

1106-VG-1392 **Sean F. Ellermeyer*** (sellerme@kennesaw.edu), Department of Mathematics, MD 1601, Kennesaw State University, Kennesaw, GA 30144, and **Jesse A. Schwartz** (jschwar7@kennesaw.edu), Department of Economics, Kennesaw State University, Kennesaw, GA 30144. *Optimal Pricing Plans for Auction Houses*. Preliminary report.

We consider the problem faced by a monopoly auction house in developing a pricing plan for its clients (sellers) that will maximize the auction house's revenue. Some typical pricing plans used by auction houses such as ebay include 1) a listing fee (calculated based on the seller's chosen reserve price and paid by the seller whether or not the item sells at auction), 2) a reserve price fee (calculated based on the reserve price and paid only if the item sells), 3) a selling price fee (calculated based on the final selling price of the item) or some combination of these three pricing methods. By employing the powerful theory of optimal mechanism design for sellers and mediators developed by Myerson (1981) and Myerson and Satterthwaite (1983), we obtain several auction house pricing plans that are optimal for English (ascending price) auctions. (Received September 12, 2014)