LINE-AND-BOX CHARTS

Line-and-Box (L&B) charts help illuminate (a) how industries are organized, and (b) the relationships among their participants. Line-and-box charts do not rise to the level of *fine art*, but they can match the meaning of the phrase "a picture is worth a thousand words."

Team projects are required to include L&B.

1. Team projects are expected to include L&B charts to explain how the industry is organized and / or how individual firms are organized within an industry.

2. To depict how an industry is organized, use *rows* for different functions.

   For example:

   The top row could be the Supply of Inputs;
   The next row shows firms that Design and Manufacture a product / or supply a service.
   The next rows show distribution and retailing.
   The bottom row is end-consumers.

3. Columns can be used to identify individual firms or groups of firms. Firms are inside boxes. If firms are "cross-owned" or is a subsidiary of a firm, that information can be included inside the box.

   For example, YouTube is a subsidiary of Google / Alphabet. Another example, ANT is partially owned by Alibaba and Alibaba is partially owned by Jack MA.

4. Lines between firms indicate that they transact with each other. Supplier sells to manufacturer, etc.

5. Legends (boxes with words providing more information) can be helpful. For example, a legend pointing to a line could include text explaining pricing or whether long-term contracts are used. For the line between video streaming platforms and subscribers, you might could include information about how many subscribers Netflix has and the price of a typical monthly subscription.

6. More creative L&B charts can describe ecosystems.

7. If firms are vertically integrated, e.g., Amazon is an ecommerce platform and has its own distribution networks, you might put a dotted line box around both functions.

Below is an example of L&B chart for video streaming: