A VCG-Based Mechanism for Electronic Commerce Applications

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In auction theory, a Vickrey–Clarke–Groves (VCG) auction is a type of sealed-bid auction of multiple items. Bidders submit bids that report their valuations for the items, without knowing the bids of the other people in the auction. The auction system assigns the items in a socially optimal manner: it charges each individual the harm they cause to other bidders. It also gives bidders an incentive to bid their true valuations, by ensuring that the optimal strategy for each bidder is to bid their true valuations of the items. (Thanks for this text, Wikipedia.) This paper shows that the same idea works for electronic commerce applications.

1 INTRODUCTION

From here on it's straightforward LaTeX. You should know that the style uses Natbib author–year citations. That means citations that work like footnotes use "cite" [Abril and Plant, 2007] and citations that work like a part of speech are cited as we do Abril and Plant [2007].

ACKNOWLEDGMENTS

REFERENCES

Patricia S. Abril and Robert Plant. 2007. The patent holder's dilemma: Buy, sell, or troll? *Commun. ACM* 50, 1 (Jan. 2007), 36–44. DOI:http://dx.doi.org/10.1145/1188913.1188915