



# Monopolization Review

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## Monopolization elements

Re-run

(1) monopoly power in a relevant market

1. What's a relevant market?

a) product market

b) geographic market

2. What constitutes monopoly power in that market?

(2) anticompetitive conduct

## Monopolization analysis to-do list

- (1) monopoly power in a relevant market
  1. figure out a relevant product market
  2. figure out a relevant geographical market
  3. look at the market share
  4. consider barriers to entry
  5. consider whether future capacity constraints, changing consumer demand, or demand elasticity might let an alleged monopolist off the hook
- (2) anticompetitive conduct  
*[for this analysis, you'll use what we cover next ... ]*



## Vayatom

**Hypo:** Suppose Vayatom builds nuclear power plants for electric utilities, and suppose it costs \$4 billion to build a staff of engineers and to design and test a new nuclear reactor and plant facility that can be marketed. Vayatom has:

- 85% of the new nuclear plant market worldwide
- 100% of the new nuclear plant market in the USA
- 7% of the new power plant market in the world
- 1% of the new power plant market in the USA

***Does Vayatom have monopoly power?***

*(This is for discussion in class ... There's no pre-prepared answer slide.)*