



University  
of Victoria

Economics

# ECON 413 A01 Economics of Firm Strategy

Spring Session: 2025 01 – CRN 21028, Unit Value 1.5,

Meet on Tuesday Wednesday Friday at 11.30-12.20

## UVic Land Acknowledgement

*We acknowledge and respect the Ləkʷəŋən (Songhees and Esquimalt) Peoples on whose territory the university stands, and the Ləkʷəŋən and W̱SÁNEĆ Peoples whose historical relationships with the land continue to this day.*

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**Office Hours:** In person: 12.30-13.30 Tuesday and Friday. Zoom: email request

**TA Name:** Mrinmayi Thorat [mrinmayithorat@uvic.ca](mailto:mrinmayithorat@uvic.ca)

## Course Content

Analysis of market competition and business strategy. Topics include market analysis, competitive advantage, strategic positioning, industry dynamics, strategic commitment, organizational structure, and firm boundaries. This course covers fundamental concepts you will need to analyze a firm's competitive environment, perform a comprehensive analysis of its position and enunciate sound business strategies. We use simple economic principles and game theory concepts to analyze specific business situations. The course covers important concepts, ideas, empirical applications, and real-world case studies.

## Learning Outcomes

You will use modern tools in competition economics and game theory to analyze business strategies and frame policy issues. Students acquire a language and an ability to structure problems that is necessary to address practical questions related to firm strategies and market conduct as well as their implications to industrial and competition policy.

## Course prerequisites/corequisites

ECON 313 or permission of department. Course recommended: ECON 345 or ECON 365, and ECON 358.

## Textbook

We will use the textbook 'Economics of Strategy' by Besanko, Dranove, Shanley and Schaefer, Wiley Press. You can purchase any edition. We will complement it with relevant and insightful book chapters, research articles and case studies.

## Brightspace

*Brightspace* is used extensively for the course. All students are expected to be fully functional with the system. The lecture notes will be posted in *Brightspace*. Please note that the lecture notes online are only outlines of the actual lectures. All announcements will be posted in *Brightspace*. Students are advised to check it frequently.

## Grading

### Grading Scheme

Your final grade will be determined as follows:

Quiz and excercises	20%
Reading notes	20%
Midterm	20%
Firm write-ups	20%
Participation and presentation	<u>20%</u>
	100%

A detailed rubric will be posted for each evaluation component. Here is a brief description of the course components:

*Quizzes*: I will post quizzes at the end of each week (9 in total). These quizzes are designed to help you check that you understand the course material. Your grade will take into account your top 8 scores.

*Reading Notes (RN)*: Every other week I will post a reading and ask questions due the following week. There will 5 RN. Your lowest grade will not count. You will typically be asked to post brief answers on Brightspace prior to class. Be prepared to discuss your notes in class. Your RN should be written in full sentences and be grammatically correct. The RN questions are designed to help you understand the material and to encourage you to contribute to stimulating classroom discussions. Some of the questions may be analytical and ask you to solve a problem.

*Firm Write-Ups (FWU)*: At the beginning of the term, you will choose a firm (that must be different from the one chosen by any other student), that you will use throughout the term to apply the course concepts. The FWU format is similar to the one for the RN. Every other week I will post questions about the current topic and ask you to answer these questions from the perspective of your firm. There will be 5 FWU. Your lowest grade will not count. You will write each week a couple of paragraphs about At the end of the class, you will present your main findings about your firm in a short presentation followed by a discussion.

For each assignment category (quiz, RN, FWU), you are expected to return all assignments. To compute your category average, I will ignore your lowest grade in each category. To qualify for an A or an A+ in the class, however, I will also take into account your three lowest grade and your participation grade (see below).

*Participation and presentation*: You are encouraged to participate (asking questions, in-class and online discussions). At the end of the class, you will summarize your main FWU findings about your firm in a short presentation followed by a discussion. Finally, I will sometimes ask you to write a short summary of the class discussion (RN, FWU or other).

### Mandatory Course Components

All 5 components are essential course requirements and cannot be waived. The presentation and midterm are mandatory course requirements. You must attempt both to pass the course.

Expectations: When I evaluate your contributions (reading notes and firm write-ups) I will ask myself the following question: Have you tried to use the course concepts and frameworks to tackle the problem at hand? Most concepts and framework for this course are covered in the textbook 'The Economics of Strategy' and will be reviewed in the quizzes. You will be evaluated on the basis of your ability to find the appropriate economics concepts and to apply them adequately. The suggested out-of-class workload is an average of 4 hours per week, sometimes more, sometimes less, roughly allocated as follows: 2 hour to review the class material and complete the weekly quiz and 2 hours to complete the weekly assignments (typically RN or FWU). You should expect to spend additional time for your firm presentation toward the end of the course.

### Dates of Assessments, Due Dates of Assignments

**Assignments:** Weekly announcement on Brightspace.

**Midterm:** The midterm exam is scheduled on February 26<sup>th</sup>.

**Final presentations:** April 1<sup>st</sup>, 2<sup>nd</sup> and 4<sup>th</sup>.

### Grading Scale

A+	A	A-	B+	B	B-	C+	C	D	F or N
90-100	85-89	80-84	77-79	73-76	70-72	65-69	60-64	50-59	0-49

Students should review the University's more detailed [summary of grading](#).

### Missing Assessments

Should students encounter a situation where they miss the midterm or cannot attend the final presentation, they may qualify for an academic concession. Students are required to indicate the specific grounds on which they are requesting an academic concession and to provide a justification outlining the impact of the circumstances on their ability to complete course requirements. For in-course extensions, please [fill in the form and follow the instructions on the form](#). I will not respond to informal requests of academic concessions. In case you miss the final presentation, fill in a [request for a deferral](#).

Students are advised not to make work or travel plans until after the presentation timetable has been finalized. Students who wish to finalize their travel plans at an earlier date should book flights that depart after the end of the examination period. There will be no special accommodation if travel plans conflict with the presentation timetable.

Please note that some of the assessment components during the term have built in flexibility for all students: you can miss one quiz, RN and FWU without losing any weight on course components rendering the need for in-course concessions via special arrangements unnecessary.

### Course Structure

See Brightspace for more information

Week	Topic
1	Introduction and historical perspective
2	Vertical boundaries (make-or-buy)

3	Competitors and market definition
4	Models of (static) competition
5	Entry
6	Competing over time
<b>7</b>	<b><i>Reading week</i></b>
8	Midterm
9	Industry analysis
10	Position and sustainability
11	Performance measurement and incentives
12	Special topic (TBA)
13	Firm/Industry presentations

## Course Policies

This course adheres to the [Undergraduate Course Policies](#) of the Department of Economics that deal with the following issues:

- Academic concessions
- Academic integrity (plagiarism and cheating)
- Attendance
- Grading
- Inclusivity and diversity
- Late adds
- Late assignments
- Repeating courses
- Review of an assigned grade
- Sexualized violence prevention and response
- Students with a disability
- Term assignments and debarment from examinations
- Travel plans
- Waitlists

The following policies are explicitly included because of their importance:

## Waitlist Policies

- Instructors have no discretion to admit waitlisted students or raise the cap on the course.
- Students on the waitlist should discuss with the instructor how to ensure they are not behind with coursework in the event they are admitted.
- Registered students who do not participate as specified in this outline during the first 7 calendar days from the start of the course may be dropped from the course.
- Registered students who decide not to take the course are responsible for dropping the course and are urged to do so promptly out of courtesy toward waitlisted students.
- Waitlist offers cease after the last date for adding courses irrespective of published waitlists.

## Academic Integrity

Academic integrity requires commitment to the values of honesty, trust, fairness, respect, and responsibility. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. A student who is found to have engaged in unethical academic behaviour, including the practices described in the [Policy on Academic Integrity](#) in the University Calendar, is subject to penalty by the University.

Review [What is Plagiarism](#) for the definition of plagiarism. Note: Submitted work may be checked using plagiarism detection software.

Specifically, online quizzes must be completed individually and not with anyone, including a friend, classmate, or group, nor can you search for answers to the questions (using a search engine, artificial intelligence tools or any other digital or non-digital method). You can, however, use the textbook and online sources to review the class material. You are also prohibited from sharing any information about the quiz with others. For these quizzes, I will ask you to fill the following statement:

I (write your name) \_\_\_\_\_ affirm that I will not give or receive any aid on this quiz or access any unauthorized resources and that all work will be my own.

For the RN and FWU you are allowed to discuss the assignment with classmates, do search or use artificial intelligence tools, but you should write your answers on your own, not copying from any source (e.g. classmate, google search, artificial intelligence) and what you hand in cannot be shared with anyone. I will ask you to write the following statement:

I (write your name) \_\_\_\_\_ affirm that I have written this assignment on my own, that I have not copied the answer from any source or shared the answers, and that no one has edited or corrected my answers.

## Student Code of Conduct

The Humanities, Science, and Social Sciences Faculties have adopted this [Student code of conduct](#). Please, review.

## University Policies

- University Calendar - Section "[Information for all students](#)"
- [Creating a respectful, inclusive and productive learning environment](#)
- [Accommodation of Religious Observance](#)
- [Student Conduct](#)
- [Non-academic Student Misconduct](#)
- [Accessibility](#)
- [Diversity / EDI](#)
- [Equity statement](#)
- Discrimination and Harassment [Policy](#)
- [Policy on Human Rights, Equity and Fairness](#) - The University is committed to promoting, providing and protecting a positive, supportive and safe learning and working environment for all its members.

## Sexualized Violence Prevention & Response

UVic takes sexualized violence seriously, and has raised the bar for what is considered acceptable behaviour. Students are encouraged to learn more about how the university defines sexualized violence and its overall approach by visiting [www.uvic.ca/svp](http://www.uvic.ca/svp). If you or someone you know has been impacted by sexualized violence and needs information, advice, and/or support please contact the sexualized violence resource office in Equity and Human Rights (EQHR). Contact [svpcoordinator@uvic.ca](mailto:svpcoordinator@uvic.ca).

## Resources for Students

[UVic Learn Anywhere](#) - UVic Learn Anywhere is the primary learning resource for students that offers many learning workshops and resources to help students with academics and learning strategies.

[Centre for Accessible Learning](#) - Students with diverse learning styles and needs are welcome in this course. In particular, if you have a disability/health consideration that may require accommodations, you are free to approach me; however, you must register with the [Centre for Accessible Learning](#) (CAL) for formal arrangements to be made. The CAL staff are available by appointment to assess specific needs, provide referrals and arrange appropriate accommodations. The sooner you let us know your needs the quicker we can assist you in achieving your learning goals in this course.

[Centre for Academic Communication](#) - Offers coaching on [academic integrity](#), including preventing accidental plagiarism. Provides support to students with time management, reading, writing, speaking, understanding academic expectations, and other aspects of academic communication as well as creating academic posters, blogposts, PowerPoint slides, and e-portfolios.

[Health Services](#) - University Health Services (UHS) provides a full service primary health clinic for students, and coordinates healthy student and campus initiatives.

[Support Connect](#) - a 24/7 mental health support service for students

- Toll-free (calls from North America): 1-844-773-1427
- International collect calls: 1-250-999-7621

[Counselling Services](#) - Counselling Services can help you make the most of your university experience. They offer free professional, confidential, inclusive support to currently registered UVic students.

[Indigenous Student Services](#) - Indigenous UVic students have access to many sources of support on campus. Before, during and after your time at UVic, you are encouraged to explore programs and services available to you, such as [Indigenous counselling services](#) and the [Elders in Residence](#), as well as non-academic programs that may be of interest to you.

[International Student Support](#) - The University of Victoria offers a number of resources to support international students as they pursue their studies. UVic's [International Centre for Students](#) is the primary office supporting international students on campus at the university-wide level and provides various supportive program through the [UVic Global Community Initiative](#), including a Mentorship Program and Conversation Partner Program.

For academic advising-related questions, students in the Economics Department are also encouraged to meet with the Economics Undergraduate Advisor (Brooklynn Comish-Trimble, [ecadvice@uvic.ca](mailto:ecadvice@uvic.ca)) as well as an academic advisor in the [Academic Advising Centre](#) early in their studies to help map out a plan to

declare a major and complete university program requirements. Other resources include the [Centre for Academic Communication](#) and the [Math and Stats Assistance Centre](#).

The International Student Liason in the Economics Department is Dr. Paul Schure who can help you connect with other international and domestic students in the Department. His email address is [schure@uvic.ca](mailto:schure@uvic.ca). Please, reach out if you are interested.

## Course Experience Survey (CES)

I value your feedback on this course. Towards the end of term you will have the opportunity to complete a confidential course experience survey (CES) regarding your learning experience. The survey is vital to providing feedback to me regarding the course and my teaching, as well as to help the department improve the overall program for students in the future.

When it is time for you to complete the survey, you will receive an email inviting you to do so. If you do not receive an email invitation, you can go directly to the [CES log-in](#). You will use your UVic NetLink ID to access the survey, which can be completed on your laptop, tablet or mobile device. I will remind you nearer the time, but please be thinking about this important activity, especially the following three questions, during the course.

What strengths did your **instructor** demonstrate that helped you learn in this course?

Please provide specific suggestions as to how the **instructor** could have helped you learn more effectively.

Please provide specific suggestions as to how this **course** could be improved.

## E-mail Correspondence

Emails should be limited to critical matters, such as inability to attend class, an exam, or prolonged illness, and should include the course name and number in the subject line. Questions on course material should be asked during office hours or in class. The standard format for writing a letter must be used. This means it should begin with a salutation (e.g. Dear....), include full sentences and it must conclude with a signature that includes your **full name and V#**. Text message lingo should not be used.