

¹ Dynamic Pricing of Servers on Trees

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¹⁴ — Abstract —

¹⁵ In this paper we consider the k -server problem where events are generated by selfish agents, known
¹⁶ as *the selfish k -server problem*. In this setting, there is a set of k servers located in some metric
¹⁷ space. Selfish agents arrive in an online fashion, each has a request located on some point in the
¹⁸ metric space, and seeks to serve his request with the server of minimum distance to the request. If
¹⁹ agents choose to serve their request with the nearest server, this mimics the greedy algorithm which
²⁰ has an unbounded competitive ratio. We propose an algorithm that associates a surcharge with
²¹ each server independently of the agent to arrive (and therefore, yields a truthful online mechanism).
²² An agent chooses to serve his request with the server that minimizes the distance to the request *plus*
²³ the associated surcharge to the server.

²⁴ This paper extends [9], which gave an optimal k -competitive dynamic pricing scheme for the
²⁵ selfish k -server problem on the line. We give a k -competitive dynamic pricing algorithm for the
²⁶ selfish k -server problem on tree metric spaces, which matches the optimal online (non truthful)
²⁷ algorithm. We show that an α -competitive dynamic pricing scheme exists on the tree if and only if
²⁸ there exists α -competitive online algorithm on the tree that is *lazy*, *local*, and *monotone*. Given this
²⁹ characterization, the main technical difficulty is coming up with such an online algorithm.

³⁰ **2012 ACM Subject Classification** Theory of computation → Online algorithms; Theory of computa-
³¹ tion → Algorithmic mechanism design

³² **Keywords and phrases** Online algorithms, Online mechanisms, k -server problem, Online pricing

³³ **Digital Object Identifier** 10.4230/LIPIcs.APPROX/RANDOM.2019.10

³⁴ **Funding** *Ilan Reuven Cohen*: Partially supported by the ERC consolidator grant 617951

³⁵ *Alon Eden*: Partially supported by the European Research Council under the European Unions
³⁶ Seventh Framework Programme (FP7/2007-2013) / ERC grant agreement number 337122, by the
³⁷ Israel Science Foundation (grant numbers 317/17 and 1841/14)

³⁸ *Amos Fiat*: Partially supported by the Israel Science Foundation (grant number 1841/14)

³⁹ *Łukasz Jeż*: Partially supported by Polish National Science Centre grant 2016/22/E/ST6/00499



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Approximation, Randomization, and Combinatorial Optimization. Algorithms and Techniques
(APPROX/RANDOM 2019).

Editors: Dimitris Achlioptas and László A. Végh; Article No. 10; pp. 10:1–10:24



Leibniz International Proceedings in Informatics

LIPICS Schloss Dagstuhl – Leibniz-Zentrum für Informatik, Dagstuhl Publishing, Germany

40 **1 Introduction**

41 Online algorithms were designed to deal with cases where the input arrives piecemeal over
 42 time and consists of a sequence of events. Problems such as paging, online matching, online
 43 scheduling, etc., are all examples of such problems.

44 This paper, belongs to a thread of recent research where events are selfish and the goal is
 45 to set surcharges on the various decisions that can be made by the agent with some desirable
 46 goal in mind such as minimizing social cost, makespan, completion time, flow time, sum of
 47 completion times, etc. (See Section 1.1 for some examples.) The prices may change over time,
 48 but must be known to the selfish agent upon arrival so that the agent can make an informed
 49 decision. Truthfulness is immediate in such settings, the agent gets asked no questions and
 50 therefore cannot lie about anything. The agent simply takes the utility maximizing (disutility
 51 minimizing) option available.

52 Specifically, in the dynamic pricing scheme for the k -server problem that we consider, the
 53 mechanism sets a surcharge on each server *prior* to an arrival of the next request. The agent
 54 that issues the request greedily chooses the server which minimizes the distance between the
 55 server and request *plus* the surcharge for the server. Note that the mechanism may update
 56 the surcharge of the servers based on *past* requests.

57 This paper extends the dynamic pricing results obtained for the k -server problem in [9]
 58 and deals with servers on a tree rather than restricted to a line. Although the basic idea is
 59 the same: use dynamic pricing to “nudge” selfish agents to act as though they were under
 60 the control of a centralized online algorithm, the tree metric is much more challenging to
 61 deal with than the line.

62 We show that any α -competitive online algorithm on the tree that is simultaneously (i)
 63 *lazy*: moves at most one server, (ii) *local*: a request at a point occupied by one or more
 64 servers is served by one of these servers, and (iii) *monotone*: the set of points serviced by a
 65 server is contiguous, can be converted into a dynamic posted pricing scheme for the selfish
 66 k -server problem on the tree with a competitive ratio of α . These properties were defined
 67 and in fact proved for the line [9], but they extend naturally to trees; cf. Section 2.2 for
 68 formal definitions. Thus, the main challenge in this paper is to give a k -competitive k -server
 69 algorithm for the tree that is lazy, local, and monotone.

70 In the work of Cohen et al. [9], the main idea for obtaining an algorithm with those
 71 properties on a line is to run a simulation of the Double Cover (DC) algorithm and serve each
 72 request (at point) r with a server that is adjacent to r (i.e., there are no intermediate servers
 73 on its path to r) and that can be matched to a simulated Double Cover server which serves
 74 r in a min cost matching. This maintains the competitive ratio and ensures laziness, locality
 75 and monotonicity. Generalizing this idea to trees is not immediate. In particular, choosing
 76 an arbitrary server adjacent to the request which can also be matched to a simulated server
 77 in a min cost matching results in non-monotonicity, which cannot be priced. This means
 78 that one needs a deeper understanding of the tree topology in deciding which of the servers
 79 is to serve the request (We explain this in detail in Section 2.2).

80 **1.1 Related Work**81 **1.1.1 Dynamic Pricing Schemes and Online Mechanisms**

82 Lavi and Nisan [18] initiated the study of competitive analysis of incentive compatible online
 83 auctions. In particular, they give an incentive compatible on-line auction for many identical
 84 items with a tight competitive ratio. They consider both revenue and social welfare targets.

85 Awerbuch, Azar, and Myerson [1] give a general scheme that produces posted prices
 86 for general combinatorial auctions, with a competitive ratio equal to the logarithm of the
 87 ratio between highest and lowest prices, times the underlying competitive ratio for the
 88 combinatorial auction.

89 Although not explicitly stated as a pricing scheme, [14] effectively gives a dynamic pricing
 90 scheme for 2 servers in any metric space. Dynamic pricing was used in the context of packets
 91 with values and deadlines [12] with the goal of maximizing social welfare. Dynamic subsidies
 92 were introduced in [6] in the context selfish agents and facility locations. In [9] selfish agent
 93 versions were introduced for metrical task systems [4], for the k -server problem [19] on the
 94 line, and for metrical matching [15] on the line, and appropriate dynamic pricing schemes
 95 were described for reducing social cost. Dynamic pricing for scheduling selfish agents on
 96 related machines to minimize makespan were studied in [11]. In [13] dynamic prices were
 97 used to give a good approximation to the maximal flow time. In [10] dynamic prices were
 98 used to approximate the sum of weighted completion times. Many problems and extensions
 99 remain open.

100 1.1.2 The k -server problem

101 The k -server problem was introduced by Manasse et al. [19] as a far reaching generalization
 102 of various online problems. The best-studied of those is the paging (caching) problem, which
 103 corresponds to k -server problem on a uniform metric space. Sleator and Tarjan [20] gave
 104 several k -competitive algorithms for paging and proved that this is the best possible ratio for
 105 any deterministic algorithm.

106 The famous *k -server conjecture* of Manasse et al. [19] hypothesizes that the k -server
 107 problem is no harder in other metric spaces, i.e., that k is the optimal ratio for deterministic
 108 algorithms in general metrics. A lower bound of k holds in any metric space of at least
 109 $k + 1$ points [19], and a nearly matching upper bound of $2k - 1$ was given for the Work
 110 Function Algorithm (WFA) by Koutsoupias and Papadimitriou [17], which remains the best
 111 known algorithm for general metrics. The conjecture has been settled (exactly) for several
 112 special metrics. In particular, Chrobak et al. [7] gave an elegant k -competitive algorithm for
 113 the line metric, called Double Coverage (DC), which was later extended and shown to be
 114 k -competitive for all tree metrics [8]. Additionally, Bartal and Koutsoupias have shown that
 115 WFA is k -competitive for the line, the star, and all metric spaces with $k + 2$ points [3].

116 Moreover, Bansal et al. [2] have recently shown that the exact competitive ratio of the
 117 DC algorithm, which we simulate by dynamic pricing scheme, when it uses k servers but the
 118 offline optimum uses only $h \leq k$ servers is $\frac{k(h+1)}{k+1}$. (For such setting, the general lower bound
 119 is $\frac{k}{k-h+1}$ [19], which is matched only for the special case of paging [20].)

120 Most results on the k -server problem can be found in the survey by Koutsoupias [16].
 121 Due to our focus, we ignore the randomized variant, on which there is significant recent
 122 progress [5].

123 1.2 Roadmap to this Paper

124 The next section, Section 2 gives the model and sufficient condition to give of competitive
 125 pricing algorithms on trees. We show that any algorithm that is *lazy*, *local*, and *monotone*
 126 can be used to derive a dynamic pricing scheme, and that a dynamic pricing scheme implies
 127 that such an algorithm must exist. Section 3 gives an algorithm that is clearly lazy, local
 128 and monotone, but it remains to show that all points on the tree are associated with some
 129 server, i.e., that the algorithm is well defined. This is shown in Section 4. In Section C (in

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130 the Appendix) we show that the algorithm of Section 3 can be implemented in polynomial
 131 time. The Appendix also contains full proofs of various claims.

132 2 The Model and Preliminaries

133 2.1 The Selfish k -server problem

134 In this problem, there is a set of k -servers located in some metric space defined by an
 135 undirected weighted tree $T = (V, E, w)$. A sequence of selfish requests $\sigma = \langle \sigma_1, \sigma_2, \dots \rangle$
 136 arrives online, where each request is issued at some point in the metric space. Before an
 137 arrival of each request, a dynamic pricing scheme sets a surcharge (price) on each server,
 138 and the arriving request chooses to be served by the server s that minimizes the sum of the
 139 distance of s from the request and the surcharge on s ; the server s is then moved to the
 140 request. The dynamic pricing scheme's objective is to minimize the total distance moved by
 141 all servers.

142 Formally, given a request sequence $\sigma = \langle \sigma_1, \sigma_2, \dots, \sigma_T \rangle$, each of the requests must be
 143 served by one of the k servers, let $\ell = \langle \ell_1, \ell_2, \dots, \ell_T \rangle$ denote the *solution sequence*, where
 144 $\ell_i \in \{1, \dots, k\}$ is the index of the server which serves the i -th request. Define the *event prefix*
 145 $\sigma^{\prec t}$ to be the sequence of events up to but not including event t : $\sigma^{\prec t} = \langle \sigma_1, \sigma_2, \dots, \sigma_{t-1} \rangle$.
 146 The servers location after request t is: $s_i(\sigma^{\prec t+1}) = s_i(\sigma^{\prec t})$ for $i \neq \ell_t$ and $s_{\ell_t}(\sigma^{\prec t+1}) = \sigma_t$.
 147 Let $s_i(\sigma^{\prec 1})$ denote the initial server location.

The cost of serving σ by the solution sequence ℓ is

$$\text{COST}(\sigma, \ell) = \sum_{t=1}^T \text{dist}(\sigma_t, s_{\ell_t}(\sigma^{\prec t})).$$

In the selfish setting, the server that serves the request σ_t in step t is chosen so as to minimize the distance of σ_t to the server's current location *plus* the surcharge function $c: \sigma^{\prec t} \times \{1, \dots, k\} \mapsto \mathbb{R}^+$ (i.e., c depends only on past events). The chosen server is:

$$\ell_t^c \in \arg \min_i \text{dist}(\sigma_t, s_i(\sigma^{\prec t})) + c(\sigma^{\prec t}, i).$$

Let $\ell^c = \langle \ell_1^c, \dots, \ell_T^c \rangle$ be the (solution) sequence of server indices chosen by the selfish requests σ , and let $\ell^* = \langle \ell_1^*, \dots, \ell_T^* \rangle$ be the servers that minimize the total cost for σ . A pricing scheme c is α -competitive if for any σ :

$$\frac{\text{COST}(\sigma, \ell^c)}{\text{COST}(\sigma, \ell^*)} \leq \alpha.$$

148 2.2 A Sufficient Condition for Competitive Pricing Algorithms on trees

149 In this paper, we focus on tree metrics, where given a weighted tree $T = (V, E, w)$, we define
 150 a tree metric space to include the vertices of T along with all points along the edges of T
 151 (see Fig. 3a in Appendix 5). Given two points $a, b \in T$, we denote by $\mathcal{P}[a, b]$ the [unique]
 152 path between a and b including both endpoints. We use $\text{dist}(a, b)$ to denote the distance
 153 between a and b defined by the metric. We also use $\mathcal{P}(a, b]$ to denote the path from a to b
 154 that is open at a and closed at b .

155 We avoid reasoning about prices by describing how any online algorithm of a certain form
 156 can be converted into a dynamic pricing scheme that nudges the [upcoming] selfish agent do
 157 exactly as the online algorithm.

158 We use the following three properties. We say that an online algorithm is

- 159 1. *lazy* if it moves at most one server,
 160 2. *local* if some point p has one or more servers on it, then a request at p will be served by
 161 one of these servers.
 162 3. *monotone* if, for any two requests that the algorithm would service by the same server
 163 (for the next request to arrive), it is also true that a request at any point along the (tree)
 164 path connecting the requests would also be serviced by the same server.

165 ▷ **Observation 1.** Any algorithm that is local and monotone has the following property: if
 166 server i , at s_i serves a request at r then there is no other server along the path $\mathcal{P}(s_i, r]$.

167 The following lemma shows that any α -competitive algorithm that satisfies the above
 168 three properties can be translated into a dynamic pricing scheme with the same competitive
 169 ratio. We sketch the proof below for a “degenerate” case, and we defer the full proof to
 170 Appendix B.

171 ▶ **Lemma 2.** *Given a lazy, local, and monotone online algorithm for the k -server problem
 172 on tree metrics, with a competitive ratio of α , there is a dynamic pricing scheme for the
 173 k -server problem on tree metrics, with the same competitive ratio.*

174 **Proof sketch.** Just before the arrival of some request σ_t (and after serving $\sigma^{<t}$), every server
 175 s has an associated subtree T_s of points such that for every point $p \in T_s$ if the next request
 176 were made at p , then s would serve it; we say that s is *responsible* for T_s (breaking ties
 177 lexicographically in case multiple servers are at a request’s location). These subtrees partition
 178 the whole tree metric, i.e., they are disjoint and their union is the entire tree.

179 First, we set the price for servers for which $T_s = \emptyset$ at ∞ . Next, we observe that when
 180 setting the surcharges it is sufficient to consider just the endpoints of the subtrees. We say
 181 that two non-empty subtrees, T_s and $T_{s'}$, are *touching* at an endpoint p if there is no server
 182 s'' such that in the paths from s to p and from s' to p in T contain a point $q(\neq p) \in T_{s''}$.
 183 Note that there may be many mutually touching subtrees.

184 Consider a maximal collection of non-empty subtrees $T_{s_1}, T_{s_2}, \dots, T_{s_k}$, which pairwise
 185 touch at an endpoint p . (Clearly, p belongs to one of those subtrees.) The key observation
 186 is that a selfish agent requesting service at p must be indifferent between choosing any of
 187 the servers s_1, \dots, s_k . This induces a set of linear equations giving the difference in the
 188 surcharges, $c(s_i) - c(s_j)$,

$$\begin{aligned} 189 \text{dist}(s_i, p) + c(s_i) &= \text{dist}(s_j, p) + c(s_j) \quad \text{for all } 1 \leq i < j \leq k \\ 190 \Rightarrow c(s_i) - c(s_j) &= \text{dist}(s_j, p) - \text{dist}(s_i, p) \quad \text{for all } 1 \leq i < j \leq k. \end{aligned} \tag{1}$$

191 The relationship of subtrees “touching” can itself be described as a tree, so the equations
 192 above (1) can all be simultaneously satisfied. Any solution gives the prices we need. ◀

193 The above argument is incomplete, as when subtrees touch at tree vertices, or at a
 194 server’s location, the selfish request may deviate from the prescribed behavior of the algorithm.
 195 This issue can be treated easily by “nudging” the subtrees to avoid these phenomena. More
 196 on this in Appendix B.

197 We remark that it not necessarily true that a lazy, monotone, and local algorithm can
 198 be obtained from a pricing scheme. In particular, price all servers but one at ∞ , this is a
 199 pricing scheme (albeit a terrible competitive ratio) but contradicts locality.

200 How to find a lazy, local and monotone algorithm.

201 Any non-lazy algorithm can be trivially transformed into a lazy algorithm simply by
 202 delaying the motion of a server that is not serving a request. However, this may contradict

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203 Observation 1, so to preserve monotonicity we must compromise locality. Rather than simply
 204 follow the simulation. We do as in [9]¹, one may move any server matched to the simulated
 205 server in a min cost matching — this is guaranteed to preserve the competitive ratio. We
 206 show below that Locality and Monotonicity can be preserved by choosing an appropriate
 207 matching.

208 Given an online algorithm A and a set of requests $\bar{\sigma}$, let $\text{cost}(A, \bar{\sigma})$ be the cost of A for
 209 serving $\bar{\sigma}$.

210 ▶ **Lemma 3** ([9], Lemma 4.3). *Let ON be an online algorithm, let $\text{on}_i^{\prec t}$ be the location of
 211 server i after ON serves requests $\sigma^{\prec t}$, and let LAZY be an algorithm that serves request σ_t by
 212 the server ℓ which is matched to σ_t in an arbitrary min-cost matching between $\{\text{on}_i^{\prec t+1}\}_{i \in [k]}$
 213 and $\mathbf{s}^{\prec t}$, where the latter is a vector of locations of LAZY 's servers after serving $\sigma^{\prec t}$. Then
 214 $\text{cost}(\text{LAZY}, \sigma^{\prec t}) \leq \text{cost}(\text{ON}, \sigma^{\prec t})$ for every t .*

215 The above lemma suggests a natural approach to find an algorithm with the three desired
 216 properties. The approach is to simulate an algorithm that does not satisfy these properties (in
 217 our case, the Double Cover algorithm discussed in Section 2.4), and whenever the simulated
 218 algorithm serves the request with one of its *simulated servers*, choose a *real server* that is
 219 matched to the simulated server in a min-cost matching. While this solution produces a lazy
 220 and local algorithm with the same competitive ratio, it is not a-priori clear *if such a server
 221 can be chosen in a way that results in a monotone algorithm*. We show that for the Double
 222 Cover algorithm, this can indeed be done.

223 2.3 Characterization of min-cost matching on trees

224 We now give a full characterization of min-cost matchings on trees. As mentioned, the
 225 matching between two sets of points P and Q ($|P| = |Q|$) in a tree metric T is more involved
 226 than in a line, as given a point $p \in P$, there can be multiple points in Q local to p that can be
 227 matched to p in a min-cost matching between P and Q . Figure 1 contains a simple example.

228 In order to characterize the min-cost matching we use the following definition to “cut” a
 229 tree T at point x to two trees: $T_x(p), \bar{T}_x(p)$, where $p \in T_x(p)$. Formally,

230 ▶ **Definition 4.** *Given a tree T and two distinct points $p, x \in T$, let $T_x(p)$ be the subtree that
 231 contains p and does not contain x when splitting T into two subtrees at point x . Let $\bar{T}_x(p)$
 232 be $T \setminus T_x(p)$.*

233 We define the lowest common ancestor of two points p and q in the tree when rooted at
 234 point r .

235 ▶ **Definition 5.** *The **lowest common ancestor** of two points p, q with respect to a point
 236 r , as $\text{LCA}_r(p, q) = \text{argmax}_{x \in T} \{\text{dist}(x, r) : x \in \mathcal{P}(p, r) \cap \mathcal{P}(q, r)\}$.*

237 The following Lemma gives necessary and sufficient conditions for a point $p \in P$ to be
 238 matched to $q \in Q$ in some min cost matching.

239 ▶ **Lemma 6.** *Let P and Q be two sets of points in T such that $|P| = |Q|$, and let $p \in P$
 240 and $q \in Q$. Then there exists a min-cost matching $\mathcal{M} : P \rightarrow Q$ that matches p to q if and
 241 only if the following holds — when considering every point $x \neq q$ on the path from p to q ,
 242 $|\bar{T}_x(q) \cap P| > |\bar{T}_x(q) \cap Q|$.*

¹ Originally shown for the line, but the proof works for any metric space, which we show in Appendix A for completeness.

243 The following structural lemma is used in our proofs (we defer both proofs to Appendix D).

244 ▶ **Lemma 7.** *Let P, Q be two sets of points in T ($|P| = |Q|$). For points $q, r \in T$, let $T_r(q)$
245 be a sub-tree such that $|T_r(q) \cap P| > |T_r(q) \cap Q|$. Then there exists $p \in T_r(q) \cap P$ such that
246 for all $x \in \mathcal{P}(p, r)$, $|\overline{T}_x(r) \cap P| > |\overline{T}_x(r) \cap Q|$.*

247 2.4 The Double Cover algorithm

248 In order to achieve an optimal deterministic bound, our surcharge algorithm simulates the
249 Double Cover (DC) algorithm on trees [8]. In [8], the following was shown.

250 ▶ **Theorem 8 ([8]).** *The Double Cover algorithm is k -competitive.*

251 The algorithm roughly works as follows: When a request is issued at some point r , move
252 all the servers that “see” r (have no other server on the path to r) at the same speed until
253 either (i) a server d is blocked by another server c that moves towards r , in which case d
254 no longer “sees” r and will cease moving towards r (and all servers that see r will continue
255 moving towards r), or (ii) a server d reached r ’s position, in which case, the servers stop
256 moving, and d serves r .

257 We use the following notation throughout the paper. The locations of the Double Cover
258 servers, $\mathbf{dc}_i(\sigma^{\prec t}) \in M$, $i = 1, \dots, k$, determine the “area of responsibility” for every Double
259 Cover server: should some request occur at point $p \in M$, there is at least one server i at
260 $\mathbf{dc}_i(\sigma^{\prec t})$ that will be used by the Double Cover algorithm to serve the request at p . If the
261 time t and requests $\sigma^{\prec t} = \sigma_1, \dots, \sigma_{t-1}$ are fixed, we can simplify notation as follows:

$$\begin{aligned} 262 \quad s_i &= s_i(\sigma^{\prec t}), \quad i = 1, \dots, k, \\ 263 \quad S &= \langle s_1, \dots, s_k \rangle \\ 264 \quad \mathbf{dc}_i &= \mathbf{dc}_i(\sigma^{\prec t}), \\ 265 \quad \mathbf{DC} &= \langle \mathbf{dc}_1, \dots, \mathbf{dc}_k \rangle \\ 266 \quad \mathbf{dc}_i(r) &= \mathbf{dc}_i(\sigma^{\prec t}r) \quad r \in T, \\ 267 \quad \mathbf{DC}(r) &= \langle \mathbf{dc}_1(r), \dots, \mathbf{dc}_k(r) \rangle. \end{aligned}$$

268 In [9], we showed that for the line metric, exactly one of the two adjacent *real* servers
269 to the request can be matched to the simulated server at the request (Lemma 4.2 in [9]).
270 Moreover, if we use DC on the line as ON, serving the request σ_t using the adjacent real
271 server that is matched to σ_t recovers monotonicity (Lemma 4.4 in [9]). For the case where
272 the underlying metric is a tree, this is much more involved, as there can be multiple adjacent
273 real servers that can be matched to σ_t in a min cost matching, and choosing the wrong one
274 might result in a violation of monotonicity, as shown in Figure 1. In Section 3, we define a
275 binary relation \succ_r on pairs of servers that can serve a request at point r such that if $i \succ_r j$,
276 then server i cannot cause a monotonicity issue with respect to server j (more on that in
277 the relevant section). Since \succ_r is a strict order (see Lemma 16), there exists a server that is
278 maximal with respect to \succ_r , and using this server would not cause monotonicity issue.

279 The following property on the movement of the double cover servers on trees that is used
280 to prove the correctness of our algorithm. We defer the proof of the Lemma to Appendix ??.

281 ▶ **Lemma 9.** *For any DC server \mathbf{dc}_i , and any point $r \in T$: If \mathbf{dc}_i does not serve the request
282 at r ($\mathbf{dc}_i(r) \neq r$), then for any $p \notin T_r(\mathbf{dc}_i)$ we have $\mathcal{P}[\mathbf{dc}_i, \mathbf{dc}_i(p)] \subseteq \mathcal{P}[\mathbf{dc}_i, \mathbf{dc}_i(r)]$.*

283 **Proof.** Consider the trail of a DC server moving in response to a request. Observe that
284 every point along the trail was closer to the (former) location of the DC server than to the

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285 (former) location of any other DC server. That is:

286 For all $\mathbf{dc}_j, r \in T$, for every $q \in \mathcal{P}(\mathbf{dc}_j, \mathbf{dc}_j(r))$, $\text{dist}(\mathbf{dc}_j, q) < \text{dist}(\mathbf{dc}_z, q)$ for all $z \neq j$. (2)

287 Let $\mathbf{dc}_j(r, t)$ be the position of server j after a movement of at most t units for a request
 288 r , or the maximum movement the server can make if it is blocked before moving t unites. Let
 289 $t_j(r)$ be the distance traversed by \mathbf{dc}_j for the request r , i.e., $t_j(r) = \text{dist}(\mathbf{dc}_j, \mathbf{dc}_j(r))$. Since
 290 $p \notin T_r(\mathbf{dc}_i)$, the following holds:

291 For all $\mathbf{dc}_j \in T_r(\mathbf{dc}_i)$, $t' \leq t_j(r) : \mathcal{P}[\mathbf{dc}_j, \mathbf{dc}_j(p, t')] \subseteq \mathcal{P}[\mathbf{dc}_j, \mathbf{dc}_j(r, t')]$. (3)

292 We will prove that $t_i(p) \leq t_i(r)$ and by (3) the condition holds. Let b be the DC server
 293 that blocks i , i.e. $\mathbf{dc}_b(r, t_i(r)) \in \mathcal{P}(\mathbf{dc}_i(r, t_i(r)), r)$, and let $y = \mathbf{dc}_b(r, t_i(r))$.

294 **Case 1:** $\mathbf{dc}_b \in T_r(\mathbf{dc}_i)$ and $t_b(p) \geq t_i(r)$. By (3), $\mathbf{dc}_b(p, t_i(r)) = y \in \mathcal{P}(\mathbf{dc}_i(p, t_i(r)), p)$, so
 295 \mathbf{dc}_b block \mathbf{dc}_i at $t_i(r)$ when the request is at p .

296 **Case 2:** $\mathbf{dc}_b \in T_r(\mathbf{dc}_i)$ and $t_b(p) < t_i(r)$. Let \mathbf{dc}_ℓ the server which blocked \mathbf{dc}_b , by (2) we
 297 have $\mathbf{dc}_\ell(p, t_b(p)) \notin \mathcal{P}(dc_b, y)$. Hence, $\mathbf{dc}_\ell(p, t_b(p)) \in \mathcal{P}(y, p) \subseteq \mathcal{P}(\mathbf{dc}_i(p, t_b(p)), p)$ so \mathbf{dc}_ℓ block
 298 \mathbf{dc}_i at $t_b(p) < t_i(r)$ when the request is at p .

299 Let $x = \text{LCA}_p(r, \mathbf{dc}_b)$ and $t_b^x = \text{dist}(t_b, x)$. Note that if $\mathbf{dc}_b \notin T_r(\mathbf{dc}_i)$ then $t_b^x \leq t_i(r)$.

300 **Case 3:** $\mathbf{dc}_b \notin T_r(\mathbf{dc}_i)$ and $t_b(p) \geq t_b^x$. Hence, $\mathbf{dc}_b(p, t_b^x) = x$ and $x \in \mathcal{P}(r, p) \subseteq$
 301 $\mathcal{P}(dc_i(p, t_b^x), p)$ so \mathbf{dc}_b blocks \mathbf{dc}_i at $t_b^x \leq t_i(r)$ when the request is at p .

302 **Case 4:** $\mathbf{dc}_b \notin T_r(\mathbf{dc}_i)$ and $t_b(p) < t_b^x$. Let \mathbf{dc}_ℓ the server which blocked \mathbf{dc}_b . By (2),
 303 $\mathbf{dc}_\ell(p, t_b(p)) \notin \mathcal{P}(dc_b, x)$ hence $\mathbf{dc}_\ell(p, t_b(p)) \in \mathcal{P}(x, p) \subseteq \mathcal{P}(dc_i(p, t_b^x), p)$ so \mathbf{dc}_ℓ blocks \mathbf{dc}_i at
 304 $t_b(p) < t_i(r)$ when the request is at p .

305 ◀

306 3 An Algorithm for Dynamic Pricing on Trees

307 We now present a lazy, local and monotone k -competitive algorithm. This is a “new” (optimal)
 308 algorithm for the k -server problem on trees. As mentioned, our goal is to find a region
 309 for each server, such that for any request in the region, there exists a min cost matching
 310 which matches the server to the DC server at the request (*after* the movement of the DC
 311 servers). Note that, for some requests more than one server can be matched to the request.
 312 Figure 1 contains a simple example. Moreover, the figure shows that the naïve approach that
 313 matches an arbitrary “adjacent” real server to the DC server serving the request produces
 314 non-monotonicity. We need to select the real server to move more carefully—this is the
 315 purpose of the precedence relation, \succ_r .

316 Recall the the definition of a lowest common ancestor (LCA) (Definition 5). We now
 317 define the precedence relation that is used to determined which of the servers in the min-cost
 318 matching to the DC server that serves the request can be used to serve the request. Roughly
 319 speaking, a server i *precedes* server j with respect to point r ($i \succ_r j$) if, when inspecting the
 320 LCA of i and j with respect to point r , there is a DC server ℓ that comes from j ’s subtree
 321 and leaves the LCA towards r . The intuition behind this definition is as follows. Suppose we
 322 choose j as the server that serves r (when j is in the min-cost matching to the DC server
 323 that serves r). If the request is at a point r' further away from r , DC server ℓ might not
 324 leave the LCA, preventing server j from being in a min-cost matching to the DC server that
 325 serves the request at r' , which might result in non-monotonicity. This situation is exactly
 326 the one depicted in Figure 1.

► **Definition 10.** We say that server $i \succ_r j$ (i has higher priority than j with respect to r) if (i) $\text{LCA}_r(s_i, s_j) \neq s_j$, and (ii) there exists some DC server ℓ such that:

$$\text{LCA}_r(s_i, s_j) \in \mathcal{P}[\text{dc}_\ell, \text{dc}_\ell(r)] \quad \text{and} \quad \text{dc}_\ell \in T_{\text{LCA}_r(s_i, s_j)}(s_j).$$

► **Definition 11.** We define

$$\text{MC}(r) = \{\ell : \exists \text{ min-cost matching } \mathcal{M} : S \rightarrow \text{DC}(r) \text{ such that } \mathcal{M}(s_\ell) = r\}$$

327 to be the set of servers that can be matched to the DC server serving the next request located
328 at r .

329 ► **Definition 12.** A point $r \in T$ is ℓ -colorable for some server ℓ :

- 330 1. There is no server $j \neq \ell$ such that $s_j \in \mathcal{P}(s_\ell, r)$.
331 2. $\ell \in \text{MC}(r)$.
332 3. There is no server j such that $j \in \text{MC}(r)$ and $j \succ_r \ell$.

333 The intuition behind the above definition is that Property 2 ensures that the conditions
334 for Lemma 3 hold and thus the algorithm is k -competitive. If Property 1 did not hold then
335 the algorithm would not be local. Finally, Property 3 ensures that the algorithm is monotone
336 and well-defined, as we will show. See Figure 2 in Section 5 for illustrations of the various
337 definitions made above.

338 Our algorithm is described in Algorithm 1. We remark that it is not obviously poly-time.
339 In particular, it may not be clear how R_i 's can be computed efficiently. However, we describe
340 how to implement the algorithm in poly-time in Appendix C.

Algorithm 1 The Local Regions algorithm (see Fig. 3 in Appendix 5) for illustration.

Input: A tree metric T , initial servers locations $\langle s_1(\emptyset), \dots, s_k(\emptyset) \rangle \in M^k$, and an online sequence of requests $\bar{\sigma} \in T^*$.

1. After serving $\sigma^{<t}$, before the current request σ_t is revealed:
 - a. Initialize the forest $F^0 \leftarrow T$
 - b. For $i = 1, \dots, k$:
 - i. $C_i \leftarrow \{p \in F^{i-1} : p \text{ is } i\text{-colorable}\}$
C_i is the set of points that are i -colorable in the current forest F^{i-1} .
 - ii. $R_i \leftarrow \{p \in C_i : \text{for all } q \in \mathcal{P}(p, s_i), q \in C_i\}$
R_i is the monotone region of C_i around the location of server i .
 - iii. $F^i \leftarrow F^{i-1} \setminus R_i$
F_i is the remaining forest after removing R_i .
 2. Let σ_t be the current request, and let $\ell \in [k]$ be the server such that $\sigma_t \in R_\ell$
 - Serve σ_t with server ℓ
 - $\text{dc}_{t+1} \leftarrow \text{DC}(\text{dc}_t, \sigma_t)$
-

341 We say that our algorithm is *well defined* if for every sequence $\sigma^{<t}$, for every point $x \in T$,
342 there exists a server i such that $x \in R_i$.

343 ► **Theorem 13.** There exists a dynamic pricing scheme for the selfish k -server problem on
344 trees with an optimal competitive ratio of k .

345 **Proof.** Assuming Algorithm 1 is lazy, local, monotone and well defined, it can be simulated
346 by a pricing scheme by Lemma 2 and it is k -competitive by Lemma 3, because a point $r \in T$

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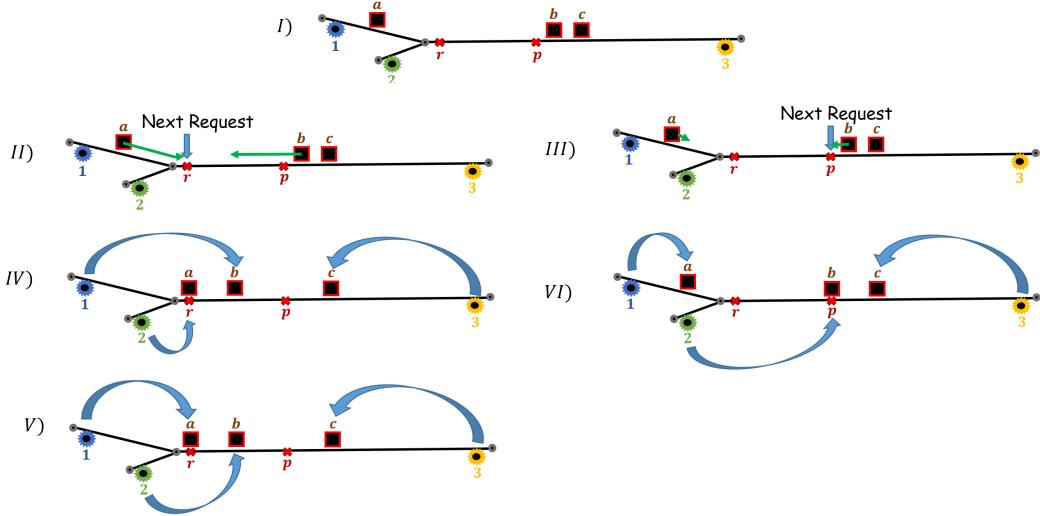


Figure 1 In order to maintain double cover's (DC) competitive ratio, we want to serve each request with a real server that "sees" the request (has no intermediate real servers along the path to the request), and is matched to a DC server that serves the request in a min cost matching between the *real* servers and the *simulated* DC servers. Unfortunately, choosing an arbitrary real server that is matched to the DC server might violate monotonicity. In the figure above DC servers are depicted by squares, namely a, b, c , and real servers by circles, namely $1, 2, 3$. Figure *I* depicts the initial configuration. We consider two possible locations of the next request, r, p . If the next request is at r , depicted in Figure *II*, then after the DC servers move, server a which served the request can either be matched to the green(2) server (Figure *IV*), or to the blue(1) server (Figure *V*) in the min-cost matching. If one chooses to serve the request with the blue(1) server, then it violates monotonicity. This is since if the next request in the initial configuration is on p (Figure *III*) instead, then the unique min-cost matching matches the green(2) server to server b . Finally, note that in the initial configuration r is not blue(1) colorable. According to Definition 12, properties 1 and 2 hold for the blue(1) server, but property 3 does not since $(2) \in MC(r)$ and $(2) \succ_r (1)$ (DC server a traverses $LCA_r(1, 2)$ and 'arrives' from the blue(1) server subtree).

is served by server ℓ only if r is in R_ℓ , and therefore r is ℓ -colorable, which implies $\ell \in MC(r)$. The ℓ -colorability (property 1) of r further implies locality of the algorithm, whereas its laziness follows by definition. The monotonicity of the algorithm follows by step 1(b)ii of Algorithm 1, since the region contains only points p such that all other points on the path from p to the server are also in the region of the server². To conclude the proof, Lemma 14 below implies the algorithm is well-defined. ◀

4 Algorithm 1 is Well Defined

In this section, we show that Algorithm 1 is well defined, i.e. that every point in the tree would be in some server's region, concluding the proof of Theorem 13. To help the reader in following this section, various figures, depicting important lemmas of this section, are presented in Figure 4 of Section 5.

► **Lemma 14 (Well-Defined Lemma).** *For any sequence σ , Algorithm 1 is well-defined.*

² We note that C_i itself might not be continuous, and therefore, step 1(b)ii is needed in order to ensure monotonicity.

359 We use the following observation:

360 ▷ Observation 15 (See Figure 4a). From the definition, we observe that for every r, p, q in T
 361 ($r \neq p$):

- 362 (1) For $q \in T_r(p)$, we have: $x \in T_r(p) \iff r \notin \mathcal{P}[x, q]$.
 363 (2) For $q \notin T_r(p)$, we have: $x \in T_r(p) \Rightarrow r \in \mathcal{P}[x, q]$.

364 In order to prove Lemma 14, we first show that the relation \succ_r is a strict partial order.

365 ▷ **Lemma 16.** \succ_r is a strict partial order relation for every $r \in T$.

366 **Proof.** In order to show that \succ_r is a strict partial order relation, we need to show it is
 367 irreflexive and transitive. (Note that these two properties imply asymmetry.) Since it is clear
 368 that \succ_r is irreflexive ($\text{LCA}_r(s_j, s_j) = s_j$ for every $r \in T$ and j), we show that it is transitive.

369 Assume that $i \succ_r j$ and $j \succ_r \ell$, we prove that $i \succ_r \ell$. Let $L_{i,j} = \text{LCA}_r(s_i, s_j)$ and
 370 $L_{j,\ell} = \text{LCA}_r(s_j, s_\ell)$ and $L_{i,\ell} = \text{LCA}_r(s_i, s_\ell)$. Let $\text{dc}_{i,j}$ and $\text{dc}_{j,\ell}$ be the respective DC servers
 371 which order the servers, i.e., $L_{i,j} \in \mathcal{P}[\text{dc}_{i,j}, \text{dc}_{i,j}(r)]$ and $\text{dc}_{i,j} \in T_{L_{i,j}}(s_j)$, and $L_{j,\ell} \in$
 372 $\mathcal{P}[\text{dc}_{j,\ell}, \text{dc}_{j,\ell}(r)]$ and $\text{dc}_{j,\ell} \in T_{L_{j,\ell}}(s_\ell)$.

373 **Case 1.** $L_{i,j} \in \mathcal{P}[L_{j,\ell}, r]$, hence $L_{i,\ell} = L_{i,j}$ and $T_{L_{i,j}}(s_j) = T_{L_{i,j}}(s_\ell)$, and therefore
 374 $L_{i,\ell} \in \mathcal{P}[\text{dc}_{i,j}, \text{dc}_{i,j}(r)]$ and $\text{dc}_{i,j} \in T_{L_{i,\ell}}(s_\ell)$. By Definition 10 $i \succ_r \ell$.

375 **Case 2.** $L_{j,\ell} \in \mathcal{P}[L_{i,j}, r]$, hence $L_{i,\ell} = L_{j,\ell}$ and therefore $L_{i,\ell} \in \mathcal{P}[\text{dc}_{j,\ell}, \text{dc}_{j,\ell}(r)]$ and
 376 $\text{dc}_{j,\ell} \in T_{L_{i,\ell}}(s_\ell)$. By Definition 10 $i \succ_r \ell$. ◀

377 This allows us to conclude that every point in the tree T is colorable by some server.

378 ▷ **Lemma 17.** For any $r \in T$, there exist j such that r is j -colorable.

379 **Proof.** Consider a point $r \in T$. Recall that $\text{MC}(r)$ is the set of servers the can be matched
 380 to r in a min-cost matching between S and $\text{DC}(r)$. Since \succ_r is a strict order relation (by
 381 Lemma 16), there is a server $\ell \in \text{MC}(r)$ that is maximal with respect to \succ_r in $\text{MC}(r)$, i.e.,
 382 such that for every server $j \in \text{MC}(r)$, $j \not\succ_r \ell$. Hence, there is a server ℓ for which Properties 2
 383 and 3 of ℓ -colorability hold.

384 Let ℓ be a server for which Properties 2 and 3 hold. If there is no other server in $\mathcal{P}(s_\ell, r]$,
 385 then Property 1 holds as well and r is ℓ -colorable. Otherwise, we claim that every server in
 386 $\mathcal{P}(s_\ell, r]$ Properties 2 and 3 hold. Since for the closest server to r in $\mathcal{P}(s_\ell, r]$, j , Property 1
 387 holds as well, it follows that r is j -colorable.

388 Let ℓ be a server in $\text{MC}(r)$ which is maximal with respect to \succ_r . Let j be a server for
 389 which $s_j \in \mathcal{P}(s_\ell, r]$. Since the path from s_j to r is a subpath of the path from s_ℓ to r , and
 390 since for every $x \in \mathcal{P}[s_j, r]$, $\overline{T}_x(s_j) = \overline{T}_x(s_\ell)$, the characterization of Lemma 6 holds for s_j
 391 and r as well, hence, $j \in \text{MC}(r)$.

392 Now assume that j is not maximal with respect to \succ_r , that is, there exists some server
 393 $j' \in \text{MC}(r)$ such that $j' \succ_r j$. By Definition 10, $\text{LCA}_r(s_{j'}, s_j) \neq s_j$, and there exists some
 394 server ℓ' such that

$$\text{LCA}_r(s_{j'}, s_j) \in \mathcal{P}[\text{dc}_{\ell'}, \text{dc}_{\ell'}(r)] \quad \text{and} \quad \text{dc}_{\ell'} \in T_{\text{LCA}_r(s_{j'}, s_j)}(s_j).$$

395 Let $x := \text{LCA}_r(s_{j'}, s_j)$. Since $x \neq s_j$, and since $s_\ell \in \overline{T}_{s_j}(r)$, it must be the case that
 396 $\text{LCA}_r(s_{j'}, s_\ell) = x$. Therefore, $\text{LCA}_r(s_{j'}, s_\ell) \in \mathcal{P}[\text{dc}_{\ell'}, \text{dc}_{\ell'}(r)]$. Since when splitting the tree at
 397 x , the subtree containing s_ℓ is also the subtree containing s_j , we also have that $\text{dc}_{\ell'} \in T_x(s_\ell)$
 398 which implies that $j' \succ_r \ell$ as well, in contradiction to ℓ 's maximality. Therefore, it must be
 399 the case that j is maximal as well. This implies that r is j -colorable by some server j which
 400 concludes the proof. ◀

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398 A subtree \tilde{T} is *fully-colorable* if for any point $p \in \tilde{T}$ there exists a server ℓ such that
 399 p is ℓ -colorable and $s_\ell \in \tilde{T}$. Since Algorithm 1 preserves monotonicity, it follows that a
 400 server would color points only in the subtree containing this server. Therefore, in order to
 401 prove that Algorithm 1 is well-defined we need to show that not only the original tree T is
 402 *fully-colorable* (Lemma 17), but also that every $\tilde{T} \in F^{i-1}$ is fully-colorable as well.

403 For the sake of proving this property (Corollary 23), we characterize properties of the
 404 min-cost matching $\text{MC}(p)$ and the relation \succ_p . First, we now show that for any server ℓ the
 405 region in which ℓ is in the min-cost matching is monotone.

406 ▶ **Lemma 18** (See Figure 4b). *For any server ℓ and two points r, p in T such that $p \notin T_r(s_\ell)$,
 407 the following holds—if $\ell \in \text{MC}(p)$ then $\ell \in \text{MC}(r)$.*

408 **Proof.** We will show that for any point $x \in \mathcal{P}[s_\ell, r]$, if $\text{dc}_j(r) \in T_x(s_\ell)$ then $\text{dc}_j(p) \in T_x(s_\ell)$:

409 First, we observe that $\text{dc}_j(r) \neq r$ (dc_j does not serve request at r), since $r \notin T_x(s_\ell)$ and
 410 $\text{dc}_j(r) \in T_x(s_\ell)$. Then, we observe that $\text{dc}_j \in T_x(s_\ell)$, since $\mathcal{P}(\text{dc}_j(r), x) \subseteq \mathcal{P}(\text{dc}_j, x)$. By
 411 Lemma 9, we have $\mathcal{P}[\text{dc}_j, \text{dc}_j(p)] \subseteq \mathcal{P}[\text{dc}_j, \text{dc}_j(r)]$, since $x \notin \mathcal{P}(\text{dc}_j, \text{dc}_j(r))$ ($\text{dc}_j(r) \in T_x(s_\ell)$),
 412 we have $x \notin \mathcal{P}(\text{dc}_j, \text{dc}_j(p))$ and we have $\text{dc}_j(p) \in T_x(s_\ell)$.

413 We get that for every $x \in \mathcal{P}[s_\ell, r]$, if $\text{dc}_j(r) \in T_x(s_\ell)$, then $\text{dc}_j(p) \in T_x(s_\ell)$, which
 414 implies $|T_x(s_\ell) \cap \text{dc}(p)| \geq |T_x(s_\ell) \cap \text{dc}(r)|$. Since $\ell \in \text{MC}(p)$, for any $x \in \mathcal{P}[s_\ell, r]$ we have
 415 $|T_x(s_\ell) \cap S| > |T_x(s_\ell) \cap \text{dc}(p)|$. Which together yields that the condition of Lemma 6 hold
 416 also for $\text{dc}(r)$, and therefore $\ell \in \text{MC}(r)$. ◀

417 Which yields the following lemma which will be used to prove Lemma 22.

418 ▶ **Lemma 19** (See Figure 4c). *For any two servers b, ℓ and a points x in T such that
 419 $b \in \text{MC}(x)$ and $s_\ell \notin T_x(s_b)$ we have for any $p \in \mathcal{P}(s_b, x)$ that $\ell \notin \text{MC}(p)$.*

420 **Proof.** Assume towards a contradiction that there exists $p \in \mathcal{P}(s_b, x)$ such that $\ell \in \text{MC}(p)$.
 421 Consider a point $y \in \mathcal{P}(x, p)$ which isn't a tree vertex, and in which at most a single DC
 422 server will arrive if the request is issued at this point (there exists such a point due to the
 423 continuity of the metric space). According to Lemma 18, $\ell, b \in \text{MC}(y)$.

424 Therefore, by Lemma 7 we have:

$$425 |T_y(s_b) \cap \text{DC}(y)| < |T_y(s_b) \cap S|, \text{ and}$$

$$426 |T_y(s_\ell) \cap \text{DC}(y)| < |T_y(s_\ell) \cap S|.$$

427 Since y is not a tree node, $T = T_y(s_\ell) \cup T_y(s_b) \cup \{y\}$. Moreover, there is at most one
 428 $\text{DC}(y)$ server at y (by y 's selection), so overall there are more real servers than $\text{DC}(y)$ servers,
 429 a contradiction. ◀

430 The following is an important property of the strict partial order \succ_r we defined over the
 431 servers.

432

433 ▶ **Lemma 20** (See Figure 4d). *For any two servers ℓ, j , a point r such that $s_j \in T_r(s_\ell)$, and
 434 any point $p \notin T_r(s_\ell)$: If $j \succ_p \ell$, then $j \succ_r \ell$.*

435 **Proof.** First, since $s_j \in T_r(s_\ell)$ then $\text{LCA}_r(s_\ell, s_j) \in T_r(s_\ell)$, therefore we have that $\text{LCA}_r(s_\ell, s_j) =$
 436 $\text{LCA}_p(s_\ell, s_j)$. Second, $j \succ_p \ell$ therefore there exists dc_i such that $\text{dc}_i \in T_{\text{LCA}_p(s_\ell, s_j)}(s_\ell)$,
 437 and $\text{LCA}_p(s_\ell, s_j) \in \mathcal{P}[\text{dc}_i, \text{dc}_i(p)]$. Clearly, if the request is on r and dc_i serves point
 438 r then $\text{LCA}_r(s_\ell, s_j) \in \mathcal{P}[\text{dc}_i, \text{dc}_i(r)]$. If dc_i does not serve point r , by Lemma 9 we
 439 have $\mathcal{P}[\text{dc}_i, \text{dc}_i(p)] \subseteq \mathcal{P}[\text{dc}_i, \text{dc}_i(r)]$, and again $\text{LCA}_r(s_\ell, s_j) \in \mathcal{P}[\text{dc}_i, \text{dc}_i(r)]$. In either case
 440 $\text{LCA}_r(s_\ell, s_j) \in \mathcal{P}[\text{dc}_i, \text{dc}_i(r)]$ and by Definition 10 we have $j \succ_r \ell$. ◀

We now prove the main technical lemma used in proving that the algorithm is monotone. The lemma roughly shows the following. Let $r \in T$ be some point that is ℓ colorable by some server ℓ , and let j be another server on the ‘same side’ of ℓ with respect to r . Let p be a point on the other side of ℓ and j with respect to r . The lemma states that if p is j -colorable, then it is also ℓ -colorable (see Figure 4e for a visual depiction).

The significance of this lemma is the following—suppose r is a point that the algorithm decided should be served by some server ℓ (which obviously means r is ℓ -colorable). Since we want our algorithm to be monotone, this immediately disconnects all the points further away from r from the servers that are on the same side as ℓ with respect to r . This would be a problem if there was such a point p that can be served only by servers on the same side as ℓ , but not ℓ itself. The lemma basically shows this situation cannot happen.

► **Lemma 21** (See Figure 4e). *For any two servers ℓ, j and two points r, p in T such that $s_j, s_\ell \in \bar{T}_r(p)$: If r is ℓ -colorable and p is j -colorable, then p is ℓ -colorable.*

Proof. Assume for contradiction that p is not ℓ -colorable. We consider the following cases

Case 1. $\ell \in \text{MC}(p)$. By the definition of ℓ -colorable, we have that there is a server i such that $i \in \text{MC}(p)$ and $i \succ_p \ell$. If $s_i \in \bar{T}_r(p)$, then by Lemma 18, $i \in \text{MC}(r)$, and by Lemma 20, $i \succ_r \ell$. Hence r is not ℓ -colorable, a contradiction. Otherwise, $s_i \in T_r(p)$. Let $x = \text{LCA}_p(s_\ell, s_i)$. Note that $r \in \mathcal{P}[s_\ell, p], r \in \mathcal{P}[s_j, p]$ and $r \notin \mathcal{P}[s_i, p]$ by Observation 15. We get that $\mathcal{P}[s_i, p] \cap \mathcal{P}[s_\ell, p] = \mathcal{P}[s_i, p] \cap \mathcal{P}[r, p] = \mathcal{P}[s_i, p] \cap \mathcal{P}[s_j, p]$, hence $\text{LCA}_p(s_j, s_i) = \text{LCA}_p(s_\ell, s_i) = x$. In addition, $T_x(s_\ell) = T_x(r) = T_x(s_j)$, and since $i \succ_p \ell$ we get $i \succ_p j$ by Definition 10. Recall that, $i \in \text{MC}(p)$, therefore p not j -colorable, a contradiction.

Case 2. $\ell \notin \text{MC}(p)$. By Lemma 6, there exists a point x on the path from s_ℓ to p such that

$$|T_x(s_\ell) \cap S| \leq |T_x(s_\ell) \cap DC(p)|. \quad (4)$$

Let x be the closest point to r for which (4) holds. Since $j \in \text{MC}(p)$, by Lemma 6, for every point y on the path from s_j to p , $|T_y(s_j) \cap S| > |T_x(s_\ell) \cap DC(p)|$, and hence, $x \in \mathcal{P}[s_\ell, \text{LCA}(s_\ell, s_j)] \subseteq \mathcal{P}[s_\ell, r]$. Moreover, since r is ℓ -colorable, $\ell \in \text{MC}(r)$, so Lemma 6 implies that

$$|T_x(s_\ell) \cap S| > |T_x(s_\ell) \cap DC(r)|. \quad (5)$$

Therefore, combining (4) and (5) yields $|T_x(s_\ell) \cap DC(r)| < |T_x(s_\ell) \cap DC(p)|$, and there must be a server dc_a such that $dc_a \in T_x(s_\ell)$ and $dc_a(r) \notin T_x(s_\ell) \Rightarrow x \in \mathcal{P}[dc_a, dc_a(r)]$. In addition, we have

$$|\bar{T}_x(r) \cap S| > |\bar{T}_x(r) \cap DC(p)|, \quad (6)$$

since x is the closest point to p for which (4) holds. Combining (4) and (6) yields that in $\hat{T} = \bar{T}_x(r) \setminus T_x(s_\ell)$ we have $|\hat{T} \cap S| > |\hat{T} \cap DC(p)|$. Notice that for every $b \neq a$ such that $dc_b \in \bar{T}_x(r)$, we have that $dc_b(r) \in \bar{T}_x(r)$ since only a single DC server can cross point x . Since $|\hat{T} \cap DC(p)| = |\hat{T} \cap DC|$, by Lemma 9, we get $|\hat{T} \cap DC(p)| = |\hat{T} \cap DC(r)|$. Therefore, $|\hat{T} \cap S| > |\hat{T} \cap DC(r)|$, and Lemma 7 implies that there exists $s_i \in \hat{T}$ such that for all $z \in \mathcal{P}[s_i, x]$, we have

$$|T_z(s_i) \cap S| > |T_z(s_\ell) \cap DC(r)|. \quad (7)$$

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482 In addition, (7) holds also for $z \in (x, r)$ by (5), hence, $i \in \text{MC}(r)$. Moreover, since
 483 $x = \text{LCA}_r(s_i, s_\ell)$, $x \in \mathcal{P}[\text{dc}_a, \text{dc}_a(r)]$ and $\text{dc}_a \in T_x(s_\ell)$, we also have $i \succ_r \ell$, which combined
 484 with $i \in \text{MC}(r)$ is a contradiction to r being ℓ -colorable. \blacktriangleleft

485 The main lemma to show the property *fully-colorable* is the following:

486 **► Lemma 22.** *For a fully-colorable sub-tree \tilde{T} , let $r, p \in \tilde{T}$ be two points and ℓ a server in \tilde{T}
 487 such that $p \notin T_r(s_\ell)$. If we have that*
 488

- *r is ℓ -colorable, and*
- *for all servers a such that $s_a \in \tilde{T}$ where p is a -colorable, we have $s_a \in T_r(s_\ell)$,*
 490 *then for any $x \in \mathcal{P}(r, p]$, x is ℓ -colorable.*

491 **Proof.** First, by Lemma 21 we have that p is ℓ -colorable as well. Assume for the purpose
 492 of contradiction that it is not true, let $x \in \mathcal{P}(r, p)$ be the closest point to p such that x is
 493 not ℓ -colorable. Since \tilde{T} is fully-colorable, there exists a server b , such that $s_b \in \tilde{T}$ and x
 494 is b -colorable. Note that, if $s_b \in T_r(s_\ell)$, then $s_b, s_\ell \in \overline{T}_r(x)$, and since r is ℓ -colorable, by
 495 Lemma 21, x is ℓ colorable, a contradiction. Let $L = \text{LCA}_r(p, s_b)$

496 **Case 1.** One of the following two holds: (i) $x \notin \mathcal{P}(s_b, s_\ell)$, (ii) $x = L$. In this case,
 497 $s_b, s_\ell \in \overline{T}_x(p)$ and x is b -colorable. Therefore, by Lemma 21, p is b -colorable, a contradiction.

498 **Case 2.** $x \in \mathcal{P}(s_b, s_\ell)$, and $x \neq L$, which implies $s_\ell \notin T_x(s_b)$, and $b \in \text{MC}(x)$ (since x
 499 is b -colorable). Therefore, by Lemma 19, we have $\ell \notin \text{MC}(y)$ for any $y \in \mathcal{P}(s_b, x)$, however
 500 since $x \neq L$, there exist $z \in \mathcal{P}(x, s_b) \cap \mathcal{P}(x, p)$, on one hand z is ℓ -colorable (by our choice of
 501 x), on the other hand $\ell \notin \text{MC}(z)$ (since $z \in \mathcal{P}(s_b, x)$), a contradiction. \blacktriangleleft

502 The above lemma implies the following corollary which yields that Algorithm 1 is well-
 503 defined.

504 **► Corollary 23.** *For a fully-colorable subtree \tilde{T} , and i a server such that $s_i \in \tilde{T}$, then for all
 505 subtrees $\hat{T} \in \tilde{T} \setminus R_i$ we have that \hat{T} is fully-colorable tree.*

506 **Proof.** Let p be the point in \hat{T} for which this does not hold, since \tilde{T} is fully-colorable, let
 507 j be the server such that $s_j \in \tilde{T}$ and p is j -colorable. Let $r = \operatorname{argmin}_x \{\text{dist}(p, x) : x \in
 508 \mathcal{P}(s_i, p) \cap R_i\}$ be the closest point to p in R_i . Observe that $r \notin \mathcal{P}(s_j, s_i)$ since otherwise
 509 $\mathcal{P}(s_j, p) \subseteq \mathcal{P}(s_j, r) \cup \mathcal{P}(r, p)$, where $\mathcal{P}(s_j, r) \cap R_i = \emptyset$ and $\mathcal{P}(r, p) \cap R_i = \emptyset$. Therefore,
 510 $\mathcal{P}(s_j, p) \cap R_i = \emptyset$, and thus $s_j \in \hat{T}$, a contradiction. Hence, by Observation 151, $s_j \in T_r(s_i)$.
 511 Finally, By Lemma 22, the entire $\mathcal{P}(r, p)$ is i -colorable, a contradiction for $p \notin R_i$. \blacktriangleleft

512 Using this corollary, we can now prove the Well-Defined Lemma.

513 **Proof of Well-Defined Lemma [Lemma 14].** In order for Algorithm 1 to be well-defined,
 514 each point in T should be in the R_ℓ region of some server ℓ . We will show that each
 515 subtree $\tilde{T} \in F^i$ after iteration i in the run of the algorithm execution is fully-colorable. The
 516 initial tree, T is fully-colorable by Lemma 17. After each iteration i , every subtree in F^i
 517 is fully-colorable by Corollary 23 (Note that, R_i is a subregion of a single subtree of F^{i-1}).
 518 Therefore, eventually a sub-tree would contain a single server and it is fully-colored by this
 519 server, which yields that $F^k = \emptyset$ as needed. \blacktriangleleft

520 **5 Figures**

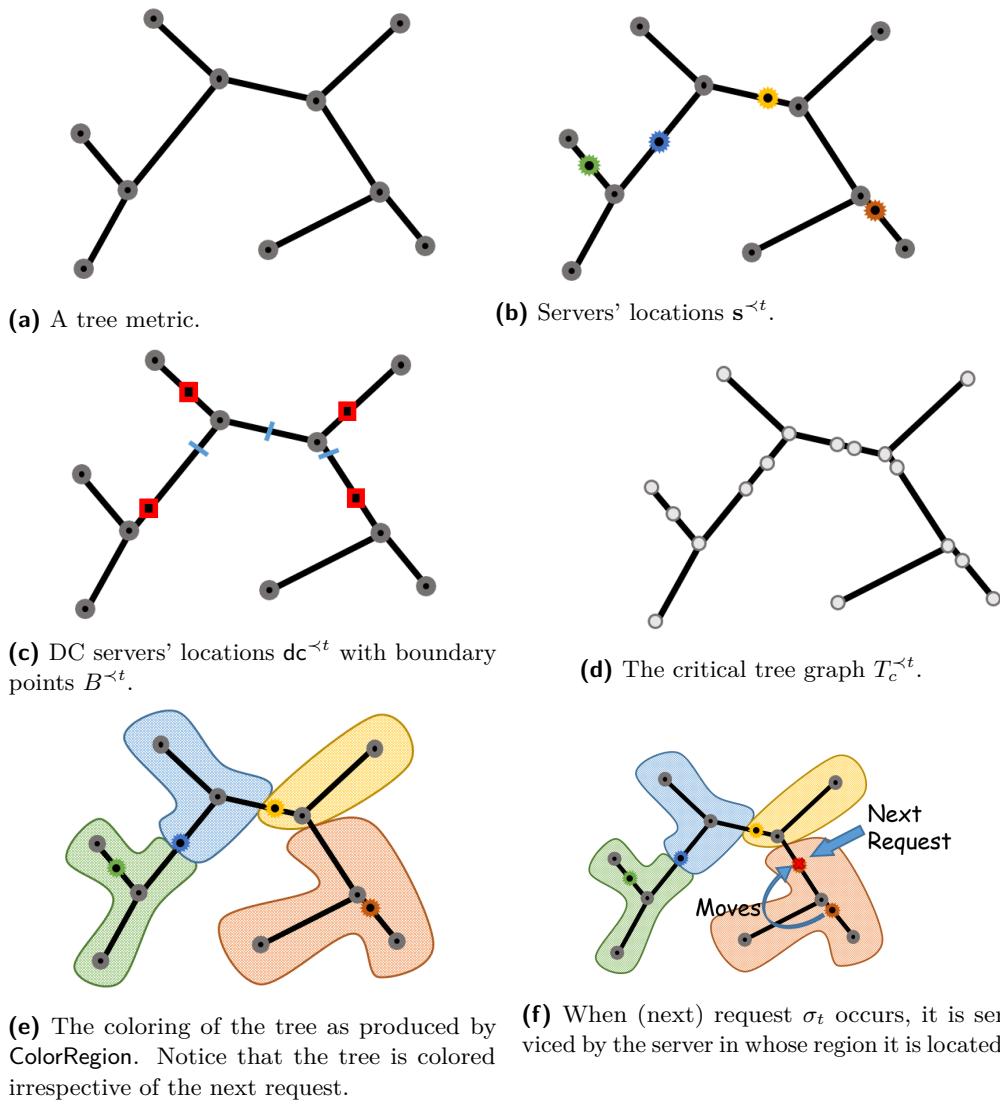
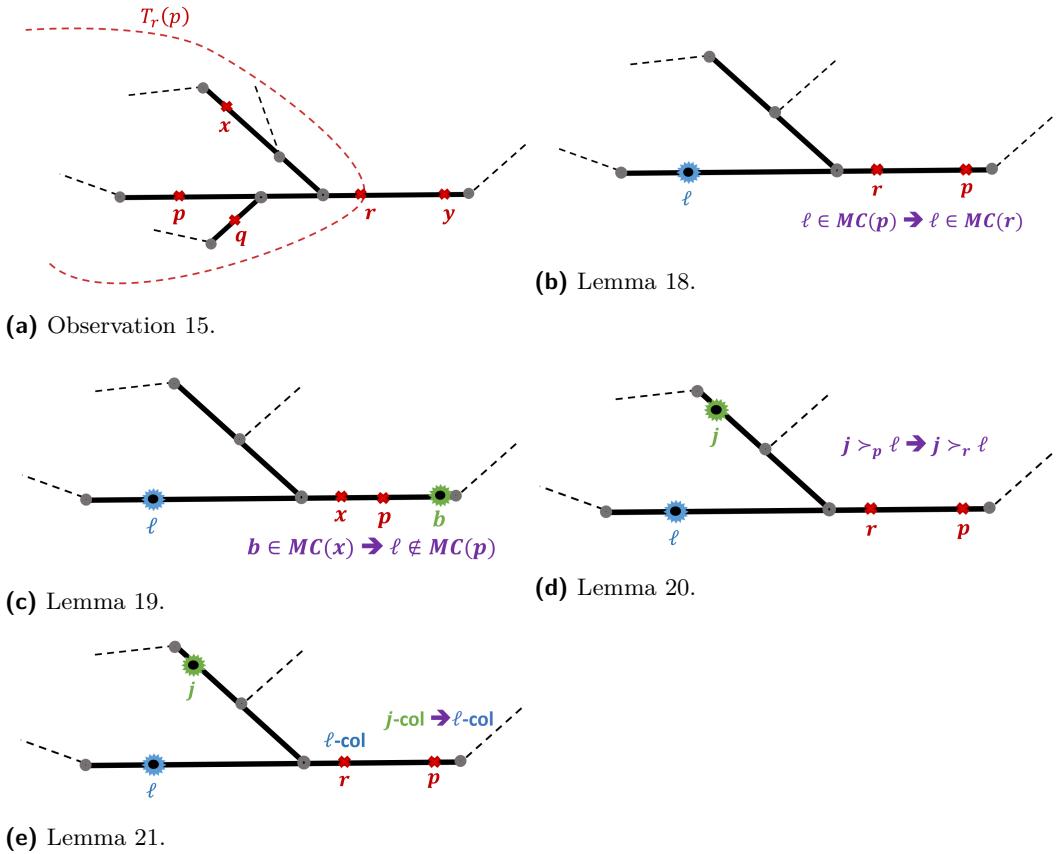


Figure 3 Key ingredients for Algorithm 1.

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■ **Figure 4** A visual depiction of the lemmas used in order to prove the Well-Defined Lemma.

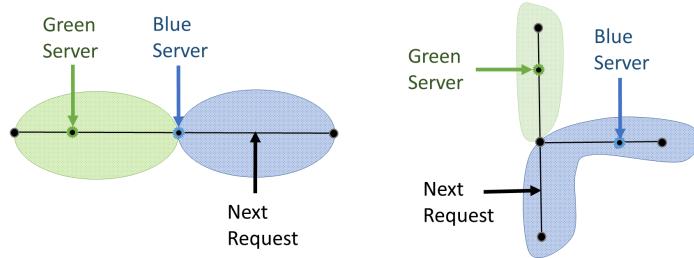


Figure 5 Issues with the naïve pricing algorithm. In the example on the left, the range served by the blue server has the blue server on its left end. The open interval up to the blue server is served by the green server. By setting the surcharges as in the naïve algorithm, a selfish request (the next request) in the blue zone is indifferent between moving the green and blue servers, so we have no guarantee that selfish agents emulate the online algorithm. The figure on the right shows a similar problem where the green and blue regions touch, and, again, by setting the prices naïvely, selfish agents may choose to move either the green or the blue agent in response to a request. In both cases, a solution to this problem is to break the tie by “pushing” the boundary between the green and blue regions slightly “away” from the blue region. See Figure 6 for details.

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- 584

585 **A Proof of Lemma 3**

586 **Proof of Lemma 3.** Given two sets of points P, Q such that $|P| = |Q|$, let $w(P, Q)$ be the
587 weight of the min-cost matching between P and Q .

588 Let $\text{cost}_t(\text{LAZY})$ and $\text{cost}_t(\text{ON})$ be the respective cost of algorithms **LAZY** and **ON** when
589 serving request σ_t . We show that for every t ,

590 $\text{cost}_t(\text{LAZY}) + \Delta\Phi \leq \text{cost}_t(\text{ON}), \quad (8)$

591 for a non-negative potential function $\Phi = w(\mathbf{S}, \mathbf{on})$, where \mathbf{S} and \mathbf{on} are the current locations
592 of the servers of **LAZY** and **ON** respectively. To prove (8), it suffices to consider the moves of
593 **ON** and **LAZY** independently, in this order.

594 Fix some min-cost matching $\mathcal{M} : \mathbf{S} \rightarrow \mathbf{on}$. We keep \mathcal{M} fixed as **ON** moves its servers.
595 Clearly, when **ON** moves a server ℓ by distance d , the cost of \mathcal{M} does not increase by more
596 than d . Hence, the same holds for the min-cost matching. Thus Φ increases by at most d ,
597 and (8) holds.

598 Once **ON** is done with its moves, we analyze the move of **LAZY**. Note that at this point
599 $\sigma_t \in \mathbf{on}$, i.e., **ON** has one of its servers at σ_t . Let \mathcal{M}' be the updated min-cost matching after
600 **ON** moves, and let ℓ' be some server of **LAZY** that is matched to σ_t . Upon the move of ℓ' to
601 σ_t , the cost of \mathcal{M}' is decreased by $\text{dist}(s_{\ell'}, \sigma_t)$. Since the cost of the min-cost matching after
602 ℓ' moves is no bigger than that of \mathcal{M}' , Φ decreases by at least $\text{dist}(s_{\ell'}, \sigma_t)$ as well, which is
603 exactly $\text{cost}_t(\text{LAZY})$. Therefore, $\text{cost}_t(\text{LAZY}) + \Delta\Phi \leq 0$, and (8) holds. ◀

604 **B Full Argument for Lemma 2**

605 The proof sketch of Lemma 2 shows that one can set surcharges where for the incoming agent
606 there exists a server that minimizes the distance + surcharge and this is the same server that
607 the algorithm would choose. Whenever this server can be matched (in a min cost matching)
608 to the DC server that served the request, Lemma 3 implies that the competitive ratio achieved
609 is optimal. This is enough for a truthful online algorithm with optimal competitive ratio if we
610 can break ties for the agent. However, our goal is to let the agents break ties for themselves.

611 We first notice the are two scenarios where an agent can have more than one disutility
612 minimizing server — (i) either the transition between the responsibility area of server j and
613 adjacent server i is the location of server i (left side of Figure 5). In this case, setting prices
614 using Equation (1) will result in both server i and server j being the disutility minimizing
615 servers for the responsibility area of agent i . (ii) the responsibility area of agent i contains a
616 tree vertex x from which starts the responsibility area of agent j (right side of Figure 5, i is
617 blue and j is green). In this case, if a request is made in the responsibility area of agent i
618 but on the other side of x than server i itself (i.e., in $\bar{T}_x(s_i)$), then both server i and server j
619 are the disutility minimizing servers for this request.

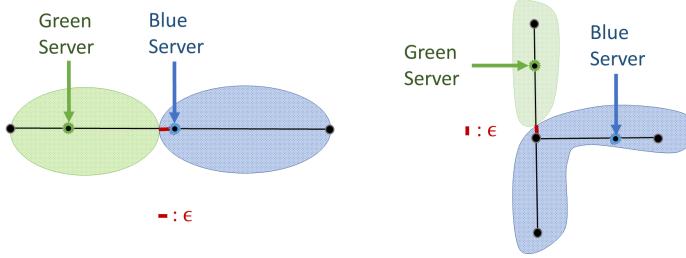


Figure 6 Modifying the regions for which the DC servers are responsible by pushing their boundaries away from real servers and tree vertices. This prevents indifference between different real servers except for isolated points. The boundaries are pushed by small amounts such that even their sum over all regions and all steps is arbitrarily small, thus having no effect on the competitive ratio. See Appendices A and B for the full argument, which uses a potential function.

620 To resolve this issue, we “nudge” the responsibility area of agent i slightly to the direction
 621 of the responsibility area of agent j by an exponentially decreasing tiny ϵ (see Figure 6). We
 622 inspect the proof of Lemma 3 to see why this does not change the competitive ratio. Since
 623 we do not necessarily use the server that minimizes the min cost matching at the nudged
 624 areas, Equation (8) does not hold if the request is in the nudged area. We notice though that
 625 this equation is violated by at most $k\epsilon$. To see this, we first move ON to the request. Using
 626 the same argument as in Lemma 3, we see that Equation (8) still holds after doing this.

627 We now move LAZY. Assume LAZY moves some server ℓ' . If the request would have been
 628 in the border between two responsibility areas before the nudge, then the cost of the min
 629 cost matching would have decreased by at least $\text{dist}(s_{\ell'}, \sigma_t)$ and this would have paid for the
 630 cost of moving ℓ' . We notice that if the location of a request in DC moves by ϵ , the locations
 631 of all servers change by at most ϵ . Therefore, using the same matching in the nudged area
 632 as we would have used in the border before the nudge increases the cost of the min cost
 633 matching by at most $k\epsilon$. Hence, moving ℓ' decreases the cost of the min cost matching by at
 634 least $\text{dist}(s_{\ell'}, \sigma_t) - k\epsilon$, violating Equation (8) by at most $k\epsilon$.

635 As we can let ϵ exponentially decay (say by a factor of two at each step t), summing
 636 Equation (8) for all t 's yields that the cost of LAZY is at most $2k\epsilon$ larger than the cost of
 637 ON. As ϵ is arbitrarily small, so is the difference between LAZY and ON, which thus have
 638 the same competitive ratio.

639 C Implementation in Polynomial Time

640 Algorithm 1 as defined in Section 3 is continuous in the sense that every point is considered
 641 when deciding which set of points should be in the region R_i of some server i . In this section,
 642 we show that one can discretize the metric space in a way that only polynomially many
 643 points (in the number of servers and vertices of the tree) are considered when determining
 644 the regions of each server.

Consider a point $p \in T$, such that there exist $1 \leq i < j \leq k$ such that

$$dc_i(\sigma^{\prec t} \| p) = dc_j(\sigma^{\prec t} \| p)$$

(where \parallel denotes concatenation), then p is called a *boundary point*. That is, a boundary point is a point for which, if a request occurs in p , two DC servers will serve the request. Define the set of all boundary points for Double Cover just before event t arrives (see Fig. 3c in Appendix 5):

$$B^{\prec t} = \{p \mid \exists 1 \leq i < j \leq k \text{ such that } \mathbf{dc}_i(\sigma^{\prec t} \parallel p) = \mathbf{dc}_j(\sigma^{\prec t} \parallel p)\}.$$

- 645 ► **Definition 24.** Given a tree metric $T = (V, E, \mathbf{dist})$, a set of requests $\sigma^{\prec t}$, and the current
 646 locations of the servers $S^{\prec t}$, we define the critical tree graph $T_c^{\prec t}$ by subdividing the edges
 647 of the tree (V, E) at all the server locations and boundary points, and retaining the distance
 648 function \mathbf{dist} , see Fig. 3 in Appendix 5. Formally:
 649 ■ Define the vertex set of the critical tree graph $T_c^{\prec t}$ to be the set $V_c^{\prec t}$, the union of the
 650 following point sets on the tree metric
 651 ■ Vertices of the tree T .
 652 ■ Server locations $\{S_\ell^{\prec t}\}_{\ell=1,\dots,k}$.
 653 ■ The set of boundary points $B^{\prec t}$.
 654 ■ The edge set of $T_c^{\prec t}$ is denoted by $E_c^{\prec t}$. There is an edge $(p, q) \in E_c^{\prec t}$ (where $p \in V_c^{\prec t}$
 655 and $q \in V_c^{\prec t}$) if p and q lie along the same edge of T , and there is no intermediate point
 656 $r \in V_c^{\prec t}$ between them. The weight of the edge $(p, q) \in E_c^{\prec t}$ is the distance between p and
 657 q in the tree metric T .

658 The intuition behind the critical graph is that the vertices of the graph are exactly the
 659 points in the metric space where the sets of valid colors ($\{\ell : p \text{ is } \ell\text{-colorable}\}$) change.

- 660 ► **Lemma 25.** Let $e = \{v_1, v_2\}$ be some edge of $T_c^{\prec t}$, and let ℓ be some server such that
 661 $v_1 \in \mathcal{P}[s_\ell, v_2]$ and v_1 is ℓ -colorable. The edge e is ℓ -colorable iff there exists some point p
 662 along the edge, excluding the endpoints, such that $\ell \in \mathbf{MC}(p)$.

663 **Proof.** By definition, if e is ℓ -colorable, then for every p along the edge, p is ℓ -colorable, and
 664 therefore, $\ell \in \mathbf{MC}(p)$.

665 Now assume that there exists some p along the edge e such that $\ell \in \mathbf{MC}(p)$. Since there
 666 exists some min-cost matching such that s_ℓ is matched to the DC server that serves p , and
 667 since p cannot be a vertex of T , by Lemma 6,

$$668 |T_p(s_\ell) \cap S| > |T_p(s_\ell) \cap \mathbf{DC}(p)| \quad (9)$$

669 Since there are no servers and no tree vertices along edge e , for every point $q \in \mathcal{P}[v_1, v_2] \setminus$
 670 $\{v_1, v_2\}$,

$$671 |T_q(s_\ell)| = |T_p(s_\ell)|. \quad (10)$$

For a given $q \in \mathcal{P}[v_1, v_2] \setminus \{v_1, v_2\}$ let

$$d_1(q) = |T_q(v_1) \cap \mathbf{DC}(q)| (= |T_q(s_\ell) \cap \mathbf{DC}(q)|)$$

672 be the set of DC servers in the subtree containing v_1 when splitting T at point q after serving
 673 a request at q . Let i be the index of the DC server that serves all the requests along the
 674 edge e , excluding its endpoints (there must be a unique such DC server since there are no
 675 boundary points along e). Notice that for every $j \neq i$, $\mathcal{P}[\mathbf{dc}_j, \mathbf{dc}_j(q)] \cap \mathcal{P}[v_1, v_2] \setminus \{v_1, v_2\} = \emptyset$.
 676 Otherwise, there would have been a point q along e which is closer to server j than server i ,
 677 which implies the existence of a boundary point along e .

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678 Since there are no tree vertices along e , we get that for every $q, q' \in \mathcal{P}[v_1, v_2] \setminus \{v_1, v_2\}$,
679 $d_1(q) = d_1(q')$. Therefore, for every such point q ,

$$680 |T_q(s_\ell) \cap \text{DC}(q)| = d_1(q) = d_1(p) = |T_p(s_\ell) \cap \text{DC}(p)|. \quad (11)$$

Combining (9), (10) and (11) yields that for every $q \in \mathcal{P}[v_1, v_2] \setminus \{v_1, v_2\}$, $|T_q(s_\ell) \cap S| > |T_q(s_\ell) \cap \text{DC}(q)|$. Therefore, $|\bar{T}_q(s_\ell) \cap S| < |\bar{T}_q(s_\ell) \cap \text{DC}(q)|$, and there exists some point $q' \in \mathcal{P}[q, v_2]$ such that

$$|\bar{T}_{q'}(s_\ell) \cap S| \leq |\bar{T}_{q'}(s_\ell) \cap \text{DC}(q)| \Rightarrow |\bar{T}_{q'}(q) \cap S| \leq |\bar{T}_{q'}(q) \cap \text{DC}(q)|.$$

681 Since there are no servers in $\mathcal{P}[p, v_2]$ (there are no servers along every edge e of $T_c^{<t}$),
682 for every server j such that $s_j \in T_q(v_2)$, q' is on the path from s_j to q , and by Lemma
683 6, $j \notin \text{MC}(q)$. By definition, this implies that for every point q along edge e , and every j
684 such that $s_j \in \bar{T}_{v_2}(q)$, q is not j -colorable. Since by Lemma 17 every point is colorable by
685 some server, we get that for every q along e , q is ℓ' -colorable by some server ℓ' such that
686 $s_{\ell'} \in \bar{T}_q(v_2) \Rightarrow s_{\ell'} \in \bar{T}_{v_1}(v_2)$. By Lemma 21, since v_1 is ℓ -colorable, we get that every q
687 along the edge e is ℓ -colorable, which implies that e is ℓ -colorable, as desired. \blacktriangleleft

688 **► Lemma 26.** Let e be some edge $\{v, v'\} \in E_c^{<t}$ such that $\text{color}(v) = j$ and $\text{color}(v') = j'$.
689 There exists $i \in \{j, j'\}$ such that all points in $\mathcal{P}[v, v'] \setminus \{v, v'\}$ are i -colorable which can be
690 determined by inspecting a single point in $\mathcal{P}[v, v'] \setminus \{v, v'\}$.

691 **Proof.** consider some edge $e = \{v, v'\} \in E_c^{<t}$ such that $\text{color}(v) = j$ and $\text{color}(v') = j'$. Let
692 p be a point between v and v' . By Lemma 17, it is colorable by some server ℓ . Since there
693 are no servers along x , ℓ must be located either in $\bar{T}_v(p)$ or in $\bar{T}_{v'}(p)$. Assume without loss
694 of generality that $\ell \in \bar{T}_v(p)$. By Lemma 21, p is j -colorable, which implies that $j \in \text{MC}(p)$.
695 By Lemma 25, x is j -colorable. \blacktriangleleft

696 **► Lemma 27.** Determining R_i at every iteration i in Step 1b of Algorithm 1 can be done in
697 polynomial time.

698 **Proof.** Consider the graph $T_c^{<t}$. This graph has at most $2k - 1 + |V|$ vertices — k servers, at
699 most $k - 1$ boundary points, and $|V|$ original vertices. The boundary points can of course be
700 computed in polynomial time. Consider iteration i of Step 1b of Algorithm 1. To determine
701 R_i , one can start at s_i , which is obviously in R_i , and then expend R_i using any tree traversal
702 algorithm (that runs in linear time) on $T_c^{<t}$. The traversal does not go further down the tree
703 if the vertex/edge currently considered is not i -colorable.

704 To check if a point $r \in T$ is i -colorable can be done in poly-time: Property 1 of Definition 12
705 can easily be checked. As for properties 2 and 3, Computing $\text{MC}(r)$ can be done in poly-time
706 using the characterization in Lemma 6. Therefore, property 2 can immediately be checked.
707 For Property 3, one should consider each server $j \in \text{MC}(r)$, and check that $j \not\prec_r i$, which
708 again can be done in poly-time.

709 From the above, it is clear that determining whether a vertex in $T_c^{<t}$ is i -colorable can be
710 done in poly-time. As for an edge, by Lemma 26, checking whether the edge is i -colorable
711 can be done by inspecting an arbitrary point in the edge, and checking whether this point
712 is i -colorable, which again, can be done in poly-time. Therefore, the tree-traversal can be
713 made in poly-time, and so does determining R_i . \blacktriangleleft

714 **D Missing Proofs of Section 4**

715 **Proof of Lemma 6.** \Leftarrow : Let $p \in P$ and $q \in Q$ be two points such that there exists a point
 716 $x \in \mathcal{P}(p, q)$ such that $|\overline{T}_x(q) \cap P| \leq |\overline{T}_x(q) \cap Q|$ and let $\mathcal{M} : P \rightarrow Q$ be a matching such
 717 that $\mathcal{M}(p) = q$. Since p is matched to a server in $T_x(q)$, $|\overline{T}_x(q) \cap P - \{p\}| < |\overline{T}_x(q) \cap Q|$,
 718 and there must be a server $\hat{p} \in T_x(q) \cap P$ that is matched to a server $\hat{q} \in \overline{T}_x(q) \cap Q$. Let
 719 $y = \text{LCA}_x(\hat{p}, q)$. Since \hat{p} and q are both in $T_x(q)$, $y \neq x$. Consider the matching \mathcal{M}' in which
 720 p is matched to \hat{q} , \hat{p} is matched to q , and for every $\tilde{p} \in P \setminus \{p, \hat{p}\}$, $\mathcal{M}'(\tilde{p}) = \mathcal{M}(\tilde{p})$. We have

$$\begin{aligned} 721 \quad \text{dist}(p, q) + \text{dist}(\hat{p}, \hat{q}) &= \text{dist}(p, x) + \text{dist}(x, y) + \text{dist}(y, q) + \\ 722 &\quad \text{dist}(\hat{p}, y) + \text{dist}(y, x) + \text{dist}(x, \hat{q}) \\ 723 &> \text{dist}(p, x) + \text{dist}(x, \hat{q}) + \text{dist}(\hat{p}, y) + \text{dist}(y, q) \\ 724 &\geq \text{dist}(p, \hat{q}) + \text{dist}(\hat{p}, q), \end{aligned}$$

725 where that first equality is due to the fact that the path from x to y is contained in both
 726 the path from p to q and the path from \hat{q} to \hat{p} , the first strict inequality is due to dropping
 727 non-zero terms, and the last inequality follows from the triangle inequality. Therefore, \mathcal{M}' is
 728 a matching of a strictly smaller cost than that of \mathcal{M} , and \mathcal{M} cannot be a min-cost matching.

729 \Rightarrow : Assume that the condition holds for p, q , let \mathcal{M} be a matching. Let $x = \text{LCA}_q(p, \mathcal{M}(p))$.
 730 **Case 1.** $x \neq q$, therefore $|\overline{T}_x(q) \cap P| > |\overline{T}_x(q) \cap Q|$. Hence, there exists $\hat{p} \in \overline{T}_x(q)$ s.t.
 731 $\mathcal{M}(\hat{p}) \notin \overline{T}_x(q)$. Let $\hat{q} = \mathcal{M}(\hat{p})$, and $q' = \mathcal{M}(p)$. Note that $\text{dist}(p, q') = \text{dist}(p, x) + \text{dist}(x, q')$
 732 and $\text{dist}(\hat{p}, \hat{q}) = \text{dist}(\hat{p}, x) + \text{dist}(x, \hat{q})$. Consider the matching \mathcal{M}' in which p is matched to \hat{q} ,
 733 \hat{p} is matched to q' , and for every $\tilde{p} \in P \setminus \{p, \hat{p}\}$, $\mathcal{M}'(\tilde{p}) = \mathcal{M}(\tilde{p})$.

$$\begin{aligned} 734 \quad \text{dist}(p, \hat{q}) + \text{dist}(\hat{p}, q') &\leq \text{dist}(p, x) + \text{dist}(x, \hat{q}) + \text{dist}(\hat{p}, x) + \text{dist}(x, q') \\ 735 &= \text{dist}(p, q') + \text{dist}(\hat{p}, \hat{q}), \end{aligned}$$

736 where the inequality is by the triangle inequality. Therefore, \mathcal{M}' is also a min-cost matching.
 737 Let $x' = \text{LCA}_q(p, \mathcal{M}'(p))$ then $\text{dist}(p, x') > \text{dist}(p, x)$ since $x' \notin \overline{T}_x(q)$, therefore we can repeat
 738 this process until $x = q$ (**Case 2**).

739 **Case 2.** $x = q$, hence $\mathcal{P}(p, q) \subseteq \mathcal{P}(p, \mathcal{M}(p))$. Let $\hat{q} = \mathcal{M}(p)$ and let \hat{p} be such that
 740 $q = \mathcal{M}(\hat{p})$. Consider the matching \mathcal{M}' in which p is matched to q , \hat{p} is matched to \hat{q} , and for
 741 every $\tilde{p} \in P \setminus \{p, \hat{p}\}$, $\mathcal{M}'(\tilde{p}) = \mathcal{M}(\tilde{p})$.

$$\begin{aligned} 742 \quad \text{dist}(p, q) + \text{dist}(\hat{p}, \hat{q}) &= \text{dist}(p, \hat{q}) - \text{dist}(q, \hat{q}) + \text{dist}(\hat{p}, \hat{q}) \\ 743 &\leq \text{dist}(p, \hat{q}) + \text{dist}(\hat{p}, q) \end{aligned}$$

744 where the last inequality is by the triangle inequality. Therefore, \mathcal{M}' is also min cost matching
 745 and $\mathcal{M}'(p) = q$ as needed. \blacktriangleleft

746 **Proof of Lemma 7.** Let v be the closest vertex to r in $T_r(q)$ (recall that $r \notin T_r(q)$, so $v \neq r$).
 747 If there exists $p \in \mathcal{P}[v, r] \cap P$, let $p \in \mathcal{P}[v, r] \cap P$ be the closest such point to r . In this case,
 748 the condition holds for p since for all $x \in \mathcal{P}(p, r)$, $\overline{T}_x(r) \cap P = T_r(q) \cap P$.

If there is no such p , then

$$|(\overline{T}_v(r) - \{v\}) \cap P| = |T_r(q) \cap P| > |T_r(q) \cap Q| \geq |(\overline{T}_v(r) - \{v\}) \cap Q|.$$

749 By the pigeonhole principle, there exists $v' \in \overline{T}_v(r)$ such that $|T_v(v') \cap P| > |T_v(v') \cap Q|$.
 750 Therefore, by repeating above process, we find $\hat{p} \in P \cap T_v(v')$ for which the condition holds
 751 for all $x \in \mathcal{P}(\hat{p}, v)$. Since the condition holds for every $x \in \mathcal{P}(v, r)$ (as $\overline{T}_x(r) \cap P = T_r(q) \cap P$),
 752 the lemma follows. \blacktriangleleft

10:24 Dynamic Pricing of Servers on Trees

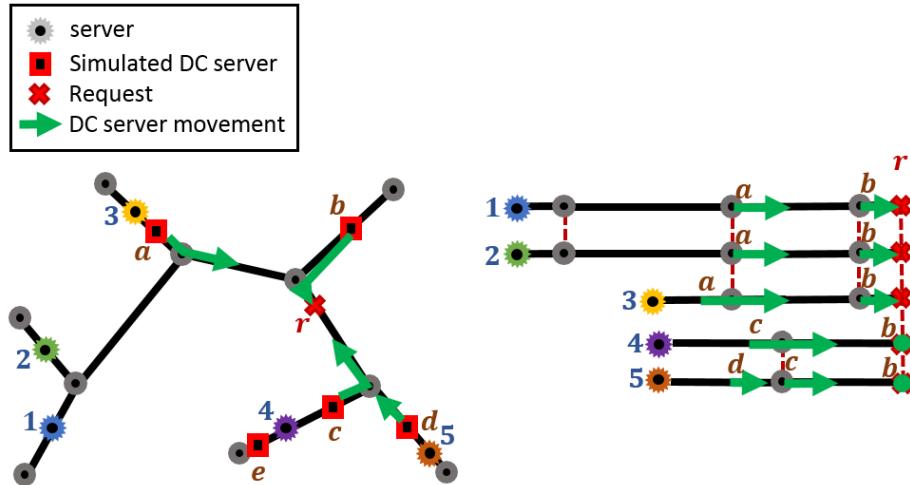


Figure 2 Servers and DC servers are denoted by numbers and letters respectively. Points on the tree are said to be colorable by some set of servers. Colorability of a point r is determined by simulating the double cover (DC) algorithm for a request at r . When DC processes a request, multiple DC servers move towards the request, and one or more arrive to serve it. Imagine a server were to look along the tree towards r when the DC servers were in motion in response to a request at r . Such a server may see a trail left by (at most one) DC server in motion towards r . Different servers may see trails of different DC servers. Two servers see the same trails beyond (above) their lowest common ancestor (when the tree is rooted at r) but for a DC server that traverses their lowest common ancestor, they may observe different trails. We say that server i has higher priority than server j with respect to r , if the trail of the DC server that traverses the lowest common ancestor of i and j is contained in the trail seen by server j (of the same DC server). On the left the movement of the DC servers relative to the real server positions is depicted. On the right, all paths from real servers to r are depicted, with dashed lines indicating vertices seen by more than one real server. In this example, $1 \succ_r 3$ since that trail that server 1 sees of DC server a is contained in the trail that server 3 sees of DC server a . Similarly, $2 \succ_r 3$ (because of a), $5 \succ_r 4$ (because of c), and $4, 5 \succ_r 1, 2, 3$ (because of b). Notice that \succ_r is not defined for all pairs of servers; For example, both $1 \not\succ_r 2$ and $2 \not\succ_r 1$. Subsequent to the motion of the DC servers, there are several min cost matching between real servers and DC servers. In one such matching server 1 is matched to server b , in another such min matching server 2 is matched to server b , in a third such min matching server 3 is matched to server b . Therefore, $MC(r) = \{1, 2, 3\}$. Since $1 \not\succ_r 2$, $3 \not\succ_r 2$, $2 \not\succ_r 1$ and $3 \not\succ_r 1$. We get that r is 1, 2-colorable. r is not 3-colorable since $1 \succ_r 3$.