Workshops and Seminars June 08 - 12, 2020

**Tuesday, June 09, 2020**

- **Internal Meeting for BGSE Students**
  - 08:30 CET, via Zoom, details below
  
  
  “The Research Environment at the Department of Economics”
  
  *Colleagues of the Department are welcome to join*

- **Finance and Insurance / CRC TR 224 / ECONtribute Seminar**
  - 12:15 CET, via Zoom, details below
  
  **Guillaume Vuillemey**, HEC Paris
  
  “Set-Up Costs and the Financing of Young Firms”

- **ECONtribute Law and Econ Workshop**
  - 18:00 CET, via Zoom, details below
  
  
  “Bargaining and Vertical Mergers”
Internal Meeting for BGSE Students
“The Research Environment at the Department of Economics”
Colleagues of the Department are welcome to join

On Tuesday, June 9, 2020, at 8:30 am, directors of our institutes and representatives from RTG, CRC, Cluster, and briq will give BGSE students an overview of the research environment of the department. The meeting targets are the BGSE students in their 1st year but of course, other students and colleagues are welcome to join.

Zoom: https://zoom.us/j/95818110057?pwd=ckFDbTdBV2c3bE9QclhPWGFyUEtSQT09
Meeting-ID: 958 1811 0057
Password: 959692

Finance and Insurance / CRC TR 224 / ECONtribute Seminar
Guillaume Vuillemey, HEC Paris
“Set-Up Costs and the Financing of Young Firms”
(with François Derrien, Jean-Stéphane Mésonnier)

Abstract
We show that set-up costs are a key determinant of the capital structure of young firms. Theoretically, when firms face high set-up costs, they can only be established by lengthening debt maturity. Empirically, we use a large sample of French firms to show that young firms have a significantly higher leverage and issue longer-maturity debt than seasoned companies. As predicted by the model, these patterns are stronger in high set-up cost industries and for firms with lower profitability. Last, we show that, following an exogenous shock that reduces banks’ supply of long-term loans, young firms in high set-up cost industries grow significantly less.

Zoom: https://zoom.us/j/93817753909?pwd=U2ZoMG9DcVdJbTdkalclZlclTUFVtUT09
Meeting-ID: 938 1775 3909
Password: credit

ECONtribute Law and Econ Workshop
Luke Froeb, Vanderbilt Univ.
“Bargaining and Vertical Mergers”
(with Willem Boshoff, Roan Minnie, Steven Tschantz)

Abstract
Vertical merger models are built on (i) a network of, e.g., upstream manufacturers and downstream retailers (ii) who bargain bilaterally in the presence of externalities (iii) created by competition between downstream retailers (iv) facing a consumer demand surface. We simulate the effects of vertical mergers in seven different bargaining models to identify assumptions that lead to potentially anticompetitive outcomes. We find, among other things, that
• Vertical mergers give the merged firm a better outside option resulting in a bigger profit share.
• A low aggregate elasticity or strong nest strength can lead to anticompetitive outcomes.
• Compared to derived demand models, bargaining models increase the scope for
anticompetitive outcomes because they reduce upstream margins which reduces the benefit of merger, the elimination of double marginalization. • Nash-in-Nash and Nash-in-Shapley can give opposing predictions about whether vertical mergers are anticompetitive. Because the assumptions about the nature of bargaining can predetermine outcomes, it is critical to ensure that a model captures the significant features of pre-merger competition, and the loss of such competition following merger. However, this may be difficult to do because many of the assumptions about bargaining—critically, the alternatives to agreement—are unobservable.

Zoom:
https://zoom.us/j/97452254621?pwd=U3VEVUxaMDVvbHBrV2czK3pkL1BHdz09
Meeting-ID: 974 5225 4621
Password: COmp63

Redaktionsschluss / Deadline
BONN ECON NEWS June 15 - 19, 2020
WEDNESDAY, JUNE 10, 2020
12:00
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