

## DAVID J. DENIS

### Office Address

University of Pittsburgh  
Joseph M. Katz Graduate School of Business  
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5536 Northumberland  
Pittsburgh, PA 15217  
(765) 491-2824

SSRN Author page: <http://ssrn.com/author=17040>

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## EDUCATION

Ph.D, Finance, The University of Michigan, 1988.

M.B.A., Finance, The University of Michigan, 1984.

B.S., Finance and Managerial Statistics, Syracuse University, 1982.

## PROFESSIONAL EXPERIENCE

Roger S. Ahlbrandt, Sr. Chair and Professor of Finance, University of Pittsburgh, 2011 -

Burton Morgan Chair of Private Enterprise, Purdue University, 2003-2011.

Professor of Finance, Purdue University, 1999-2003. Courses taught: Financial Management I (MBA), Financial Management II (MBA., Exec. MBA), Venture Capital and Investment Banking (MBA), Seminar in Financial Management II (Ph.D), Managing the Capital Structure (MBA).

Associate Professor of Finance, Purdue University, 1995-1999. Courses taught: Seminar in Financial Management I (Ph.D), Seminar in Financial Management II (Ph.D), Financial Management I (MBA), Financial Management II (Exec. MBA), Managing the Capital Structure (MBA), Advanced Financial Management (B.S.).

Associate Professor of Finance, Virginia Polytechnic Institute and State University, 1994-1995. Courses taught: Advanced Financial Management (undergraduate), Corporate Finance II (Ph.D).

Assistant Professor of Finance, Virginia Polytechnic Institute and State University, 1989-1994. Courses taught: Advanced Financial Management (undergraduate), Corporate Finance II (Ph.D).

Visiting Assistant Professor of Finance, University of Toledo, 1988-89. Courses taught: Financial Management (MBA), Advanced Financial Management (undergraduate), Investments (undergraduate and MBA).

Lecturer, The University of Michigan, 1986. Courses taught: Investments (undergraduate).

## BOOKS

“Corporate Restructuring,” Edward Elgar Publishing, two-volume compilation, edited with John J. McConnell.

## PUBLISHED ARTICLES

“Debt Covenant Renegotiations and Creditor Control Rights,” *Journal of Financial Economics* (forthcoming), with Jing Wang.

“Insider Trading Restrictions and Top Executive Compensation,” *Journal of Accounting and Economics* 56:1 (2013), with Jin Xu.

“The Persistent Puzzle of Corporate Capital Structure: Current Challenges and New Directions,” *Financial Review* 47 (2012), 231-243. Keynote Speech from Eastern Finance Association Annual Meeting, Boston, MA.

“Information Production by Investment Banks: Evidence from Fairness Opinions,” *Journal of Law and Economics* (forthcoming), with Matt Cain.

“Material Adverse Change Clauses and Acquisition Dynamics,” *Journal of Financial and Quantitative Analysis* 48:3 (2013), 819-847, with Antonio Macias.

“Debt Financing and Financial Flexibility: Evidence from Pro-Active Leverage Increases,” *Review of Financial Studies* 26 (6) (2012), 1897-1929, with Steve McKeon.

“Financial Flexibility and Corporate Liquidity,” *Journal of Corporate Finance* 17:3 (2011), 667-684.

“Earnouts: A Study of Financial Contracting in Acquisition Agreements,” *Journal of Accounting and Economics* 51 (2011), 151-170, with Matt Cain and Diane Denis.

“Financial Constraints, Investment, and the Value of Cash Holdings” *Review of Financial Studies* 23 (January, 2010), 247-269, with Valeriy Sibilkov.

“Factors Influencing Dividends,” chapter in *Blackwell Companion on Dividends and Dividend Policy*, H. Kent Baker, ed. (May, 2009), John Wiley and Sons, with Gohar Stepanyan.

“Why Do Firms Pay Dividends? International Evidence on the Determinants of Dividend Policy,” *Journal of Financial Economics* 89 (July, 2008), 62-82, with Igor Osobov.

“Do Firms Manage Earnings to Meet Dividend Thresholds?” *Journal of Accounting and Economics* 45 (March, 2008), 2-26, with Naveen Daniel and Lalitha Naveen.

“Dividend Policy,” in *The New Palgrave Dictionary of Economics*, 2<sup>nd</sup> Edition, (2008) Steven Durlauf and Lawrence Blume, eds., Palgrave Macmillan Ltd., with John McConnell.

“Is There a Dark Side to Incentive Compensation?,” *Journal of Corporate Finance* 12 (June, 2006), 467-488, with Paul Hanouna and Atulya Sarin.

“How Do IPO Issuers Pay for Analyst Coverage?” *Journal of Investment Management* 4 (2006), 48-61, with Mike Cliff.

- “Leverage and Investment in Diversified Firms,” *Journal of Financial Economics* 79 (February, 2006), 317-337, with Seoungpil Ahn and Diane Denis.
- “Introduction to Corporate Restructuring,” in *Corporate Restructuring*, edited by David J. Denis and John J. McConnell, Edward Elgar Publishing, 2006, with John J. McConnell.
- “Do IPO Firms Purchase Analyst Coverage With Underpricing?” *Journal of Finance* 59 (December, 2004), 2871-2902, with Mike Cliff.
- “Entrepreneurial Finance: An Overview of the Issues and Evidence,” *Journal of Corporate Finance* 10 (March, 2004), 301-326.
- “Internal Capital Markets and Investment Policy: Evidence From Corporate Spinoffs,” *Journal of Financial Economics* 71 (March, 2004), 489-516, with Seoungpil Ahn.
- “Mean Reversion in Earnings and the Use of E/P Multiples in Corporate Valuation,” *Journal of Applied Finance* (Spring/Summer 2004), 4-10, with Mukesh Bajaj and Atulya Sarin.
- “The Choice Among Bank Debt, Non-Bank Private Debt and Public Debt: Evidence From New Corporate Borrowings,” *Journal of Financial Economics* 70 (2003), 3-28, with Vassil Mihov.
- “Taxes and the Relative Valuation of S Corporations and C Corporations,” *Journal of Applied Finance*, Vol. 12, No. 2 (Fall/Winter 2002), with Atulya Sarin.
- “Global Diversification, Industrial Diversification, and Firm Value” *Journal of Finance* 57 (2002), 1951-1980, with Diane Denis and Keven Yost.
- “Firm Value and Marketability Discounts,” *Journal of Corporation Law* 27 (2001), 89-116, with Mukesh Bajaj, Steve Ferris, and Atulya Sarin,
- “Is the Market Surprised by Poor Earnings Realizations Following Seasoned Equity Offerings?” *Journal of Financial and Quantitative Analysis*, 36 (2001), 169-193, with Atulya Sarin.
- “Managerial Discipline and Corporate Restructuring Following Performance Declines,” *Journal Financial Economics* 55, (2000), 391-424, with Timothy Kruse. Reprinted in “Corporate Takeovers: Modern Empirical Developments,” Vol. 1, B.Espen Eckbo, ed., Academic Press, 2010.
- “CEO Compensation and Managerial Decisions: Evidence From Acquisitions,” *Research in International Business and Finance*, Special Volume on Issues in International Corporate Control and Governance, Vol. 15, 23-47, (2000), with Eric Blazer.
- “Agency Theory and the Influence of Equity Ownership Structure on Corporate Diversification Strategies,” *Strategic Management Journal* 20 (1999), 1071-1076, with Diane Denis and Atulya Sarin.
- “Ownership and Board Structures in Publicly Traded Corporations,” *Journal of Financial Economics* 52 (1999), pp. 187-224, with Atulya Sarin.
- “Managerial Incentives and Corporate Diversification Strategies,” *Journal of Applied Corporate Finance*, (Summer 1997), pp. 72-80, with Diane Denis and Atulya Sarin.

- "Ownership Structure and Top Executive Turnover," *Journal of Financial Economics* 45 (1997), pp. 193-221, with Diane Denis and Atulya Sarin.
- "Agency Problems, Equity Ownership, and Corporate Diversification," *Journal of Finance* 52 (1997), 135-160, with Diane Denis and Atulya Sarin. Abstracted in *Contemporary Finance Digest*, Autumn 1997, pp. 29-30.
- "Leveraged Recaps and the Causes of Financial Distress," *Journal of Applied Corporate Finance*, Winter 1996, pp. 84-98, with Diane Denis.
- "Active Investors and Management Turnover Following Unsuccessful Control Contests," *Journal of Financial Economics* 40 (1996), 239-266, with Jan Serrano.
- "The Benefits of High Leverage: Lessons From Kroger's Recapitalization and Safeway's LBO," *Journal of Applied Corporate Finance*, Winter 1995, pp. 38-52.
- "Performance Changes Following Top Management Dismissals," *Journal of Finance* 50, (1995), pp. 1029-1057, with Diane Denis.
- "Causes of Financial Distress Following Leveraged Recapitalizations," *Journal of Financial Economics* 37 (1995), 129-158, with Diane Denis.
- "Corporate Events, Trading Activity, and the Estimation of Systematic Risk: Evidence From Equity Offerings and Share Repurchases," *Journal of Finance*, December, 1994, with Greg Kadlec.
- "The Information Content of Dividend Changes: Cash Flow Signaling, Overinvestment, and Dividend Clienteles," *Journal of Financial and Quantitative Analysis* 29, December 1994, 567-587, with Diane Denis and Atulya Sarin.
- "Organizational Form and the Consequences of Highly Leveraged Transactions: Kroger's Recapitalization and Safeway's LBO," *Journal of Financial Economics* 36 (1994), 193-224.
- "Investment Opportunities and the Market Reaction to Equity Offerings", *Journal of Financial and Quantitative Analysis* 29 (1994), 159-177.
- "Majority Owner-Managers and Organizational Efficiency", *Journal of Corporate Finance* 1 (1994), 91-118, with Diane Denis.
- "Leveraged Recaps and the Curbing of Corporate Overinvestment", *Journal of Applied Corporate Finance*, Spring, 1993, pp. 60-71, with Diane Denis. Reprinted in The New Finance: Where Theory Meets Practice, Donald Chew ed., Irwin/McGraw-Hill.
- "The Costs of Equity Issues Since Rule 415: A Closer Look", *Journal of Financial Research*, Spring, 1993. Abstracted in *Bowne and Company's Review for CFOs and Investment Bankers*, June 1993.
- "Managerial Discretion, Organizational Structure, and Corporate Performance: A Study of Leveraged Recapitalizations", *Journal of Accounting and Economics*, January, 1993, pp. 209-236, with Diane Denis.

"Corporate Investment Decisions and Corporate Control: Evidence From Going Private Transactions", *Financial Management*, Autumn, 1992. Abstract reprinted in *Financial Management Collection*, Winter 1991.

"Shelf Registration and the Market for Seasoned Equity Offerings", *Journal of Business*, April, 1991. Abstracted in Bowne and Company's *Review for CFOs and Investment Bankers*, October, 1991.

"Defensive Changes in Corporate Payout Policy: Share Repurchases and Special Dividends", *Journal of Finance*, December, 1990.

## **WORKING PAPERS**

"Sources of Financial Flexibility: Evidence from Cash Flow Shortfalls," with Naveen Daniel and Lalitha Naveen.

"Matching Directors with Firms: Evidence from Board Structure Following Corporate Spinoffs," with Diane Denis and Mark Walker.

"Corporate Payout, Cash Retention, and The Supply of Credit: Evidence from the 2008-09 Credit Crisis," with Barbara Bliss and Yingmei Cheng.

## **PRESENTATIONS OF RESEARCH**

### Invited Seminars

Southern Methodist University  
University of Virginia (Darden)  
University of Michigan  
George Mason University  
University of Delaware  
University of Colorado  
Ohio University  
INSEAD  
SUNY Binghamton  
Michigan State University  
University of Arkansas  
Penn State University  
Ohio State University  
Tulane University  
Indiana University  
Stockholm School of Economics  
University of Washington  
Loyola University  
Harvard Business School  
North Carolina State University  
University of Houston  
University of California-Davis  
University of Florida  
University of North Carolina  
University of Alabama  
Florida State University

Syracuse University  
University of Miami  
University of Kentucky  
University of Notre Dame  
Vanderbilt University (Law and Business)  
University of Iowa  
University of Western Ontario  
London Business School  
Concordia University  
University of Pittsburgh  
DePaul University  
Rutgers University  
University of Texas-Dallas  
University of Missouri  
University of Illinois  
University of Oregon  
Virginia Tech  
Michigan State University  
Northeastern University  
Purdue University  
Texas A&M University  
University of Utah  
University of Pittsburgh  
Texas Tech  
Louisiana State University  
University of Illinois

|   |                                  |
|---|----------------------------------|
| University of Missouri                    | The College of William and Mary  |
| Georgetown University                     | Drexel University                |
| Chinese University of Hong Kong           | University of Waterloo           |
| University of Notre Dame                  | University of Pittsburgh         |
| Virginia Tech                             | North Carolina State             |
| Tulane University                         | Northeastern University          |
| Duquesne University                       | Singapore Management University  |
| Nanyang Technological University          | National University of Singapore |
| Hong Kong University of Science and Tech. | Carnegie Mellon University       |
| Penn State University                     | Temple University                |
| University of Arizona                     | Georgia Tech                     |
| Case Western Reserve                      | University of Exeter             |
| University of Amsterdam                   | Rice University                  |
| Wayne State University                    | University of South Florida      |
| Ohio State University                     | Texas A&M University             |
| Wilfrid Laurier University                |                                  |

### Conference Presentations

American Finance Association, 1994, 1995, 1997, 2002, 2003, 2008, 2009, 2010  
 Western Finance Association, 1990, 1991, 1993, 1997, 1998, 2006  
 European Finance Association (co-author presented), 1995, 1996, 2001  
 Financial Management Association, 1990, 1992, 1993, 1994, 1995  
 Conference on Financial Economics and Accounting, 1995, 2001  
 Arizona Finance Symposium  
 University of Oregon Finance Research Conference  
 NBER Conference on Corporate Finance and Firm Performance  
 NBER Summer Institute – Corporate Finance  
 JAE/KPMG Conference on Managerial Incentives and Corporate Performance

### **BOOK REVIEW**

Review of “Corporate Restructuring: Managing the Change Process From Within” by Gordon Donaldson, Harvard Business School Press. *Journal of Finance*, June, 1995.

### **HONORS**

Katz Excellence in Research Award, 2012, 2013.

Keynote Speaker and Distinguished Scholar, Eastern Finance Association Annual Meeting, April, 2012.

Excellence in Teaching Award, Executive MBA Program, 2010.

Fellow, Center for Corporate Governance, Drexel University.

Co-Chair, Financial Management Association European Meeting, Hamburg, Germany, June 2010.

Keynote Speaker and Distinguished Scholar, Southern Finance Association Annual Meeting, November, 2008.

Keynote Speaker, MidEast Research Conference in Finance, 2006

University Faculty Scholar, 2000-2005.

Dean's Office Special Faculty Service Award, 2000

Krannert Faculty Fellow, 2007

Best Paper Award, Corporate Governance Symposium, Weinberg Cener for Corporate Governance, University of Delaware.

Best Paper Award, Financial Management, Financial Management Association Annual Meetings, San Francisco, 1992.

Best Paper Award, Financial Management, Financial Management Association Annual Meetings, Orlando, Florida, 1990.

## **PROFESSIONAL SERVICE**

Editor, *Review of Financial Studies*, 2013 – present.

Co-Editor, *Journal of Corporate Finance*, 2001–2011.

Editor, *Journal of Corporate Finance*, special issue on Venture Capital and Entrepreneurial Finance, 2002.

Editor, *Journal of Corporate Finance*, special issue on Financial Flexibility and Corporate Liquidity, 2011.

Associate Editor, *Journal of Finance*, 2000-2003.

Associate Editor, *Review of Financial Studies*, 2010-2013.

Associate Editor, *Journal of Financial Research*, 1996-present.

Associate Editor, *Financial Review*, 1998-present.

Associate Editor, *Journal of Applied Finance*, 2002-2006.

Associate Editor, *Annals of Finance*, 2004-present.

Academic Director, Financial Management Association, 2006-2008.

VP-Program, Financial Management Association, 2013 meeting.

Fellow, Center for Corporate Governance, Drexel University, 2010-

Nominating Committee, American Finance Association, 2003.

Nominating Committee, Financial Management Association, 2007-08.

Co-Coordinator, Doctoral Consortium, Financial Management Association European Meeting, Istanbul, 2012.

Fellows Committee, Financial Management Association, 2007-08. Chair in 2008.

Faculty Participant, FMA Doctoral Consortium, 2000, 2003.

Program Committee, Yale Conference on Entrepreneurship, Venture Capital, and Initial Public Offerings, 2002.

Program Committee, American Finance Association Annual Meeting, 1999.

Program Committee, Western Finance Association Annual Meeting, 1998-2011.

Program Committee, Financial Management Association Annual Meeting, 1992, 1993, 1995, 1996, 1998, 1999, 2000, 2009, 2010.

Program Committee, Drexel Conference on Corporate Governance, 2009-12.

Referee, *Journal of Financial Economics*, *Journal of Finance*, *Review of Financial Studies*, *Journal of Business*, *Journal of Accounting and Economics*, *Journal of Financial and Quantitative Analysis*, *Journal of Economics and Management Strategy*, *The Accounting Review*, *Review of Economics and Statistics*, *Journal of Empirical Finance*, *Journal of Corporate Finance*, *Journal of Banking and Finance*, *Financial Management*, *Journal of*

*Financial Services Research, Journal of Financial Research, Financial Review, Quarterly Journal of Business and Economics, Journal of Applied Business Research, Harvard Business School Press, Strategic Management Journal, Review of Financial Economics, Journal of Applied Finance, Journal of Comparative Economics.*

## **ADMINISTRATIVE**

### University Service

Search committee for Director, Burton D. Morgan Center for Entrepreneurship, 2006-07.  
Planning Committee, Pioneering Biotechnology Forum, 2006.  
Graduate Council, 1999-2002. (Area Chair: 2000-2001).  
Counselor, University Honors System, 1990-1995.  
United Way Team Captain, 1996, 1997, 1999.  
Horizons Mentoring Program, 2000, 2002.  
Judge, Life Sciences Business Plan Competition, 2003-2006, 2008, 2009.  
Advisory Committee, Burton D. Morgan Center for Entrepreneurship.  
Retirement Plan Review Task Force, 2008-10.

### College Service

Finance Area Director, 2012-present.  
Promotion and Tenure Committee, 2012, 2013, 2014  
Masters Programs Committee, 2013-14.  
Accounting Core Course Review Committee, Chair, 2011-12.  
MACC Governance Committee, 2011-12.  
Search Committee for Dean of Krannert School, 2010-11.  
Masters Program Advisory Committee, 2010-11.  
Management Executive Committee, 2009-10.  
Strategic Plan Task Force, 2008-09  
Management Head Selection Advisory Committee, 2008.  
Executive Education Program Review Committee, 2007-08.  
Executive Education Program Advisory Committee, 2008-09.  
Krannert Strategy and Structure Task Force, 2006-07.  
International Programs Council  
Search Committee for Duke Realty Chair in Finance, 2006.  
Search Committee for Hanna Chair in Entrepreneurship (Chair), 2005-2007.  
Search Committee for Blake Chair in Strategic Management, 2006-2007.  
Career Services Task Force  
Data Purchases Review Committee  
Committee on PhD Funding and Bonuses, 2002-2003.  
Faculty Relations Committee, 2002-2005. (Chair, 2004-2005)  
Advisory Committee for Executive Education Programs, 2001-2006.  
Judge, Krannert Venture Capital Competition, 2002  
Strategy and Structure Task Force (Chair) 1999-2000  
Promotion and Tenure Area Committee 1999-2002, 2005-2008.  
Area Coordinator, Finance, 1998-2006, 2008, 2009.  
Management Policy Committee, 1997-1999, 2008-2010.  
Faculty Advisory Committee, 1999-2006.  
Grade Appeals Committee, 1999-2001.  
STAR Committee, 1999 - present (Chair from 2001-2009).  
M.S. Steering Committee, 1996-1997.  
Undergraduate Program Advisory Committee, 1995-1996.  
Reviewer, Purdue Research Foundation research grant proposals, 1995-1998.  
Reviewer, CIBER Faculty summer research grant proposals, 1999.



Faculty Adviser to Finance PhD students, 1995-1999.  
Admissions Committee - PhD Program in Finance, 1996-present.  
College of Business Faculty and Student Awards Committee, 1990-1992.  
MBA Advisory Committee, 1992-1993.

Department Service (Virginia Tech)

Faculty and Student Awards Committee, 1989-1992. Chair (1990-92)  
Ph.D Policy Committee, 1991-1995. Interim Director, Winter, 1994.  
Visiting Speaker Committee, 1990-1995. Chair (1994-95)  
Faculty Recruiting Committee, 1991-1992, 1993-1994.  
Graduate Curriculum Committee, 1993-1994.

**CONSULTING**

Fabian and Clendenin  
Jones Day, LLP  
American Greetings Corp.  
Credit-Suisse Securities LLC  
Xerox Corporation  
Cravath, Swaine, and Moore, LLP  
Merrill Lynch  
Paul, Weiss, Rifkind, Wharton & Garrison, LLP  
Shook, Hardy & Bacon, LLP  
Lite Machines Inc.  
Pepe and Hazard LLP  
Davis, Polk, and Wardwell  
Quinn, Emanuel, Urquhart, Oliver, & Hedges, LLP  
Law and Economics Consulting Group (LECG)  
Analysis Group  
Internal Revenue Service  
West Marine Inc.  
FuturaGene Corp

**DISSERTATIONS CHAIRED**

| <u>Student Name</u> | <u>Completion Date</u> |
|---------------------|------------------------|
| Jared Smith         | In progress            |
| Jing Wang           | July, 2013             |
| Stephen McKeon      | June, 2011             |
| Craig Everett       | May, 2011              |
| Amanda Thompson     | November, 2010         |
| Rachel Diana        | July, 2009             |
| Antonio Macias      | June, 2008             |
| James Garrett       | March, 2008            |
| Matt Cain           | July, 2007             |
| Mira Straska        | July, 2007             |
| Valeriy Sibilkov    | July, 2005             |
| Paul Hanouna        | July, 2005             |
| Matt Barcaskey      | July, 2004             |
| Igor Osobov         | July, 2004             |

|                                 |                |
|---------------------------------|----------------|
| Nilanjan Basu                   | July, 2003     |
| Keven Yost                      | November, 2002 |
| Mark Walker                     | July, 2001     |
| Seoungpil Ahn                   | July, 2001     |
| Vassil Mihov (co-chair)         | August, 2000   |
| Kimberly Rodgers (co-chair)     | December, 1999 |
| Bharathram Thothadri (co-chair) | December, 1998 |
| Tim Kruse                       | June, 1997     |
| Eric Blazer                     | May, 1996      |
| Doug Eckel (co-chair)           | March, 1996    |

### **SERVICE ON DISSERTATION COMMITTEES**

| <u>Student Name</u> | <u>Completion Date</u> |
|---------------------|------------------------|
| Torsten Jochem      | May, 2013              |
| Rahsan Inget        | November, 2009         |
| Gohar Stepanyan     | July, 2009             |
| Hugo Tang           | November, 2008         |
| Dinesh Iyer         | 2007                   |
| Greg Waller         | August, 2006           |
| Sandipan Mullick    | June, 2006             |
| David Offenber      | October, 2005          |
| Alexei Ovtchinnikov | June, 2004             |
| Arun Khanna         | August, 2003           |
| Muge Tiryakioglu    | August, 2002           |
| Orlin Dimitrov      | July, 2002             |
| Huseyin Gulen       | June, 2000             |
| Yun Yu              | May, 2000              |
| Matthew Flynn       | June, 1998             |
| Heidi Dybevig       | September, 1997        |
| Erik Lie            | July, 1996             |
| David Haushalter    | July, 1996             |
| Dee Ann Ellingson   | March, 1996            |
| Don Rich            | Summer, 1994           |
| Sudhir Singh        | Summer, 1992           |
| Atulya Sarin        | Summer, 1992           |
| John Shao           | Summer, 1991           |
| Nilanjan Sen        | Summer, 1990           |

Revised, 11/14/13