

Figure 1  
Monopoly Region in Characteristic Space

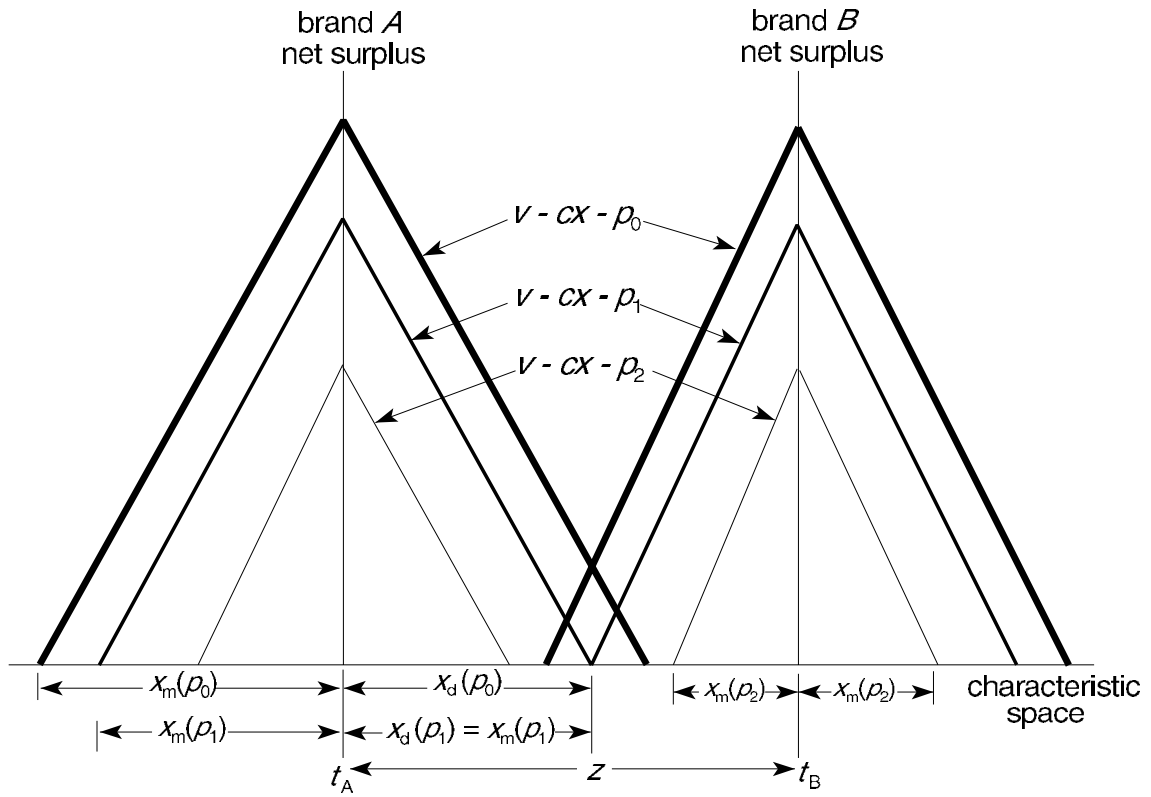


Figure 2  
Duopoly in Characteristic Space

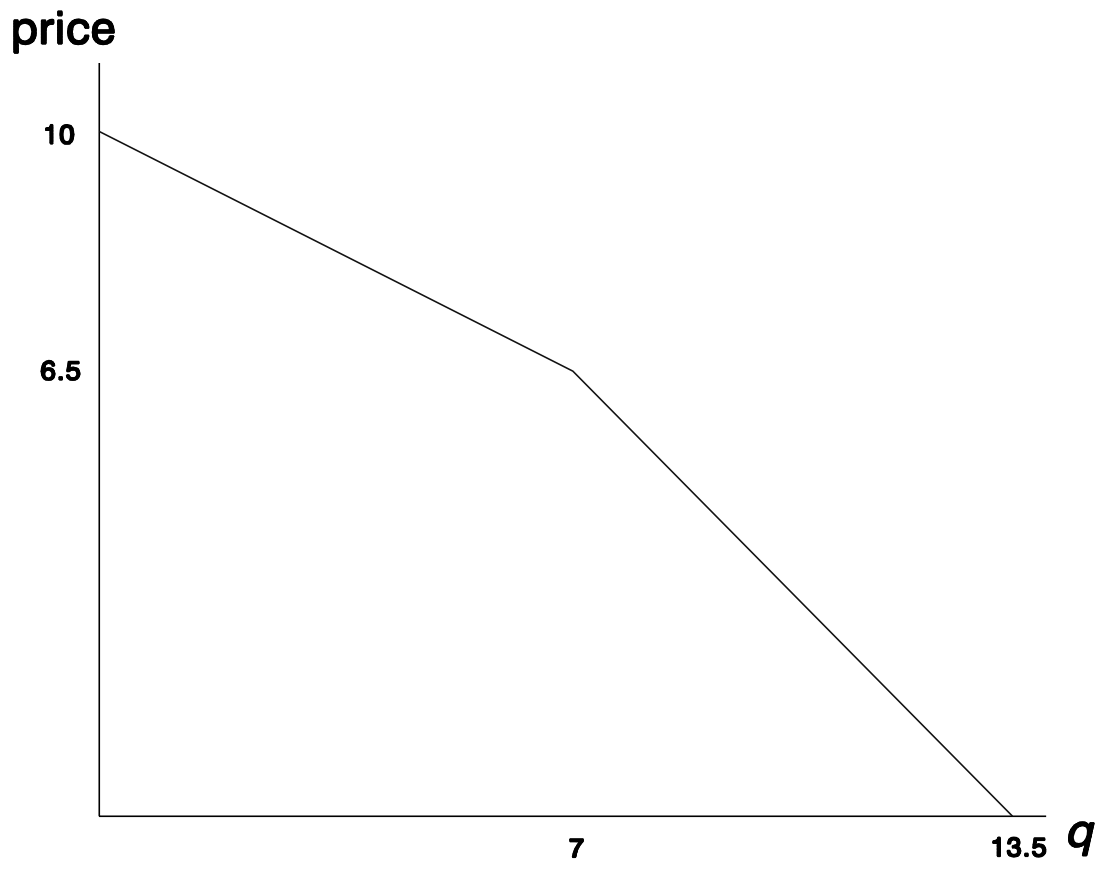


Figure 3  
The Kinked Demand Curve

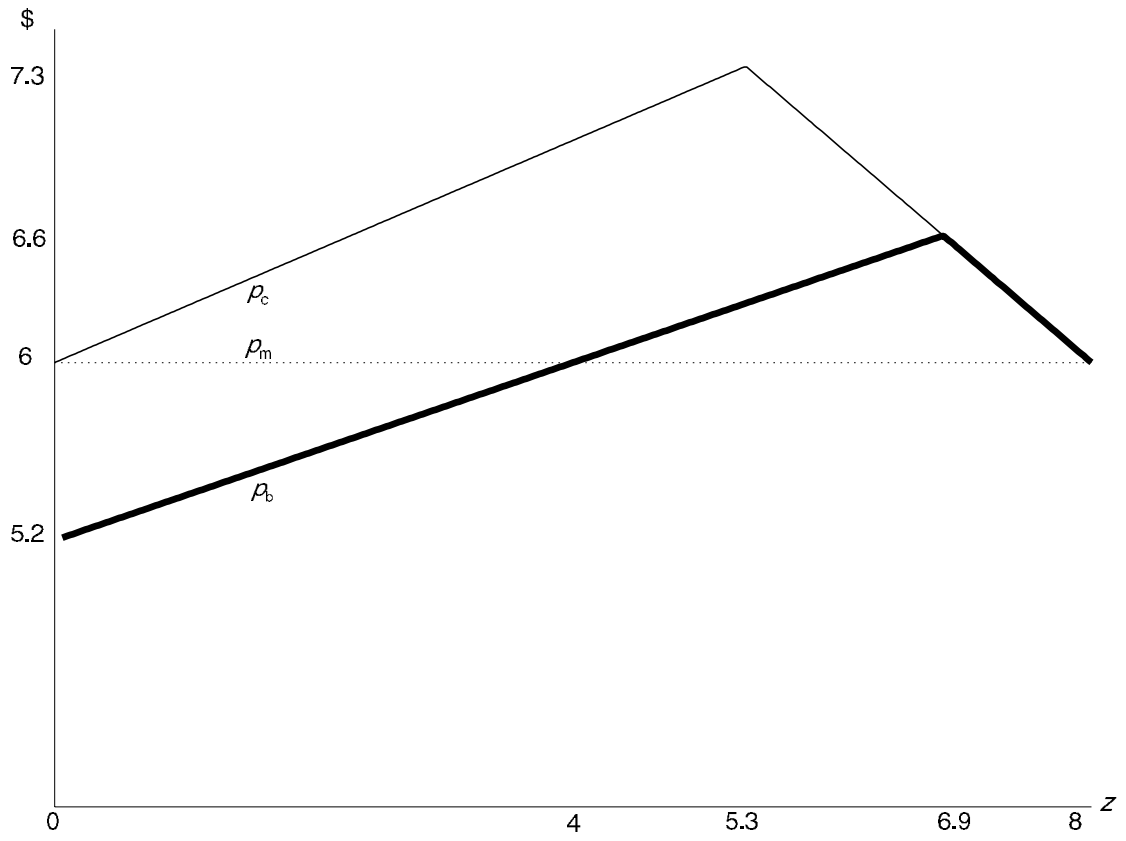


Figure 4  
Bertrand and Cartel Prices Vary with  $z$

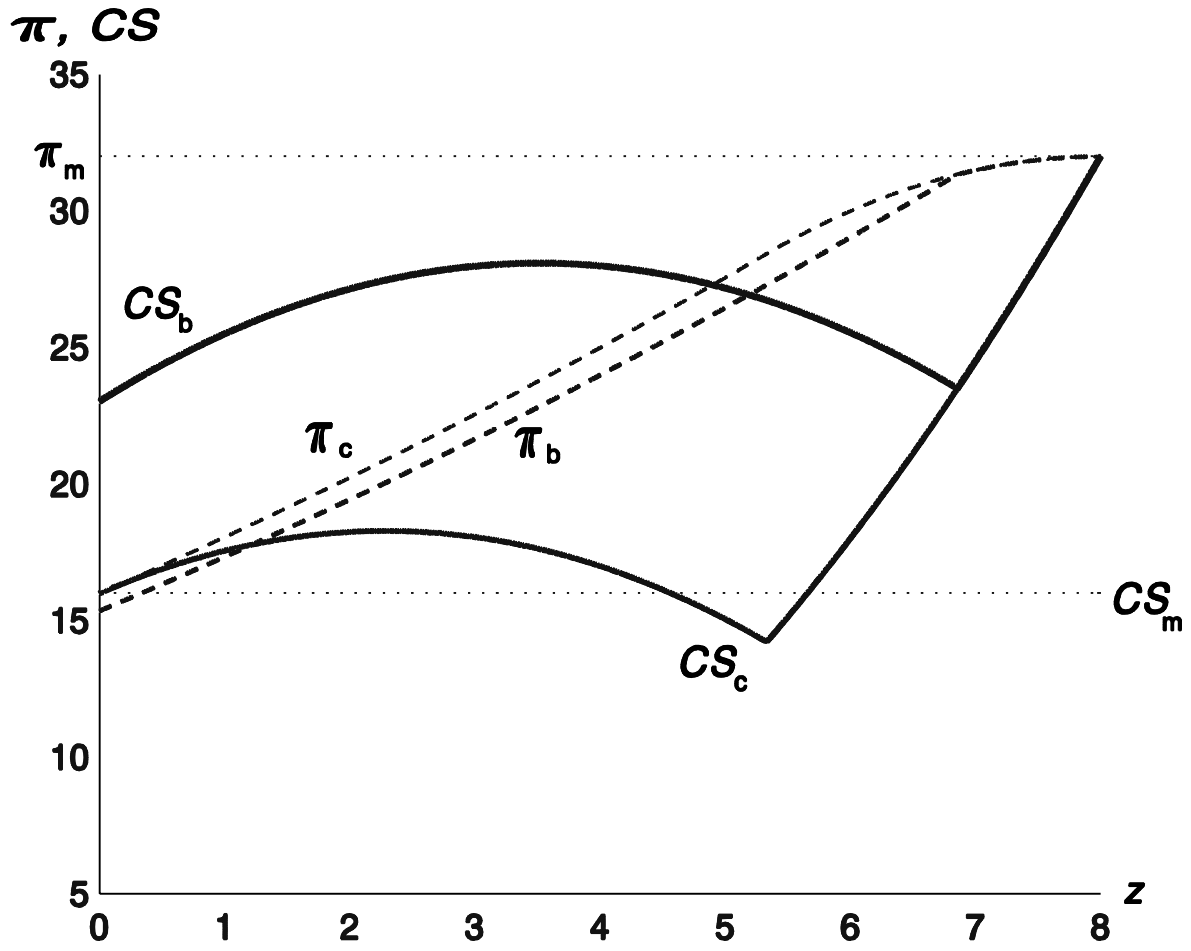
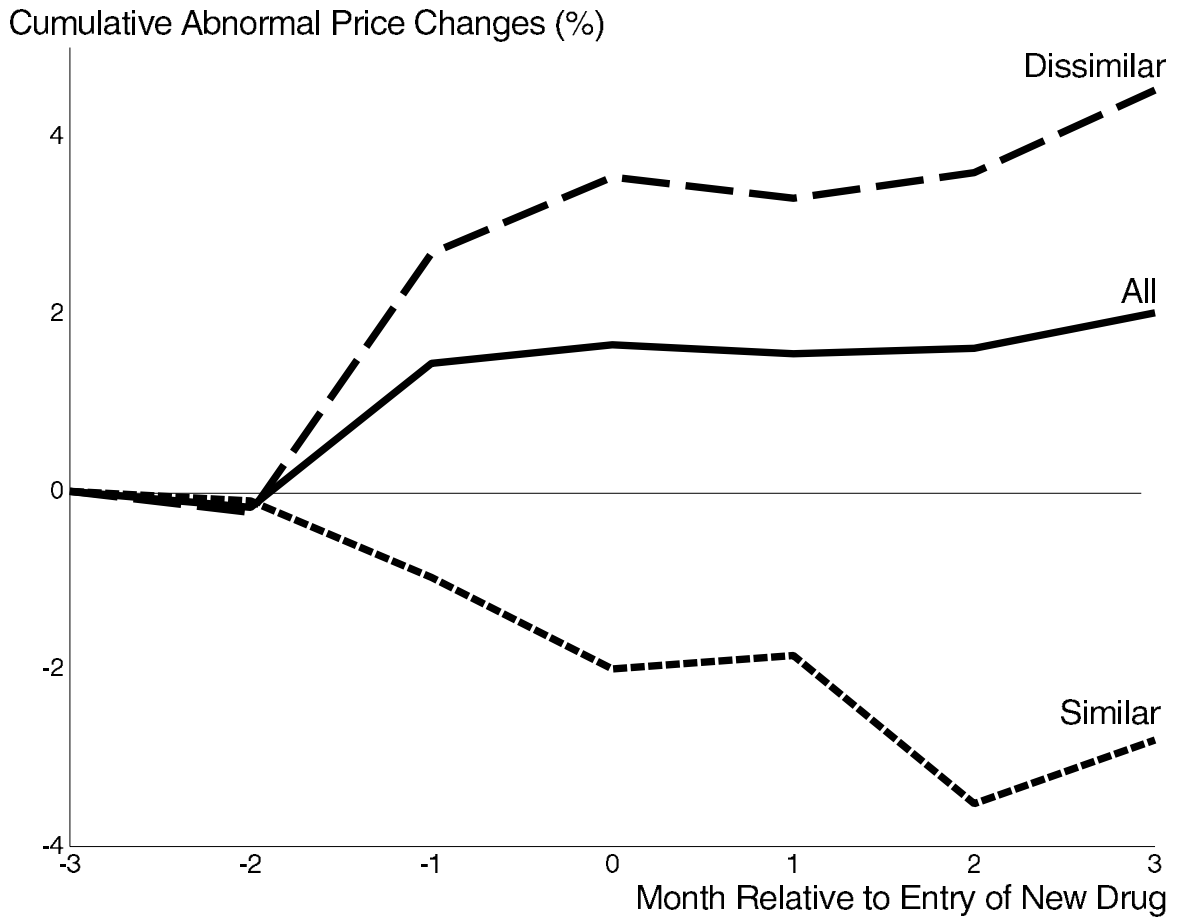


Figure 5  
Profits and Consumer Surplus Vary with Distance



**Figure 6**  
Cumulative Unexpected Price Effects