5★
 - ★★★★☆ 4.5★
 - ★★★★☆ 4.5★
- Brand
 - Nike
 - Asics
 - Gola
 - Brooks
 - Under Armour
 - adidas
 - Vibram
 - Feiyun
 - Westwood
 - Altech
 - CAMEL CROWN
 - New Balance
- International Shipping
 - International Shipping Enable
- Subscription Option
 - Subscribe & Save
- Men's Shoe Size

1	2	2.5	3	3.5
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6.5	7	7.5	8	8.5
9	9.5	10	10.5	11
11.5	12	12.5	13	
- Shoe Closure Type
 - Lace-Up
 - Slip-On
 - Buckle
 - Heel & Lace
- Promotion
 - Normal
 - Overpromotion
- Brand Lifts
 - Popular Brands
- Colour

■	■	■	■	■	■	■	■	■	■
■	■	■	■	■	■	■	■	■	■
- Women's Shoe Size

2	2.5	3	3.5	4
4.5	5	5.5	6	6.5
7	7.5	8	8.5	9
9.5	10	10.5	11	11.5
12	13			
- Global Store
 - Amazon.com Selections

Running shoes

THE BIG STYLE SALE Save big on top brands

Price and other details may vary based on size and colour

Sponsored by New Balance Men's Draft Road Running Shoe

Sponsored by New Balance Men's 680 Road Running Shoe

Sponsored by New Balance Women's Draft Road Running Shoe

Men's Duramo Lite 2.0 Running Shoe

Men's Downshifter 9 Running Shoes

SOLLOMENSI Men's Women's Running Shoes Trainers Sports Gym Walking Jogging Athlete...

Customers shopped Amazon's Choice for...


"running shoes"

"running shoes men"

"gym shoes"

"nike shoes"

Amazon's Choice



Color selection: 6 options shown, +6 more

Nike
Men's Downshifter 9 Running Shoes

★★★★★ ~ 1,165

£35⁴⁵

£6.02 delivery

Running shoes



Retail platform GUIs (iv)

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 - Men's Basketball Shoes
 - Men's Running Shoes
 - Women's Shoes
 - Women's Road Running Shoes
 - Women's Fashion Trainers
 - Women's Trail Running Shoes
 - Women's Loafers & Moccasins
 - Women's Sports and Outdoor Shoes
 - See more
 - Boy's Shoes
 - Boy's Road Running Shoes
 - Boy's Trail Running Shoes
 - Boys Track and Field Shoes
 - See all 9 Departments
- Any Customer Review
 - ★★★★☆ 4.5+
 - ★★★★☆ 4.0+
 - ★★★★☆ 3.5+
 - ★★★★☆ 3.0+
 - ★★★★☆ 2.5+
- Brand
 - Nike
 - Adidas
 - New Balance
 - Brooks
 - Under Armour
 - Mizuno
 - Vibram
 - Feiyue
 - Westwood
 - Allbirds
 - CAMEL CROWN
 - New Balance
- International Shipping
 - International Shipping Eligible
- Subscription Option
 - Subscribe & Save
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4.5	5	5.5	6	6.5
7	7.5	8	8.5	9
9.5	10	10.5	11	11.5
12	13			
- Global Store
 - Amazon.com Selections



Running shoes
[Shop Sponsored](#)



Price and other details may vary based on size and colour.



Sponsored by New Balance
Men's Draft Road Running Shoe
★★★★☆ 4.1
£49.00 ~~£55.00~~
£4.25 delivery

Sponsored by New Balance
Men's 680 Road Running Shoe
★★★★☆ 4.1
£65.00 ~~£75.00~~
£5.00 delivery

Sponsored by New Balance
Women's Draft Road Running Shoe
★★★★☆ 4.0
£50.00 ~~£55.00~~
£4.24 delivery



adidas
Men's Duramo Lite 2.0 Running Shoe
★★★★☆ 4.2
£37.00 ~~£42.00~~
£4.28 delivery

Nike
Men's Downshifter 9 Running Shoes
★★★★☆ 4.1
£34.00 ~~£39.00~~
£5.00 delivery

SOLLDMENSI
Men's Women's Running Shoes Trainers Sports Gym Walking Jogging Athlete...
★★★★☆ 4.0
£33.00 ~~£38.00~~

Amazon's Choice Customers shopped Amazon's Choice for...
"running shoes" "running shoes men" "gym shoes" "nike shoes"



Best Seller

Sponsored ⓘ
PAGCURSU
Men's Lightweight Running Trainers
Comfort Casual Athletic Sport Walkin...
★★★★☆ 4.5 125
£27.99
£5.90 delivery



Retail platform GUIs (ii)

running shoes

All Images Maps Shopping Videos More Settings Tools

About 1.160.000.000 results (0,64 seconds)

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Men's Running Shoes | adidas Official Shop - adidas.be
Shop the latest collection at the official adidas® online store today! Shop the latest adidas **footwear** collection on the official store. Free returns! adidas Training. adidas Football.

Ad · www.on-running.com/running/shoes ▾
Lightweight Running Shoes | Low Weight, High Performance
Elevate your **run** with Swiss-engineered performance **shoes**. Unmatched on feeling and fun. Find your perfect On. Millions of runners already have theirs. Let us help you find yours. Free shipping. Try On at home. Free exchange & returns. Rapid delivery. 30 days to decide. Running Shoes for Men · Running Shoes for Women · Shoes · Shoe-Finder · Apparel

Ad · www.nike.com/ ▾
Nike Running Shoes Range | Returns Are Free & Fast
Discover Nike's New Season **Running Shoe** Collection, Only At Nike.com! Create With Nike By You. Official Online Store. 10% Student Discount. 60-Day Free Returns. Women's Running · Men's Running · Running Shoes · Running Clothing










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30+ Best Running Shoes (Buyer's Guide) | RunRepeat
The best **running shoes** feature durable midsole that is also lightweight and comfortable for long runs. Outsole. It makes up the base of the shoe and made of two ...
★★★★★ Rating: 4,8 - 1,821 votes
Adidas running shoes · Proper running shoes · Regular running shoes · Road

www.runnersworld.com › gear › best-running-shoes ▾
The best running shoes 2020 - Runner's World
Feb 25, 2020 - This shows that, for many runners, the aim in choosing **footwear** is simply to find **shoes** that stay out of your way, don't intrude upon your **run** and ...
New Balance 1080v10 · Hoka One One Mach 3 · Asics Gel Contend

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The ultimate guide to **running shoes** from Runner's World. Shoes for every type of runner, budget, fit and more.

People also ask

See running shoes Sponsored

 On Cloudflow Black Asphalt, Neutral Running Shoe, ... €149.95 On ★★★★★ (664) By Google	 Nike Revolution 5 Hardloopschoen voor dames - Zwart €65.00 Nike Official ★★★★★ (1k+) By Pricesearcher	 Nike Schoen Nike Air Zoom Pegasus 36 voor heren - ... €120.00 A.S. Adventure Free shipping By Buy Now
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Visibility & distribution channels (i)

- What are retailers' options?
 - Online platforms
 - Can connect retailer with their users (two-sided markets)
 - But creating this userbase requires investments that the platform needs to recoup => Platform fees
 - Numerous platform business models: retail, agency fees, ad placement fees, etc.
 - Direct channel
 - Lose access to platform's exclusive users
 - But retailer can earn higher return on "loyal" consumers (if its costs are competitive)
 - Intermediate solutions (e.g. Shopify) => Outsource part of the retail process
 - (And of course Brick & Mortar)

Visibility & distribution channels (ii)

running shoes

All Images Maps Shopping Videos More Settings Tools

About 1.160.000.000 results (0,64 seconds)

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Men's Running Shoes | adidas Official Shop - adidas.be
Shop the latest collection at the official adidas® online store today! Shop the latest adidas footwear collection on the official store. Free returns! adidas Training, adidas Football.

Ad · www.on-running.com/running/shoes ▾
Lightweight Running Shoes | Low Weight, High Performance
Elevate your **run** with Swiss-engineered performance **shoes**. Unmatched on feeling and fun. Find your perfect On. Millions of runners already have theirs. Let us help you find yours. Free shipping. Try On at home. Free exchange & returns. Rapid delivery. 30 days to decide. Running Shoes for Men · Running Shoes for Women · Shoes · Shoe-Finder · Apparel

Ad · www.nike.com/ ▾
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Discover Nike's New Season **Running Shoe** Collection, Only At Nike.com! Create With Nike By You. Official Online Store. 10% Student Discount. 60-Day Free Returns. Women's Running · Men's Running · Running Shoes · Running Clothing










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www.runnersworld.com › gear › best-running-shoes ▾
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www.runnersworld.com › running-shoes ▾
Running Shoes | Runner's World
The ultimate guide to **running shoes** from Runner's World. Shoes for every type of runner, budget, fit and more.










People also ask

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 <p>On Cloudflow Black Asphalt, Neutral Running Shoe, ... €149.95 On ★★★★★ (664) By Google</p>	 <p>Nike Revolution 5 Hardloopschoen voor dames - Zwart €55.00 Nike Official ★★★★★ (1k+) By Pricesearcher</p>	 <p>Nike Schoen Nike Air Zoom Pegasus 36 voor heren - ... €120.00 A.S. Adventure Free shipping By Buy Now</p>
 <p>Herenhardloopschoot Under Armour Charged Pursuit ... €60.00 Under Armour B... ★★★★★ (108) By Google</p>	 <p>Adidas UltraBOOST All Terrain - Heren - Zwart €143.96 adidas.be Free shipping By Google</p>	 <p>Giesswein Running Shoes Wool Cross X - Women ... €159.00 Giesswein Europe Free shipping By Google</p>
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Visibility & distribution channels (ii)

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 <p>On Cloudflow Black Asphalt, Neutral Running Shoe,...</p> <p>€149.95</p> <p>On</p> <p>★★★★★ (664)</p> <p>By Google</p>	 <p>Nike Revolution 5 Hardloopschoen voor dames - Zwart</p> <p>€55.00</p> <p>Nike Official</p> <p>★★★★★ (1k+)</p> <p>By Priceseacher</p>	 <p>Nike Schoen Nike Air Zoom Pegasus 36 voor heren - ...</p> <p>€120.00</p> <p>A.S.Adventure</p> <p>Free shipping</p> <p>By Buy Now</p>
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NEW RELEASES MEN WOMEN KIDS CUSTOMISE COLLECTIONS SALE Search

We've extended our returns period to 60 days [Learn more](#)

Running / Shoes Hide Filters Sort By

Running Shoes

Road
Trail
Track

Run Type

- Racing
- Everyday Run
- Trail Run
- Shorter Run



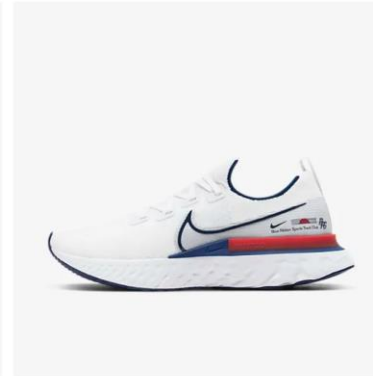
Gender

- Men
- Women

Kids

- Boys'
- Girls'

Shop By Price

 <p>Nike Air Zoom Pegasus 37 Women's Running Shoe</p> <p>€120</p> <p>6 Colours</p>	 <p>Nike Air Zoom Pegasus 37 Men's Running Shoe</p> <p>€120</p> <p>6 Colours</p>	 <p>Just In Nike React Infinity Run Flyknit Men's Running Shoe</p> <p>€160</p> <p>1 Colour</p>
--	--	--

Visibility & distribution channels (iii)



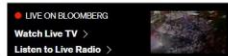
Business

Nike Pulling Its Products From Amazon in E-Commerce Pivot

By [Eben Novy-Williams](#) and [Spencer Soper](#)

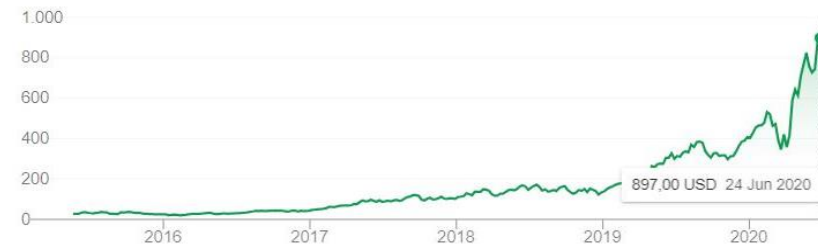
November 13, 2019, 1:48 AM GMT+1 Updated on November 13, 2019, 3:52 PM GMT+1

- Move follows naming of ex-Ebay CEO as Nike's next chief
- Athletic brand will continue to use Amazon's web services



Closed: 25 Jun, 08:35 GMT-4 - Disclaimer
Pre-market 894,00 -3,00 (0,33%)

1 day 5 days 1 month 6 months YTD 1 year 5 years Max



Open	-	Div yield	-
High	-	Prev close	897.05
Low	-	52-wk high	928.00
Mkt cap	105,15B	52-wk low	281,69
P/E ratio	-		

Trusted by amazing brands worldwide



Online retail: Problems & reactions

- Free-rider problem
 - Users might use platforms with best interface to choose product, but then make purchase via direct channel or rival platform. This may undermine platform investment/innovation
 - Retailers might encourage this (undercutting, steering, etc.)
- Potential reactions
 - Steering
 - Retailers/brands: steer users towards alternative channels (*Amex; Apple/Spotify, Basecamp, etc*), attract them with lower prices, etc.
 - Platforms: steer users towards brands that do not undercut them on other channels
 - Delisting
 - Brands might quit platform
 - Platform might refuse to carry brands that are involved in free-riding
 - **Most-favored-Nation (“MFN”) clauses** (or other vertical restraints)
 - **Wide:** Retailer agrees not to undercut platform in **any other channel**
 - **Narrow:** Retailer agrees not to undercut platform in its **direct channel**

Our paper

- Does MFN-related competition enforcement (as well as legal & economic literature) account for these features?
 - Reviewed 38 law & economics papers on MFNs (empirical, theoretical & normative); 15+ decisions and laws (work still in progress)
- Short answer:
 - **Overall:** Lack of focus on investments/innovation/entry
 - **Econ:** Empirical & theoretical literature suggest MFNs have highly ambiguous effects
 - **Normative:** Literature largely recommends case-by-case analysis of MFNs
 - **Authorities:** Have sometimes overstepped the mark by prohibiting MFNs (wide and/or narrow) “by object”, most notably via legislation

Economic literature

- Empirical

- **Investment:** 0 out of the 10 papers we studied look at effect of MFNs on innovation, investments or entry of competitors
- **Price:** Limited evidence of MFNs –wide or narrow– leading to higher *overall* prices (de Los Santos et al. 2017; Larrieu 2019)
- **Welfare:** Effects unknown because innovation, investments & entry unexamined
- **Some other noteworthy results:** Strong direct channels constrain platform fees in presence of MFNs (Cazaubiel et al. 2020). Removal of MFNs increases price discrimination between channels (Hunold et al. 2018; Ennis et al. 2020)

- Theoretical

- **Overall:** Most papers find ambiguous effects on prices/investment/welfare
- **Price:** The papers that *do* find unambiguous negative price effects (for wide MFNs), do not look at innovation/investments (Boik & Corts 2016; Carlton & Winter 2018; Calzada et al. 2019; Wang et Wright 2020)

Normative & decisional practice

- Normative literature
 - **Wide MFNs:** 3 papers (out of 16) *can be construed* as recommending *per se* prohibition (Ezrachi 2015; Fletcher & Hviid 2017; Cremer et al. 2019). Others recommend case-by-case analysis
 - **Narrows MFNs:** All papers recommend case-by-case analysis (some suggest that authorities should also implement some safe harbors, e.g. Gurakaynak et al. 2016)
- Decisional practice
 - Most authorities have stopped short of applying by object prohibitions
 - Many have accepted commitments that remove wide MFNs in favor of narrow ones: France (2015), Italy (2015), Sweden (2015)
 - But legislators have gone further: France (2015), Italy (2017), Belgium (2018), Austria (2018) banned MFN clauses (even narrow) in hotel sector.

Some closing thoughts (i)

- Law & economics literature on MFNs points towards highly ambiguous effects
- Relatively little focus on investments, innovation and the entry of competitors
 - Ignored in empirical literature
 - Theoretical literature suggests that MFN effect on innovation/investment/entry is ambiguous (Gans 2012, Boik & Corts 2016, Wang & Wright 2016)
 - Reduced entry? Main intuition is that wide MFNs *may* deter low-type rivals that would undercut incumbent platform
 - But two problems:
 - Entry effect overplayed by some normative papers (e.g. Baker & Scott Morton, 2018)
 - What type of entry is most likely in digital space: lower price versus differentiated business model?

Some closing thoughts (ii)

- Some other parameters that authorities should look at in effects analysis:
 - Competition from other distribution channels (ex: Johansen & Vergé, 2017)
 - Balance of bargaining power between platform/retailer (Larrieu, 2019)
 - Are consumers more loyal to brands or to platforms (Cazaubiel et al. 2020) ?
 - Would consumers know about brand/hotel without platform (Calzada et al. 2019) ?
 - Are search costs important ?
 - Sunk investments? Risk of holdup (Gans, 2012)
- Focusing solely on price (without also looking at product quality) is misleading
 - One of the main justifications for MFNs is that they might boost investments in ancillary services that might not be reflected in price (Telser, 1960)
- Free-riding is a game of cat and mouse, what is the counterfactual to MFN clauses? Is it less costly (Demsetz, 1969)

Thank you!

