C: Bidder transfers V_R to the target but does <u>not</u> alter the bid threshold K (suboptimal behavior).
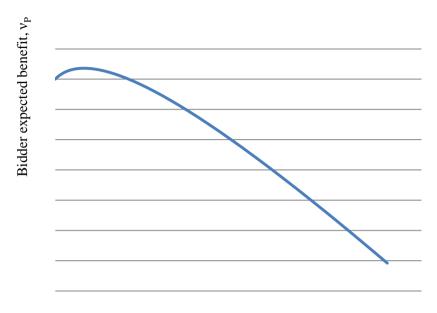

Bidder expected benefit, v_P

Target Runup, V_R