

Title	Optimal Revenue-Sharing Contracts in Supply Chains under Market Uncertainty: An Risk-Sharing Aspect
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Abstract	This study explores the performance of revenue-sharing contracts under explicit consideration of risk-averse members of the supply chain. Our model centers on the risk-sharing aspects of supply chain coordination with revenue-sharing contracts. The results in this study show that the revenue-sharing contracts can coordinate the supply only if the contract is complementary with a particular percentage of revenue, which depends on the degrees of risk-aversion of the retailer and the supplier, with a wholesale price as set by Cachon and Lariviere (2005). It is also shown that the revenue-sharing contracts may emerge naturally with explicit consideration of risk in objective function of the supply chain members.
Keywords	risk-sharing contracts, risk sharing, supply chain coordination.