Cover Letter

I am a third year Ph.D. student in the Finance department at the University of Chicago, Booth School of Business working under the supervision of Steven Kaplan, Emanuele Colonnelli, Amir Sufi and Gregory Brown. My main research interests lie within the field of empirical corporate finance, with a focus on topics related to private equity, venture capital and entrepreneurial finance. Prior to starting my Ph.D. I worked as a research assistant for Nicola Limodio (Bocconi University) and Emanuele Colonnelli (University of Chicago, Booth). In 2016 I received a Bachelor of Science in Economics from Bocconi University, while in 2017 I received a Masters of Science in Applied Economics from the University of California, Los Angeles.

Contact Information

Edoardo Marchesi

3rd Year Ph.D. Student in Finance
E-Mail: emarche0@chicagobooth.edu
Website: https://www.edoardomarchesi.com/
Phone: (312) 358-8174
Address: University of Chicago Booth School of Business 5807 South Woodlawn Avenue, Chicago, IL 60637

Reference

Emanuele Colonnelli

Associate Professor of Finance and MV Advisors Faculty Fellow
E-Mail: emanuele.colonnelli@chicagobooth.edu
Website: http://emanuelecolonnelli.com/
Phone: (650) 575-9917
Address: University of Chicago Booth School of Business 5807 South Woodlawn Avenue, Chicago, IL 60637

EDOARDO MARCHESI

Address: 958 West Cuyler Avenue, 60613, Chicago, IL
Skype: edoardo.marchesi.
Phone: +1 (312) 358 - 8174
Email: edoardomarchesi94@gmail.com ; emarche0@chicagobooth.edu ; emarchesi@uchicago.edu

EDUCATION

Ph.D. in Finance Sept 2020 - Present
University of Chicago, Booth School of Business
Chicago, Illinois, United States.

Master of Applied Economics Sept 2016 - July 2017
University of California, Los Angeles; GPA: 3.9/4.
Los Angeles, California, United States.

Bachelor of Science in International Economics Sept 2013 - July 2016
Bocconi University; Graduation GPA 108/110.
Milan, Italy.

RESEARCH

Research Interests: Private Equity; Venture Capital; Entrepreneurial Finance; Corporate Finance

Working Papers

1. Firm-Level Characteristics and Deal Leverage in Private Equity.
   Presented: *14th Annual Private Equity Research Symposium, UNC* (11/2022); *Finance Brownbag, UChicago Booth* (08/2022).

Work in Progress

1. Asset Substitution and Compensation in Private Equity.
   Presented: *Future Workshop, Bocconi University* (12/2022).

PRESENTATIONS

2022: Finance Brownbag UChicago Booth; 14th Annual Private Equity Research Symposium, UNC; Future Workshop, Bocconi University.

EMPLOYMENT

Research Assistant at the University of Chicago, Booth School of Business August 2018 - Present
Research Assistant for professor Emanuele Colonnelli in Development Economics and Finance.
Chicago, Illinois, United States.

Research Assistant at Bocconi University, Finance Department Sept. 2017 - July 2018
Research Assistant for professor Nicola Limodio in Development Economics and Finance.
Milan, Italy.

Asset Management Intern at Ubi International Bank July 2014 - August 2014
Asset Management and Private Banking Intern
Luxembourg City, Luxembourg.

AWARDS

CRSP Summer Fellowship June 2021
University of Chicago, Booth School of Business

Full Tuition Scholarship August 2020 - Present
University of Chicago, Booth School of Business

PROFESSIONAL ACTIVITIES

Booth Students' Entrepreneurial Corporate Finance Reading Group Jan 2022 - Present
Booth Finance Brownbag Seminar Organizer June 2022 - Present

ADDITIONAL EDUCATION

Behavioral Finance Summer School June 2022
Yale School of Management
New Haven, Connecticut, United States

Class for Credit, Real Analysis I Oct 2018 - Dec 2018
University of Chicago, Department of Mathematics; grade A
Chicago, Illinois, United States.

Summer School, Introduction to Real Analysis July 2018 - August 2018
London School of Economics; grade B+
London, United Kingdom.

Exchange Program Jan 2016 - June 2016
Chulalongkorn University, Department of Economics.
Bangkok, Thailand.

PROGRAMMING SKILLS

Advanced	Stata, R, Python, Bloomberg and Microsoft Office
Intermediate	Eviews, Matlab and SPSS
Basic	QGis and ArcGis

LANGUAGES

Native	Italian and French
Advanced	English and Spanish

REFERENCES

Steven N. Kaplan
Neubauer Family Distinguished Service Professor of Entrepreneurship and Finance and Kessenich E.P. Faculty Director at the Polsky Center for Entrepreneurship and Innovation
University of Chicago Booth School of Business
skaplan@uchicago.edu

Emanuele Colonnelli
Associate Professor of Finance and MV Advisors Faculty Fellow
University of Chicago Booth School of Business
emanuele.colonnelli@chicagobooth.edu

Gregory Brown
Executive Director, Kenan Institute of Private Enterprise and Sarah Graham Kenan Distinguished Professor of Finance
University of North Carolina, Chapel Hill, Kenan-Flagler Business School
gregory_brown@kenan-flagler.unc.edu

Amir Sufi
Bruce Lindsay Distinguished Service Professor of Economics and Public Policy
University of Chicago Booth School of Business
amir.sufi@chicagobooth.edu

Updated on February 2, 2023

PhD Course List

Edo Marchesi

February 2, 2023

As of January 2023, all listed courses have been successfully completed.

Economics

1. Microeconomics I (Price Theory I, E30100)
   Instructor: Kevin Murphy
2. Microeconomics II (Price Theory II, E30200)
   Instructor: Philip Reny
3. Microeconomics III (Price Theory III, E30300)
   Instructor: Lars Stole
4. Macroeconomics I (Theory of Income I, E33000)
   Instructor: Nancy Stokey
5. Macroeconomics II (Theory of Income II, E33100)
   Instructor: Mikhail Golosov

Econometrics & Statistics

1. Probability and Statistics (Probability and Statistics, B41901)
   Instructor: Tetsuya Kaji
2. Econometrics I (Empirical Analysis I, E31000)
   Instructor: Azeem Shaikh
3. Econometrics II (Statistical Inference, B41902)
   Instructor: Dacheng Xiu
4. Econometrics III (Applied Econometrics, B41903)
   Instructor: Christian Hansen

Finance

1. Asset Pricing I (Asset Pricing I, B34901)
   Instructors: John Heaton, George Constantinides
2. Asset Pricing II (Asset Pricing II, B34902)
   Instructors: Ralph Koijen, Lars Hansen
3. Corporate Finance I (Corporate Finance I, B34903)
   Instructors: Zhiguo He, Douglas Diamond
4. Corporate Finance II (Corporate Finance I, B34904)
   Instructor: Amir Sufi
5. Behavioral Finance (Behavioral Finance, B35906)
   Instructor: Samuel Hartzmark
6. Finance Research Seminar (Research Projects: Finance, B35908)
   Instructor: Eugene Fama

Research Description

Edo Marchesi

February 2, 2023

My research agenda lies within the field of applied corporate finance with a strong focus on private equity, venture capital and entrepreneurial finance. I am currently wroking under the supervision of Steven Kaplan, Emanuele Colonnelli, Amir Sufi and Gregory Brown.

During the second year of my Ph.D. in Finance at the University of Chicago, Booth School of Business, I began drafting a paper studying the process of leverage determination in private equity deals under the supervision of Steve Kaplan and Amir Sufi. The project highlights the importance of firm-level characteristics for private equity fund managers in order to assess the proportion of debt to be included in a given deal. The beginning of the paper is dedicated to the replication of the seminal results of Axelson, Jenkinson, Strömberg, and Weisbach (2013), which show that deal-level variation in leverage can be solely explained by varying credit market conditions. On the contrary, my replication procedure yields mixed results: time-varying factors are important determinants of leverage, but they proxy to a large extent for general macroeconomic conditions. I then present novel results regarding the relevance of firm-level characteristics in the process of leverage determination in private equity buyouts. Firm-level factors such as size and profitability positively correlate with the proportion of leverage general partners introduce in a given deal at acquisition.

Currently, I am also working on a very early stage project studying the relation between

asset substitution and fund managers' compensation packages. Although the project is still in its infancy, I have produced preliminary evidence suggesting the existence of a relation between deal-level risk-taking, the presence of pay-for-performance incentives in managers' compensation packages (the carried interest), and the time left between the deal date and the fund's dissolution date. Namely, funds that are reasonably close to clearing the hurdle rate[1] tend to make relatively riskier investments and the relation is stronger for investments made closer to the fund's dissolution date. The results suggest that the following mechanism may be at play: funds which expect to have a realistic chance to clear the hurdle rate tend to invest more aggressively, compared to funds which are expected to be either very much in or out of the money, and the incentives to risk-shift are greater the closer a given fund is to be dissolved, as management has fewer opportunities to clear the hurdle rate by solely enacting meaningful operational changes to companies already in their portfolio.

In the future, I would like to start exploring the role of talent in the entrepreneurial finance space. Specifically, lately I have been thinking about how human capital accumulation shapes the private equity competitive environment. Motivated by the impressive amounts of media mentions tracking workers flow within, to, and out of private equity and venture capital, I would like to first systematically document the existence and magnitude of these flows and relate the hiring process to funds' incentives and would like to subsequently discover the determinants which are inducing said movements.

The reasons why I would like to participate to the 2023 edition of the Entrepreneurship Research Boot Camp are multiple and they all relate to furthering my profile as academic researcher. First, I would like to gain further exposure to entrepreneurship topics to better understand the process of business formation and the constraints limiting business ideas from becoming actualized. Second, the boot camp offers a condensed opportunity to learn

[1]The pre-specified preferred return that needs to be delivered to investors in order for the fund managers to start enjoying part of the subsequent profits produces by the fund

directly from academics who are working at the frontier of topics related to my research interests. The experience would allow me to better understand what are the open questions and cutting-edge methodologies employed in the entrepreneurial finance field. Moreover, I would like to participate to the boot camp because I heard incredibly positive feedback about the program from my advisor Emanuele Colonnelli, who was a participant himself during his PhD, and he said that he benefited greatly from it. Lastly, the program is an opportunity to meet like-minded peers. Given that business school Ph.D. cohorts tend to be smaller in size, the summer program offers itself as a venue to exchange ideas and meet other young researchers interested in topics related to entrepreneurship and finance who could potentially become collaborators in a near future.

Thank you for your consideration,

Edoardo Marchesi

THE UNIVERSITY OF CHICAGO
BOOTH SCHOOL OF BUSINESS
CHICAGO, ILLINOIS 60611

EMANUELE COLONNELLI

ASSOCIATE PROFESSOR OF FINANCE AND MV ADVISORS FACULTY FELLOW AT THE UNIVERSITY OF CHICAGO, BOOTH SCHOOL OF BUSINESS

EMANUELE.COLONNELLI@CHICAGOBOOTH.EDU

February 3rd 2023

Dear Committee,

Recommendation for Edoardo Marchesi

I would like to strongly recommend Edoardo Marchesi for the NBER Entrepreneurship bootcamp.

Edoardo was my pre-doc during my first two years at Booth, and he's now a third-year PhD student in the Booth Finance PhD program. I know him extremely well and I have rarely seen someone as motivated as him on doing empirical research squarely in entrepreneurial finance at such an early stage.

He would be a perfect fit for the entrepreneurship bootcamp. He already has a project with Steve Kaplan underway, a couple of early ideas of his own he's developing, and a project we are working on together on PE in emerging markets. He's an eye for searching for big questions and new data. I think the bootcamp would be a great chance for him to connect to fantastic faculty and peers that I am sure he'll be in touch with in the many years to come.

Being an alum of the bootcamp myself, I would be extremely excited to have Edoardo receive the same training and motivation as I did at a critical stage of the PhD. Let me know if there is anything else you need from me. Please do not hesitate to reach out to me at any time.

Emanuele Colonnelli