

## "Bidding Behavior in a Repeated Procurement Auction"

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**ABSTRACT:** This paper considers bidding behavior in a repeated procurement auction setting. We study bid data for highway construction procurement in the state of California between May 1996 and May 1999. We consider a dynamic bidding model that takes into account bidder asymmetry and the presence of intertemporal effects such as capacity constraints. We estimate the model and assess the importance of intertemporal constraints.