

## GRANT CLAYTON

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### RESEARCH FIELDS

Empirical corporate finance, including intersections with strategy, industrial organization, and labor economics

### DOCTORAL STUDIES

Ph.D., Finance, Northwestern University, Evanston, IL  
Committee Chairperson: Professor David Matsa  
Date of Completion: July 2018 (expected)

### AWARDS

Top Teaching Assistant Award, Executive MBA Program, 2016  
Selected by students of the graduating cohort

### JOB MARKET PAPER

“Product Market Strategy and Capital Structure: Evidence from Resale Price Maintenance”

**Abstract:** This paper studies how a firm’s pricing strategy affects its financial leverage. Retailers vary in pricing strategy, ranging from low markup (i.e., “discount”), no frills retailers to high markup retailers that offer extensive service. The choice of strategy affects the firm’s risks and opportunities and therefore debt capacity. The high-end strategy, for example, exposes the firm to price wars and freeriding by discount rivals that could drive it into financial distress. The cross-section of firms shows a negative relationship between markup and leverage, but the direction of causality is unclear. To establish causality, I exploit changes in the legality of discount pricing strategies to identify their effect on leverage. In various U.S. states and years, manufacturers could use resale price maintenance (RPM) to set the minimum price a retailer can charge. I find that allowing RPM leads discount retailers to reduce leverage and other retailers to increase it. The results show that firms choose a financial structure closely tied to their product market strategy.

### WORK IN PROGRESS

“Industry Volatility and Workers’ Demand for Collective Bargaining”

**Abstract:** This paper examines how industry volatility affects a worker’s decision to unionize. When deciding whether to vote for unionization, workers weigh the potential gain from higher wages with the risks of reduced employment. Using a database of thousands of unionization elections, I exploit the approximately two-month waiting period between when workers petition the National Labor Relations Board to hold an election and when the actual vote occurs. I find that higher industry equity volatility during the waiting period is associated with fewer votes in favor of unionization. Unemployment insurance, which mitigates workers’ costs of job loss, dampens the response to industry volatility. Volatility heightens workers’ concerns about job loss as it shifts the risk-return tradeoff for pivotal voters away from unionization.

## TEACHING EXPERIENCE

Teaching Assistant, Northwestern University, 2014-Present

EMBA Program: Top Teaching Assistant Award

*Courses:* Managerial Finance I and II

MBA Program: *Courses:* Finance II, Thought Leadership Seminar, Investment Banking, Hedge Funds and Private Equity

Ph.D. Program: *Courses:* Empirical Corporate Finance I and II, Research Design for Causal Inference

## PREDOCTORAL STUDIES

M.S.: Finance, Kellogg School of Management, Evanston, IL, 2015

M.S.: Mathematics, Texas A&M, College Station, TX, 2013

B.B.A.: Finance, Southern Methodist University, Dallas, TX, 2006

B.S.: Mathematics, Southern Methodist University, Dallas, TX, 2006

B.A.: History, Southern Methodist University, Dallas, TX, 2006

## PROFESSIONAL EXPERIENCE

Duff & Phelps, Dallas, TX, 2006-2011

Analyst (8/2006-9/2008), Senior Associate (9/2008-4/2011)

Dispute Consulting and Financial Reporting Valuation

- Supported and critiqued expert witness reports for litigation, mainly in the energy industry
- For financial reporting, valued intangible and tangible assets, including power plants, gold mines, trade names, restricted stock, and nuclear fuel

## CERTIFICATIONS AND SKILLS

- CFA charterholder
- Programming languages: Python, Matlab, SQL, SAS, Stata, R

## PERSONAL INFORMATION

Citizenship: U.S.

## REFERENCES

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