Sharing and traditional economy: a matter of substitutability... between cats and dogs?

European Commission – Press release “European agenda for the collaborative economy”

Sharing and traditional economy models is a matter of substitutability…

Dowling: “Traditional models are becoming ever more complex.”

Sharing economy firms are disrupting traditional industries across the globe. As Pervez Tejani and A. Caliskan, “For Uber, the world’s biggest taxi company owns no vehicles.”

The digital economy is dynamic but not operating in a legal vacuum. The findings are similar. The relevant market definition: F. Russo, In: Competition for Taxi Services from 2007

Whether competition enforcers have adequate tools for dealing with such harms is for this moment unclear, however many experts agree that they already got what it takes to adequately address potential abuses of market power.

Some experts argue that the City has discriminated against them by failing to subject Uber to the same licensing standards.

The Court stated that the argument is not valid. It is possible that new entrants into a market should be found to comply with every regulation applicable to incumbents in the market with whom the new entrant will be competing. Striking down (or delaying the Court) used a valid strategy.

Meanwhile, other pet owners may require dogs but not cats to be licensed. These harms are particularly acute in the animal welfare context. Dogs on average are bigger, stronger, and more aggressive than cats, are feared by more people, can give proportional harm, are often dangerous (e.g., biting, physical injury, etc.)

Dogs are generally larger and more aggressive than cats, which can allow reaching supra-competitive prices. This has led to a number of anti-competitive practices, including predatory pricing, tying, and providing different terms and conditions to different users.

In the view of the Court, the plaintiffs in the present case had no stronger argument for requiring that Uber and the other TNPs be subjected to the same licensure scheme as the taxi owners. The plaintiffs argued that the City has discriminated against them by failing to subject Uber to the same licensing standards, which the Court found, did not appear to be supported by plausible theoretical arguments.

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