One ISP, two content providers (CP), Hotelling interval of consumers
Model Summary

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- Consumers pay access fee \((a)\) to the ISP, and pick one of CPs (from either side of the interval)

Consumer Utility = reservation utility - travel cost to CP - wait time - access fee

Short term - the ISP picks the access fee

Long term - the ISP picks capacity or the CPs pick costs
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Not Net Neutrality

- One of the CPs gets priority - its packets go first
- Consumers of the first class CP wait less, consumers of the other CP wait more
- Some of the consumers shift to the first CP
- ISP gets some proportion of the first class CP's gain (and charges a lower access fee)

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- Different latency costs even with net neutrality
Not in the model, but would be nice to see

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- Damaged goods (elaborate)
In the model, but somewhat problematic

- Full coverage and perverse Hotelling comparative statics (travel cost)
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- Travel cost shape - usually not a problem with fixed locations, but it seems like it is here
Overall

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- Good paper to lay the ground work
- Great read, good luck to the authors