R. Andrew Butters
Management & Strategy
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March 3, 2012

Thomas Hellmann
2053 Main Mall, Vancouver, BC
Canada V6T 1Z2

Dear Mr. Hellman,

I am applying for the NBER Entrepreneurship Research Boot Camp taking place July18-21st, 2012. I believe that both my research interests and past coursework make my involvement in this boot camp a worthwhile and enriching endeavor.

Despite being in the very initial stages of my research career, I have a strong interest in the study of entrepreneurship and the theory of the firm. Specifically, I hope that the Entrepreneurship Research Boot Camp can provide a program complementary to the study of entry and exit decisions of entrepreneurs in a variety of industry settings.

Please let me know if you require any other materials in order to complete your review of my application. I look forward to hearing back from you, and am grateful for your reviewing my application.

Sincerely,

R. Andrew Butters

Encl: CV, Course list, Essay, Letter of recommendation from Prof. Ben Jones

R. Andrew Butters (Kellogg School of Management) Course List:

Fall 2010:
Econ 410-I: Microeconomic Theory
Mecs 460-I: Foundations in Managerial Economics-Static Optimization
Mktg 466: Introduction to Applied Econometrics I
Math 410-I: Real Analysis

Winter 2011:
Econ 410-II: Microeconomic Theory
Mecs 460-II: Foundations in Managerial Economics-Dynamic Optimization
Mecs 477: Introduction to Applied Econometrics II
Math 450-I: Probability Theory

Spring 2011:
Econ 410-III: Microeconomic Theory
Mecs 460-III: Foundations in Managerial Economics-Game Theory
Mecs 485: Empirical Issues in Business Strategy
Math 450-II: Probability Theory

Fall 2011:
Econ 450-I: Industrial Organization
Econ 480-I: Introduction to Econometrics
Mecs 449-I: Competitive Strategy
Mecs 465: Contract Theory and Mechanism Design

Winter 2012:
Econ 450-II: Industrial Organization
Econ 480-II: Introduction to Econometrics
Mecs 499-II: Economics of Organization (Independent Study w/ Niko Matoushcek)
Mecs 468: Selected Topics in Economic Theory

Spring 2012:
Econ 450-II: Industrial Organization
Econ 480-II: Introduction to Econometrics
Mecs 499: Entrepreneurship and Innovation (Independent Study w/Ben Jones)

Interest and Motivation for attending NBER Entrepreneurship Research Boot Camp

Given my current research interests as well as my completed coursework, I feel that the NBER Entrepreneurship Research Boot Camp would be extremely beneficial as I continue to develop my own research agenda. Furthermore, I hope that participating in the boot camp will expand my exposure to the role of entrepreneurs in economic models across a variety of fields.

Currently, my research focus includes looking at the evolution of electricity markets since the decoupling of generation and distribution. Though the past experience of different states has varied dramatically, the future of this industry is clearly one that will be shaped by entrepreneurs. As the growing demand for electricity services continues to puts strain on the existing capacity, innovative technologies that allow for off-peak scheduling and consumption monitoring are going to begin to affect the demand side of this market. Entrepreneurs will face opportunities both in how consumers connect to the grid, as well as how interact with it. On the supply side of the market, the increase of independent generators and the creation of an entire new segment of marketers have given entrepreneurs an unprecedented role in the electricity markets. Given this market's history, the availability of data and variation in state regulation make it suitable for empirical investigation. Additionally, the transition of this market is very much in its infancy and consequently the investigation of the role and impact of entrepreneurs could have immediate policy relevance as more and more states address the issue of modernizing their energy grids.

In other work, I investigate the task of market making, specifically two sided markets where network effects are present. More specifically, I am looking at the potential role of bundling goods in public goods provision. In both of these projects the role of the entrepreneur is explicit, and likewise the benefit of furthering my exposure to the most current research in this field.

The most relevant past coursework includes the *competitive strategy* course with Professor Spulber, as well the industrial organization sequence in the economics department. While both courses have covered the role of the entrepreneur, it was the competitive strategy course with Professor Spulber that motivated my own pursuit of including the role of the entrepreneur within the context of the theory of the firm and other market settings. It was in this course that I was first exposed to a rigorous treatment of some theoretical models of the entrepreneur including the Kilhstrom and Laffont model, as well as Spulber's adaptation of Arrow's model of how entrepreneurs affect the rate of invention. Though both the competitive strategy course and the industrial organization course included coverage of the role of the entrepreneur, much of the literature was still left out. Consequently, the NBER boot camp would serve a complementary role to my coursework thus far.

Additionally, I plan on beginning an independent study with Professor Jones focused on the role of the entrepreneur starting in the spring quarter. Ideally, this independent study would also include an overlap of the papers required by the NBER and allow me to begin discussing these papers with a faculty member and how they could pertain to my own research ideas. Thus, both

because of my current research interests as well as my past coursework I feel that my attendance at the NBER Entrepreneurship Boot Camp would be beneficial. I hope that for these same reasons it is evident that I would also be a valuable participant for the workshop.

Robert Andrew Butters

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Glen Ellyn, Il 60137
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Evanston, IL 60201
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OBJECTIVE

To gain admission to NBER Entrepreneurship Boot Camp Summer 2012

EDUCATION

Kellogg School of Management
Phd. Managerial Economics and Strategy (Expected June 2015)
Overall GPA 3.75

Honors

- Graduate Student Fellowship (2010)

University of North Carolina at Chapel Hill
B.A. with Highest Honors, Economics, May 2008

Honors

- Award Best Honor's Thesis (2008)
- Summer Undergraduate Research Fellowship
- Omicron Delta Epsilon Economics Honor Society
- Golden Key International Honour Society
- Sigma Alpha Lambda Honor Society
- Dean's List (Fall '04, Spring '05, Fall '05, Spring '06, Spring '08)

London School of Economics, General Course Program-Fall 2006, Spring 2007
Mathematics

EXPERIENCE

Federal Reserve Bank of Chicago, Chicago, IL Aug., 2008 – Aug. 2010
Associate Economist

- Supervised and collaborated on the International and Inflation FOMC memos
- Contributed to the monthly publication of the Chicago Fed National Activity Index (CFNAI)
- Provided research assistance on monetary policy initiatives

Undergraduate Economics TA Program, Chapel Hill, NC Aug., 2007 – May, 2008
Student Teacher

- Developed lesson plans and discussion topics for entry level Economics course
- Outlined detailed explanations of advanced seminar topics
- Graded and evaluated students' work

PUBLICATIONS

- "Pre-announced tax cuts and their potential influence on the 2001 recession." *Economic Perspectives.* 2009(Q3).
- "Monitoring Financial Stability: A Financial Conditions Index Approach." *Economic Perspectives.* 2011(Q1).
- "Diagnosing the Financial System: Financial Conditions and Financial Stress." (forthcoming Jun. 2012) *International Journal of Central Banking*.
- "The effect of the learning curve on the optimal dynamic contract". *Duke Economics Journal.* 2008.

INVITED SEMINARS

- Federal Reserve Bank of Chicago
- Midwest Finance Association
- Duke Undergraduate Economic Research Symposium
- UNC Undergraduate Research Symposium

ACTIVITIES AND INTERESTS

LSE Men's First Basketball Team (Div. II National Champions)
Junior Achievement
Forensics Speech Team – Glenbard West High School (State Qualifier)
National Honors Society – Glenbard West High School
Golf – Glenbard West High School (All-Conference)
Guitar
Chess

SKILLS

Proficient: STATA, SAS, MATLAB, RATs, Mathematica, Python, CVS, LaTeX , HTML
Certified: Word, Excel, Front Page, Web Skills, Power Point
Conversational: Spanish

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NORTHWESTERN
UNIVERSITY

23 March 2012

Recommendation Letter for Andrew Butters

Dear ERBC Committee:

R. Andrew Butters is a second year Ph.D. student at Kellogg and has my highest recommendation for the Boot Camp.

Andrew has done extremely well in his coursework, will soon undertake an independent study with me on innovation topics, and has completed substantial coursework on Industrial Organization and Organizational Economics. He has also been my TA for the last two years in an MBA course. Overall, I think he is an excellent candidate for the boot camp: Andrew is smart, focused, and has exciting ideas for entrepreneurship research.

In particular, Andrew has an interest in electricity markets, and sees exciting entrepreneurship questions on both the consumer side (including innovation and new business formation around demand management and consumption monitoring), the supply side (including generation technologies), and the regulatory side, which naturally impacts entrepreneurial activity in this marketplace. Overall, I see exciting "entrepreneurship in energy markets" research avenues that are promising both for his own thesis and also for the entrepreneurship field at large.

Beyond his subject matter interest, I have also always found Andrew to be extremely smart, responsive, hard-working, and professional, in addition to being collegial.

My sense is that the Boot Camp will be a great lever for his innate interests and talents. I very much hope you will accept him to the program.

In short, I have high expectations for Andrew and think he is an ideal candidate.

Please don't hesitate to contact me if I can provide any further assistance.

Sincerely,

Ben Jones