## **Accepted Manuscript**

Vertical Integration and Innovation

Xingyi LIU

PII: S0167-7187(16)30002-9 DOI: 10.1016/j.ijindorg.2016.02.002

Reference: INDOR 2285

To appear in: International Journal of Industrial Organization

Received date: 3 April 2015
Revised date: 5 February 2016
Accepted date: 11 February 2016



Please cite this article as: Xingyi LIU, Vertical Integration and Innovation, *International Journal of Industrial Organization* (2016), doi: 10.1016/j.ijindorg.2016.02.002

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

#### ACCEPTED MANUSCRIPT

### Highlights

- We model innovation in an industry with both upstream and downstream investments.
- We study the impact of vertical integration on investment incentives.
- Vertical integration increases investments of the integrated firm at both levels.
- Integration is mutually beneficial only if innovation is important at both levels.
- We explain mergers and outsourcing in pharmaceutical and some hightech industries.

#### Download English Version:

# https://daneshyari.com/en/article/5077820

Download Persian Version:

https://daneshyari.com/article/5077820

Daneshyari.com