Song Ma (Duke-Fuqua) Coverletter

Date	*March 21, 2013*
Contact Information	Song Ma Duke University's Fuqua School of Business 100 Fuqua Drive Durham, NC 27708, USA *Email*: song.ma@duke.edu *Mobile*: +1 (919) 724-9662
Objective	Apply to the 2013 NBER Entrepreneurship Research Boot Camp
Profile	Ph.D. student in Finance at Duke University's Fuqua School of Business. Research interests lie in Empirical Corporate Finance, Venture Capital, and Entrepreneurial Finance. Outstanding Academic Record in PhD courses in Economics, Finance and Mathematics.
Enclosure	Coverletter, Curriculum Vitae, Ph.D. Course List, Essay for Application
Reference Letter	**John R. Graham** D. Richard Mead Jr. Family Professor of Finance Duke University's Fuqua School of Business *Email*: jgraham@duke.edu *Tel*: +1 (919) 660-7857 *I have been a research assistant for Professor John Graham for about 2 years, and I was the teaching assistant for his MBA courses. Professor Graham was a main advisor for my summer research projects in the Ph.D. program.*
Other Reference (no letter)	**Manju Puri** J.B. Fuqua Professor of Finance Duke University's Fuqua School of Business *Email*: manju.puri@duke.edu *Tel*: +1 (919) 660-7657 *I have been a research assistant for Professor Manju Puri for almost 1 year. I am currently working on an independent research project about Corporate Venture Capital under Professor Puri's guidance.*

John R. Graham
D. Richard Mead Jr. Family
Professor of Finance
Director: www.cfosurvey.org

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March 23, 2013

Song Ma, Duke University Ph.D. student

Song Ma is a Ph.D. student at the Fuqua School of Business, Duke University. I write this letter of recommendation to strongly encourage you to consider Song as a candidate to attend the Entrepreneurship workshop.

Song applied last year, and in the rejection letter Thomas Hellman wrote:

We noted that you were still in the early stages of your PhD. Should your interest in entrepreneurship research continue to develop in demonstrable ways, the admissions committee would like to encourage you to re-apply next year. We obviously cannot make any promises, but if you decide to re-apply, please make sure to mention this letter in your application.

Song is a second year student in our Ph.D. program, though that is a bit misleading. Before entering the Ph.D. program, when Song was a student in the Duke M.A. Econ program, he took the first-year classes along with our Finance Ph.D. students. Therefore, Song is effectively a third year Ph.D. student.

Song has demonstrated a commitment to entrepreneurship in the last year. He is working on a paper about corporate venture capital and how it relates to corporate growth and innovation. He also completed a first year paper that demonsrated that he can carry a project through to the finish. Song attends the entrepreneurship seminars and workshops that occur at Fuqua (approximately weekly).

I taught Song in the Empirical Corporate Finance Ph.D. class. He was the best student in the class (including the students already in the Ph.D. program). He always came to class prepared, had read all the related literature, and had good insights.

Song has also TA'd MBA corporate finance for me several. He is diligent and prompt as a TA, and genuinely cares about the students and the material. He has worked some very long hours for me without a hint of complaint.

I think this would be a great experience for Song and I hope you consider admitting him.

In closing, I think that Manju Puri is also nominating an outstanding student, Sergio Correia, who has a lot of upside potential. Given that Duke had zero attendees last year, I hope that you are able to accept two from Duke this year.

Please call me if you have any questions or need more information.

Sincerely,

John R. Graham

SONG MA

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EDUCATION

Duke University, The Fuqua School of Business, Durham, NC, USA
Ph.D. Candidate in Finance — August 2011—present
M.A. in Economics (Financial Economics) — May 2012
Zhejiang University, Hangzhou, Zhejiang, China
B.A. in Economics, with *National Highest Honor* — June 2010

RESEARCH INTERESTS

Empirical Corporate Finance, Venture Capital, Entrepreneurial Finance, Corporate Governance

WORKING PAPERS

[1] "Shareholder-creditor conflicts and debt covenant design", 2012

Abstract: *This paper provides a comprehensive framework to examine the covenant design problem which highlights the influence of shareholder-creditor conflicts of interest. Using institutional shareholdings as the measure for shareholder-creditor conflicts, I test the framework and identify both the main effect and conditional influence of the conflicts on covenant design. I find that lenders increase covenant levels on firms with more severe shareholder-creditor conflicts, and alter covenant structure to resolve the conflicts. Moreover, the influence of shareholder-creditor conflicts on covenant design is amplified when shareholder rights are strong and the borrower's financial condition is poor. The results are more evident after controlling the monitoring and information transmission role of institutional shareholders.*

RESEARCH EXPERIENCE

2013—present	Research Assistant for Duke/CFO Magazine Global Business Outlook
2012—present	Research Assistant for Professor Manju Puri (Duke)
2011—present	Research Assistant for Professor John Graham (Duke)
2011—2012	Research Assistant for Professor Hengjie Ai (Duke)

TEACHING EXPERIENCE

2011—present	TA for Corporate Finance, MBA/EMBA Core Course, Duke University Instructor: Professor John Graham
2011	TA for Introduction to Finance, Ph.D. Core Course, Duke University Instructor: Professor Hengjie Ai

AWARDS AND FELLOWSHIPS

2011—present	Ph.D. Fellowship, Duke University's Fuqua School of Business
2009	Honorable Mention for the Mathematical Contest in Modeling, Consortium for Mathematics and Its Application
2007—2008	National Scholarship for Overall Excellence, Ministry of Education of the People's Republic of China

PRESENTATIONS

2012: Duke University

SKILLS

STATA, SAS, R, MATLAB, LaTeX, MS-Office

REFERENCES

John R. Graham (Reference Letter Writer)

D. Richard Mead Jr. Family Professor of Finance
Duke University's Fuqua School of Business
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Manju Puri

J. B. Fuqua Professor of Finance
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Song Ma — Ph.D. Course List

VERSION *March 21, 2013*

GPA 3.95/4.0

COURSES

PhD Economics Courses

Microeconomic Theory I — Grade: A
Instructor: Huseyin Yildirim

Microeconomic Theory II (Game Theory) — Grade: A+
Instructor: Haluk Ergin (Berkeley)

Macroeconomic Theory I — Grade: A
Instructor: A. Craig Burnside

Macroeconomic Theory II — Grade: B+
Instructor: Cosmin L. Ilut, Francesco Bianchi

Econometric Theory I — Grade: A
Instructor: Federico A. Bugni

Econometric Theory II — Grade: A
Instructor: Shakeeb Khan, Andrew J. Patton

Dynamic Discrete Choice Model — Grade: A
Instructor: Peter Arcidiacono

PhD Finance Courses

Finance I (Asset Pricing Theory) — Grade: A
Instructor: Hengjie Ai

Finance II (Empirical Corporate Finance) — Grade: A
Instructor: John R. Graham, Manju Puri

Finance III (Corporate Finance Theory) — Grade: A
Instructor: Adriano A. Rampini

Finance IV (Advanced Asset Pricing Theory) — Grade: A
Instructor: Ravi Bansal

PhD Mathematics Courses

Stochastic Processes — Grade: A+
Instructor: Richard Durrett

Essay for ERBC Application

Song Ma

Duke University's Fuqua School of Business, Durham, NC 27708, USA

Last year (when I was a 1st year PhD student), I was disappointed about not being accepted by the Entrepreneurship Research Boot Camp. However, the admission committee conveyed an encouraging special message to me—"We noted that you were still in the early stages of your PhD. Should your interest in entrepreneurship research continue to develop in demonstrable ways, the admissions committee would like to encourage you to re-apply next year." During the past year, I kept exploring the area of venture capital (VC) and entrepreneurship, and my interests in the area continued to grow. With the guidance from my professors and my own effort, I made some progress—I started my independent research project on Corporate Venture Capital (CVC), I read broadly in entrepreneurship, and I also cooperate with foreign researchers to expand the understanding of the fields from international insights. So when I reapply the boot camp this time, I am confident that I am suitable and well-prepared. More importantly, I believe this boot camp is important for my future study and research in VC and entrepreneurship.

As to my current research, I am working on an independent project about CVC, under the guidance of Professor Manju Puri and Professor David Robinson. In this project, I intend to understand the rationale behind CVC behaviors and to empirically justify the benefits generated from CVC investment proposed by theory papers and field surveys. I already have a detailed proposal for the project, and I expect to have preliminary empirical results by the ERBC opens (this July). I look forward to meeting people who share the same enthusiasm for VC and entrepreneurship research, and to talking about my research with them. No doubt my research project will benefit much from their feedbacks.

Moreover, I read broadly on VC and entrepreneurship research in the past year. Even though I could not get accepted by the boot camp last summer, I downloaded previous syllabuses and read papers therein. I regularly participate in Duke's Entrepreneurship and Innovation Seminars and get interdisciplinary exposure to different aspects in entrepreneurship research. The more knowledge I accumulate through all those effort, the more eager I feel to find a way to

organize and deepen my understandings of the literature, and lead me to the frontier of entrepreneurship research. There is no doubt that ERBC is such an ideal place since I would have the opportunity to attend lectures from the experts in the area, and to brainstorm with the brilliant young minds.

Besides academic research at Duke, I also cooperate with entrepreneurship researchers from China, where I originally come from. I work with friends at the Global Entrepreneurship Research Center in Zhejiang University (the largest entrepreneurship research center in China), and frequently discuss anecdotal cases as well as aggregate trends of entrepreneurial behaviors in China. Even though there is still distance to write down the ideas as rigorous academic papers, I do have some interesting observations from this largest emerging economy. Ultimately, I wish to contribute to the recent effort to understand the international differences in entrepreneurship and entrepreneurial finance.

In addition to VC and entrepreneurship, my research interests also lie in classic corporate finance topics, especially capital structure, corporate governance, and internal capital market. In a working paper just finished, I empirically identify the effect of shareholder-creditor conflicts of interest on debt covenant design.

After all the effort I devoted to the area, I know that VC and entrepreneurship will definitely be one of my future research focuses. NBER Entrepreneurship Research Boot Camp is an ideal place for me to learn more about this area and organize my thoughts, and it is also the dream place to communicate my own research with future colleagues—this is an important and necessary step to take my research further and deeper. Moreover, I believe I will be fully prepared for the event and wish to contribute to it with my effort. I appreciate your careful consideration on my application, and please do not hesitate to contact me or my references (Professor John Graham and Professor Manju Puri) for more information. Thank you and I look forward to hearing from you!