

**Abstract :**

We study the effects of exclusive contracts and market-share discounts (i.e., discounts conditioned on the share a firm receives of the customer's total purchases) in a model where firms compete in non-linear pricing. Exclusive contracts intensify the competition among the firms, increasing consumer surplus, improving efficiency, and reducing profits. If exclusive contracts are permitted, allowing firms to offer also market-share discounts weakens competition, reducing efficiency and harming consumers.

However, starting from a situation where exclusive contracts are prohibited, the effects of market-share discounts, which include exclusive contracts as a limiting case, are ambiguous.

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We are pleased to invite you to the  
**Lunch Seminar in Economics:**

**Competition with exclusive contracts and  
market share discounts**

(with Vincenzo Denicolò)

**Giacomo Calzolari**  
University of Bologna

**February 8, 2012**  
13:00 – 14:00

Campus Limpertsberg  
Building of Science– Room BS001  
162a, avenue de la Faïencerie L-1511 Luxembourg

Lunch is planned for the registered participants

Registration: by email to [fdef-colloques@uni.lu](mailto:fdef-colloques@uni.lu)

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