

Comparison of 4-Firm Concentration Ratio and HH Index

Beer Industry

Assumptions: For simplicity, use the top 4 firms and assume all other firms have 1% market share

Firms	Base Case				Case 1 - AB buys Firm 25				Case 2 - AB and MC Merge			
	Market Share	4-Firm Concentration	Calculation	HHI	Market Share	4-Firm Concentration	Calculation	HHI	Market Share	4-Firm Concentration	Calculation	HHI
Anheuser-Bush (AB)	41.0%		41 x 41. =	1681	42.0%		42 x 42. =	1764	65.0%		65 x 65. =	4225
Miller-Coors (MC)	24.0%		24 x 24. =	576	24.0%		24 x 24. =	576				
Constellatiopn (Corona)	10.0%		10 x 10. =	100	10.0%		10 x 10. =	100	10.0%		10 x 10. =	100
Heinekin	4.0%	79.0%	4 x 4. =	16	4.0%	80.0%	4 x 4. =	16	4.0%		4 x 4. =	16
Firm 5	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%	80.0%	1 x 1 =	1
Firm 6	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 7	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 8	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 9	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 10	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 11	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 12	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 13	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 14	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 15	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 16	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 17	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 18	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 19	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 20	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 21	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 22	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 23	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 24	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1	1.0%		1 x 1 =	1
Firm 25	1.0%		1 x 1 =	1					1.0%		1 x 1 =	1
Column Total	100.0%			2394	100.0%			2476	100.0%			4362

Increase over Base

82

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