March 28, 2019

Applicant name:
Yusuke Tsujimoto

Recommendation letter writer:
Professor Randall Morck (University of Alberta)

Contact information:
University of Alberta,
Alberta School of Business,
2-24 Business Building,
Edmonton, AB
Canada, T6G 1K7
Phone: +1 (587) 990 5917
Email: yusuke.tsujimoto@ualberta.ca

The 12th Entrepreneurship Research Boot Camp selection committee
(The NBER Entrepreneurship Working Group)

To Whom It May Concern,

I am a Ph.D. student in Finance at the University of Alberta, Canada. I am applying for the NBER Entrepreneurship Research Boot Camp 2019 because of my deep interests in entrepreneurship and entrepreneurial finance research.

My supervisor, Professor Randall Morck (University of Alberta), writes a reference letter for me. My contact information is written above.

Based on my academic background and my interests in the economics of entrepreneurship, I believe that I am prepared to absorb the great majority of invaluable learning opportunities provided by the Boot Camp. It is my hope that my presence will contribute to making discussions there more active and fruitful.

Sincerely yours,

Yusuke Tsujimoto

Curriculum Vitae (as of March 2019)

University of Alberta
Alberta School of Business
2-24 Business Building
Edmonton, AB
Canada, T6G 1K7
+1 (587) 990 5917
yusuke.tsujimoto@ualberta.ca

Yusuke Tsujimoto

Education

Jan. 2017– **Ph.D. student, Business (Finance)**,
University of Alberta, Edmonton (Canada).
Supervisors: Professor Vikas Mehrotra & Professor Randall Morck.
Passed the comprehensive exam in June 2018.

Apr. 2015–Dec. 2016 **Doctoral student, Commerce [Uncompleted]**,
Kobe University, Kobe (Japan).

Apr. 2013–Mar. 2015 **M.A., Commerce**,
Kobe University.

Apr. 2013–Mar. 2015 **B.A., Business administration**,
Kobe University.

Sep. 2011–May. 2012 **Exchange student**,
WHU–Otto Beisheim School of Management, Vallendar (Germany).

Summer schools

2019 June (accepted) *The 2019 Finance Theory Group PhD Summer School (at the University of Pennsylvania)*

Teaching experience

2017 (Fall), 2018 (Fall) *Teaching assistant, FIN 434 ("Advanced corporate finance") by Professor Randall Morck (University of Alberta)*

Research assistant experience

2019 (Winter) *Research assistant, Professor Sheng-Jun Xu & Professor Sahil Raina (University of Alberta)*
Developing Python code to parse and extract text data from the SEC's EDGAR website

Conference presentations

Jan. 2015 *The 23th Annual Meeting of Nippon (Japanese) Finance Association, The University of Tokyo, Tokyo 2015 (Title: The Certification Effect of Stock Markets: Evidence from Financial Fraud in Japan)*

Honors, awards, and scholarships

2018 *AIMCo PhD Scholarship in Finance (University of Alberta)*

2017– *Business PhD Scholarship - Ernst & Young (University of Alberta)*

2017– *Business PhD Graduate Fellowship (University of Alberta)*

2017 *University of Alberta Doctoral Recruitment Scholarship (University of Alberta)*

2013, 2014 *SESAMI Scholarship (Kobe University)*

2011 *Kobe University International Exchange Project (Kobe University)*

Programming skills

R, SAS, Stata, Python

Services

Apr. 2017–Mar. 2018 *Treasurer, Business Doctoral Association (University of Alberta)*

Languages

English (Fluent), Japanese (Native)

List of my Ph.D. courses at the University of Alberta

(Refer to the attached transcript for more details)

Course Number	Course Title	Level	Semester	Grade	Grade Point
FIN 614	Investments	MBA	Winter 2017	A	4.0
FIN 673	Mergers, Restructuring, and Corporate Control	MBA	Winter 2017	A+	4.0
FIN 704	Individual Research	Others	Winter 2017	A	4.0
ECON 503	Microeconomic Theory I	ECON Grad	Fall 2017	A+	4.0
ECON 598	Econometric Theory and Applications	ECON Grad	Fall 2017	A	4.0
FIN 703	Advanced Seminar in Finance III (Continuous-Time Asset Pricing)	FIN PhD	Fall 2017	A	4.0
ECON 599	Applied Econometrics	ECON Grad	Winter 2018	A+	4.0
FIN 703	Advanced Seminar in Finance I (Asset pricing)	FIN PhD	Winter 2018	A	4.0
FIN 703	Advanced Seminar in Finance II (Corporate Finance)	FIN PhD	Winter 2018	A	4.0
ECON 513	Economic Development II	ECON Grad	Fall 2019	A+	4.0
ECON 581	Macroeconomic Theory I	ECON Grad	Fall 2019	A	4.0
FIN 705A	Risk Management	MBA	Fall 2019	A	4.0
ECON 505	Microeconomic Theory II	ECON Grad	Winter 2019 (currently taking)		
ECON 509	Time Series Methods in Financial Econometrics	ECON Grad	Winter 2019 (currently taking)		

UNIVERSITY OF ALBERTA - UNOFFICIAL RECORD

Student Name: (Surname last) **Yusuke Tsujimoto**

ID Number: **1513468**

Month and Day of Birth: **December 27** **Date of Issue: 23-MAR-2019**

Awards

January 01, 2017: Awarded University of Alberta Doctoral Recruitment Scholarship

January, 2017: Admitted to the Faculty of Graduate Studies and Research, Doctor of Philosophy program, Business.

Winter Term 2017 **Doctor of Philosophy**
Business

Course		Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
FIN	614	INVESTMENTS	A	3.0	3.0	12.00	3.6	18
FIN	673	MERGERS, RESTRUCT, CORP CNTRL	A+	3.0	3.0	12.00	3.6	19
FIN	704	INDIVIDUAL RESEARCH	A	3.0	3.0	12.00	XXX	1
		Title: Study of Takeovers in Post-war Japan						
			TOTALS	9.0	9.0	36.00		

GPA: 36.00 grade points / 9.0 units taken = 4.0

Spring Term 2017 **Doctor of Philosophy**
Business

Course		Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
THES	906	THESIS RESEARCH	IN	0.0	0.0	0.00	XXX	4059

Summer Term 2017 **Doctor of Philosophy**
Business

Course		Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
THES	906	THESIS RESEARCH	IN	0.0	0.0	0.00	XXX	3933

Fall Term 2017 **Doctor of Philosophy**
Business

Course		Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
ECON	503	MICROECON THEORY I	A+	3.0	3.0	12.00	3.5	17
ECON	598	ECONOMETRIC THEORY AND APPLIC	A	3.0	3.0	12.00	3.3	17
FIN	703	ADVANCED SEM IN FINANCE III	A	3.0	3.0	12.00	3.5	6
			TOTALS	9.0	9.0	36.00		

Winter Term 2018 **Doctor of Philosophy**
Business

Course		Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
ECON	599	APPLIED ECONOMETRICS	A+	3.0	3.0	12.00	3.5	17
FIN	701	ADVANCED SEMINAR IN FINANCE I	A	3.0	3.0	12.00	3.7	4
FIN	702	ADVANCED SEMINAR IN FINANCE II	A	3.0	3.0	12.00	4.0	8
			TOTALS	9.0	9.0	36.00		

GPA: 72.00 grade points / 18.0 units taken = 4.0

Spring Term 2018 **Doctor of Philosophy**
Business

Course		Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
THES	906	THESIS RESEARCH	IN	0.0	0.0	0.00	XXX	1112

 (Continued on next page)

UNIVERSITY OF ALBERTA - UNOFFICIAL RECORD

Student Name: (Surname last) **Yusuke Tsujimoto**

ID Number: **1513468**

Month and Day of Birth: December 27 **Date of Issue: 23-MAR-2019**

Summer Term 2018 **Doctor of Philosophy**
Business

Course	Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
THES 906	THESIS RESEARCH	IN	0.0	0.0	0.00	XXX	1073

Fall Term 2018 **Doctor of Philosophy**
Business

Course	Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
ECON 513	ECONOMIC DEVELOP II	A+	3.0	3.0	12.00	3.9	2
ECON 581	MACROECON THEORY I	A	3.0	3.0	12.00	3.3	20
FIN 654	RISK MANAGEMENT	A	3.0	3.0	12.00	3.6	15
FIN 705A	RESEARCH SEMINAR IN FINANCE	IP	0.0	0.0	0.00	XXX	5
		TOTALS	9.0	9.0	36.00		

Grades are Unofficial Until Approved by the Dean

Winter Term 2019 **Doctor of Philosophy**
Business

Course	Description	Grade Remark	Units Taken	Units Passed	Grade Points	Class Avg	Class Enrl
ECON 505	MICROECON THEORY II		3.0	0.0	0.00	XXX	15
ECON 509	TIME SERIES METH FIN ECON		3.0	0.0	0.00	XXX	8
FIN 705B	RESEARCH SEMINAR IN FINANCE		3.0	0.0	0.00	XXX	5
THES 903	THESIS RESEARCH		0.0	0.0	0.00	XXX	349
		TOTALS	9.0	0.0	0.00		

Grades are Unofficial Until Approved by the Dean

Essay for NBER Entrepreneurship Research Boot Camp 2019

Yusuke Tsujimoto

I am a Ph.D. student in Finance at the University of Alberta, Canada (passed the comprehensive exam in June 2018). My main research interest lies in the field of corporate finance, and entrepreneurship and entrepreneurial finance are topics that have always attracted my attention the most. Even before starting my Ph.D. studies, I wrote my Bachelor's thesis about the role of venture capital firms' involvement in IPOs. Additionally, my Master's thesis analyzed the market-wide effects of prevalent financial misconduct of firms listed on newly-created junior stock exchanges in Japan. At the same time, throughout my graduate studies at Kobe University I had been actively engaged in research projects on the Japanese IPO market with Professor Kenji Kutsuna (my supervisor at Kobe University) and his co-author, Professor Richard Smith (University of California, Riverside) as their RA.

There are three broad reasons why entrepreneurship and entrepreneurial finance attract my attention as a research field. First, entrepreneurs can bring about innovation and be a catalyst of creative destruction, which is a critical factor for long-run economic prosperity as argued by Schumpeter. This macro-economic implication illustrates the intrinsic importance of researching entrepreneurship.

Second, policymakers also have strong interests in promoting entrepreneurship, due to its importance in stimulating economic growth. Interestingly, the government can affect new venture creation not only directly through initiating interventions specifically targeting start-ups, but also indirectly through creating more general institutions. A notable example of a government intervention in the US would be the Small Business Innovation Research (SBIR) program, which financially supports research and development activities of new ventures. Researchers also find that various institutions, such as the protection of intellectual property and non-compete agreements, influence entrepreneurship and real actions taken by entrepreneurs (e.g., investment and employment). I believe that there still exist numerous institutional settings and shocks that researchers can exploit to carve out clear identification and make important policy recommendations.

Lastly, there is an abundance of interesting economics unique to entrepreneurship and entrepreneurial finance. For instance, entrepreneurs usually need to obtain financing to launch their businesses. Their pitch to investors, however, may be plagued by the inability to credibly signal their idea's quality, by their lack of network, or by the local capital market conditions. Thus, participants have created various measures to mitigate problems in this setting. Venture capital/private equity firms, for instance, develop a variety of contract terms and monitoring devices to overcome the challenges. Also, new types of investors in this market - such as angel investors, seed accelerators, and crowdfunding - are increasing in importance. Close inspection on how they deal with specific problems in financing start-ups is a very intriguing research area.

I have prepared myself for conducting rigorous empirical research in economics. I believe that the key to conducting high-quality empirical research in economics is deriving a clear, testable hypothesis based on solid economic theory and leveraging econometric techniques that overcome

possible biases and endogeneity problems to the greatest extent possible. Ph.D.-level courses in finance, economics, and econometrics have helped me acquire these sets of skills. In addition, in my opinion, programing skills will be more and more important for empirical researchers since they enable the researchers to acquire and handle ever-increasing volumes of data. I am confident in working with SAS, Stata, R, and Python, thanks to my experiences in coursework and research projects with my supervisors, Professor Randall Morck and Professor Vikas Mehrotra. In addition, I am now working as an RA for Professor Sheng-Jun Xu and Professor Sahil Raina (University of Alberta). The task is to parse and extract text data from the SEC's EDGAR website, mainly working with Python.

In my second-year paper, which was submitted to my school last December, I analyzed whether and how firms learn of investment opportunities from rival firms, exploiting a change in the US disclosure rule, the adoption of SFAS 131 (*Disclosures about Segments of an Enterprise and Related Information*). Although the focus of this research is not on entrepreneurship, this research reflects my interests in the role of information in shaping the competitive landscape and the effects of regulatory shocks on firm behavior. I believe these issues are also important and relevant in entrepreneurship research.

Specifically, the adoption of SFAS 131, which made segment disclosures of US corporations finer, was exploited to overcome possible endogeneity problems. I focus on new geographic segment information disclosed by US multinational corporations (MNCs) and use cross-border M&A data to test whether MNCs respond to rivals' revelation of previously-hidden information on their operations in foreign countries by changing subsequent resource allocations. In contrast to some previous studies on the spillover effect of accounting information, I find that MNCs *decrease* investments in a foreign country after rivals are forced to disclose their active operations in the country. Notably, the effect is more pronounced for industries in which peer information seems less visible among firms. These results are consistent with a notion that supply-side information in geographic segment disclosures deter rivals' investments.

There are two potential research topics in entrepreneurship that I am specifically considering. First, I am interested in the effects of the protection of intellectual property rights on new ventures. By exploiting state-level changes in trade secret law in the US, some researchers have investigated the effects of such protection on numerous aspects of local firms. Because the protection of intellectual property can affect corporate actions, competition, contracting, and firm outcomes in various ways, I believe there exists great opportunity for important research. Second, I am also interested in the propagation of shocks between firms. There exists an emerging literature on the "granular" origins of macro-economic fluctuations, and close investigation into possible effects of a shock to large firms on new ventures seems to be a fascinating research agenda.

The NBER Entrepreneurship Research Boot Camp is an invaluable opportunity to learn from and interact with researchers active on the front line. Based on my deep interests in entrepreneurship research and my academic background, I am convinced that I am prepared to thoroughly absorb the great majority of learning opportunities provided by the Boot Camp. It is my hope that my presence will contribute to making discussions there more active and fruitful.

UNIVERSITY OF ALBERTA

ALBERTA SCHOOL OF BUSINESS
FINANCE AND STATISTICAL ANALYSIS

Distinguished University Professor of Business
Stephen A. Jarislowsky Distinguished Chair in Finance

4-20G Business Bldg
Edmonton, Alberta, Canada T6G 2R6
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March 29th 2019

Members of the Admissions Committee
NBER Entrepreneurship Research Boot Camp
National Bureau of Economic Research
1050 Massachusetts Ave.
Cambridge MA
USA 02138

c/o: Brett Maranjian maranjian@nber.org

Re: Yusuke Tsujimoto

Dear members of the admissions committee,

I am pleased to recommend enthusiastically that you admit Yusuke Tsujimoto to the 2019 NBER Entrepreneurship Research Boot Camp. He is extremely good. Yusuke has straight A's in his courses, including the economics theory courses. This is an accomplishment as several professors here are fighting a losing war on grade inflation. He has expressed an interest in entrepreneurial finance, and there is no better training than the NBER boot camp.

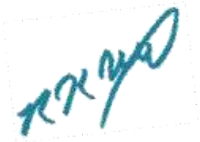
Yusuke is a deep thinker with an original mind. He worries about conceptual issues that underpin the mathematical and technical models and empirical results he learns about. He seems especially interested in "getting" how the moving parts of finance fit together and interact – with each other and with broader concepts from outside finance. I have found that this mindset predicts a successful academic research career better than any other observable characteristic in PhD students.

Yusuke and I have talked a lot about the Small Business Innovation Research program in the US and how other countries have such difficulty replicating it. Japan was an entrepreneurial hothouse in the 1950s and early 1960s, when its miniaturized electronics took off and soon led the world. I have encouraged him to look more into that episode in Japanese business history to try to understand what confluence of economics and institutions might explain it. At the time, Japan was roundly condemned in the US for copying intellectual property, but new postwar Japanese firms such as Sony and Panasonic soon left the foreign complainers in the dust. Is this an argument for intellectual property law that makes imitation hard, but new ideas built on imitation easier? I'm not sure, but it's certainly worth thinking about. This discussion has led him to start exploring differences in US states' trade secrets laws, as he thinks a thesis using US data is more saleable in the academic job market. He may be right, but I hope he eventually gets back to Japanese innovation.

In any event, this has also led Yusuke into thinking more generally about the propagation of shocks from firm to firm. The spread of an innovation to copier firms, which then pile newer and better ideas on top of it is one example. But Yusuke is thinking about this in terms of the propagation of shocks across firms in an industry or the whole market, and how this affects the distribution of risk characteristics across stocks. The impact of shocks originating in big firms on new ventures is one way to go at this.

Yusuke has left a deep impression on me with his dedication, diligence, and motivation, which will stand him in a good stead as he faces the challenges of an academic career. Yusuke is smart, polite and very easy to get along with. He will be very good in group work. His first language is Japanese, but his English is fluent. I unreservedly and strongly urge you to admit and support this truly remarkable candidate. Please feel free to contact me at (780) 492-5683 if you would like more information. All of it will be very positive.

Yours sincerely



Randall Morck
NBER Research Associate in Corporate Finance