

## Cooperative Replenishment through Bidding

**Authors :** Behzad Hezarkhani, Greys Susic

**Abstract :** Collaborative purchasing and replenishment have proven to be beneficial in supply chain management. This talk addresses the situation where buyers, potentially in possession of private procurement channels, carry out cooperative purchasing by submitting their bids to a coordinator. The collaborative organization is faced with two basic decisions: (1) who will be allocated with the products, and (2) how much each party should pay. We discuss mechanisms that could achieve desirable outcomes in this settings with special attention to the strategic behavior of the buyers.

**Keywords :** supply chain management, group purchasing organizations, game theory, mechanism design

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