

# ANTITRUST – FALL 2014

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Office Hours: Monday and Wednesday, 1:00– 2:00 p.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, FREE ENTERPRISE AND INDUSTRIAL ORGANIZATION: ANTITRUST (7<sup>TH</sup> ED. 2014)

### Recommended Texts

- JOHN FLYNN, HARRY FIRST, AND DARREN BUSH, ANTITRUST: STATUTES, TREATIES, REGULATIONS, GUIDELINES, & POLICIES (STATUTORY SUPP.)(7<sup>TH</sup> ED. 2014)

**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 or 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 December 10 from 2:00 p.m. to 5:00 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**

**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	32-55
2. Themes for the Study of Antitrust	1-32
3. Jurisdictional Scope, Antecedents and Other Antitrust Systems	56-68
4. Economics & Ideological Goals	69-94
<i>Chapter 2: Monopoly</i>	
5. Introduction, <i>Otter Tail</i> , <i>Aspen Ski</i> , & <i>Kodak</i>	95-119
6. <i>Verizon</i> , <i>Conwood</i> ,	119-133
7. Predation	134-169
8. Predation Continued and Design Predation	169-207
9. Microsoft	207-239
10. Problem 1	Handout
<i>Chapter 3: Mergers and other Integrations</i>	
11. Introduction and Horizontal Mergers	249-284
12. Jurisprudence of Horizontal Mergers	284-318
13. Post-Guidelines Analysis	318-351
14. Non-Horizontal Merger	351-385
15. Non-Horizontal Mergers (cont'd) & Remedies	386-415
16. Problem 2	Handout

#### *Chapter 4: Relationships Among Competitors*

17.	ADM Price Fixing Video Collaboration Among Competitors Guidelines	Movie Statutory Supplement
18.	Supreme Court Jurisprudence (Appalachian Coal, Socony Vacuum	417-447
19.	Maricopa Co., Topco	447-471
20.	FOGA, Trial Lawyers, Broadcast Music	471-506
21.	NCAA, NCAA (recent)	507-524
22.	Cal Dental	524-553
23.	American Needle	553-584
24.	Joint Ventures	601-621
25.	Problem 3	Handout

#### *Chapter 5: Vertical Restraints on Price*

26.	Resale Price Maintenance	681-709
27.	Tying	710-744
28.	Microsoft	744-762

#### *Chapter 6: Immunities and Exemptions*

29.	Primary Jurisdiction and implied immunity	857-878
30.	State Action Doctrine	878-900
31.	State Action and Local Governments, Noerr-Pennington Doctrine	900-933
32.	Extraterritorial Application	933-959
33.	Review	