

Academy of Entrepreneurial Finance- AEF

Program 2009

September 23-25, 2009

Hotel Monaco-Chicago

Chicago, Illinois

Dear Colleagues,

On behalf of the Program Committee and staff, we would like to take this opportunity to welcome you to the 21st Annual Academy of Entrepreneurial Finance Conference on September 23-25, in Chicago! This year's unique conference brings together national and international researchers and practitioners not only from the area of entrepreneurial finance, but also from the equally exciting field of behavioral finance and economics. Additionally, we are very much lucky to have a world-renowned scholar as the Keynote Speaker at this year's event. Over the course of the next three days, you will share knowledge, ideas, and fellowship with some of the best minds in the two important and dynamic fields. Moreover, from this year on, the two sister academies of Entrepreneurial Finance and Behavioral Finance & Economics will hold their joint annual meetings in September of each year.

This conference will feature the latest research from both U.S. and international scholars on a variety of topics relevant to entrepreneurial finance including financing sources, the role of venture capital and private equity, initial public offerings, performance, global issues, and data sources. Additionally, the complementary behavioral finance and economics sessions will further help us better understand how choices and decisions are actually made in the real world. As a participant, you will receive feedback on your work, and there will be ample time for networking.

This year, our program has further been enriched as a result of the gracious help by two great colleagues from The Chicago School of Professional Psychology; Professors Richard Ackley and Ilianna Hevia Kwaske. They are the Co-Chairs of the 2009 Behavioral Finance and Economics Research Symposium that runs parallel to our present conference.

Thank you for attending this year's event. Enjoy every minute! Take advantage of the knowledge and expertise that will be shared at the conference, and enjoy the many attractions that the always great Chicago has to offer. Thanks also to all the Program Committee members and reviewers who have made this gathering possible. Also special thanks to the AEF staff for their hard work.

Sincerely,

Dr. Richard Constand, Program Co -Chair
University of West Florida

Dr. R. (Russell) Yazdipour, Program Co -Chair
California State University, and
Academy of Entrepreneurial Finance

2009 Conference Venue:

Please note that all the conference functions take place at The Hotel Monaco-Chicago. Assigned room for each session/function is listed right after the listed time for that session/function.

Wednesday Program, September 23, 2009

4:00-6:00 PM:

Reception, Conference Package Pick up, and Registration

Paris Foyer

Thursday Program, September 24, 2009

| Morning Sessions | Morning Sessions |
|--|--|
| <i>7:30-8:30</i> <i>Paris Foyer</i> <i>(Registration);</i> <i>Paris South Foyer</i> <i>(Breakfast)</i> | Registration and Breakfast |
| <i>8:30-8:45</i> <i>Paris South</i> Welcome and Program Overview | Welcome and Program Overview R. (Russell) Yazdipour, California State University, and Academy of Entrepreneurial Finance J. William Petty, Baylor University Richard Ackley, The Chicago School of Professional Psychology Richard Constand, The University of West Florida |

| | |
|---|--|
| <p>8:45-10:15 Paris South</p> <p><u>Session 11:</u> Financial and Economic Decision Making Under Conditions of Risk and Ambiguity: New Findings from the Fields of Psychology and Neuroscience</p> | <p><u>Session 11: General Session: Financial and Economic Decision Making Under Conditions of Risk and Ambiguity: New Findings from the Fields of Psychology and Neuroscience</u></p> <p><u>Session Chair:</u></p> <p>Jonathan Scott Temple University</p> <p>The Neurobiological Constructs of Emotion and Cognition: How are Decisions Made?</p> <p>Lukasz M. Konopka The Chicago School of Professional Psychology, and Loyola University Medical Center, Stritch School of Medicine</p> <p>Risk and Ambiguity: The Theoretical Model and its Human Representation</p> <p>Angela A. Stanton Center for Neuroeconomics Studies, Claremont Graduate University, Claremont, and Max Planck Institute of Economics, Jena, Germany</p> |
| <p>10:15 -10:45 Paris North Foyer</p> | <p>Refreshment Break</p> |
| <p>10:45-12:00 Paris Central</p> <p><u>Session 12: Going Public</u></p> | <p><u>Session 12: Going Public</u></p> <p><u>Session Chair:</u></p> <p>J. William Petty Baylor University</p> <p>Exit Choices of Venture-Backed Firms: IPO v. Acquisition</p> <p>Hsin-Hui Chiu, Chapman University Eric Ball, Oracle Corporation and Claremont Graduate University Richard Smith, University of California Riverside Discussant: Juan M. Dempere, Metropolitan State College of Denver</p> |

| | |
|--|--|
| | <p>Going Public Reverse Mergers: Examples and Benchmark Data</p> <p>Robert Comment, Johns Hopkins University Discussant: Tatyana Sokolyk, University of Wyoming</p> <p>Calendar Patterns in IPO Underpricing</p> <p>Juan M. Dempere, Metropolitan State College of Denver Discussant: Robert Comment, Johns Hopkins University</p> |
|--|--|

Luncheon and Keynote Address

| Afternoon Sessions | Afternoon Sessions |
|---|--|
| <p><i>Noon to 1:30</i> <i>Paris South</i></p> <p>Luncheon and Keynote Address</p> | <p>Luncheon and Keynote Address</p> <p>"System Dynamics: Perspective and Challenge for Behavioral Finance"</p> <ul style="list-style-type: none"> • Where is Behavioral Finance now and how did we get here? • The Importance of a dynamic approach to Behavioral Finance. • Implications for Finance and Entrepreneurship. <p>Robert A. Olsen Decision Research Eugene, Oregon</p> |
| <p><i>1:30-1:45</i> <i>Paris North Foyer</i></p> | <p>Short Break</p> |

| | |
|--|--|
| <p>1:45-3:00 Paris Central</p> <p>Session 13: Governance and the Entrepreneurial Firm</p> | <p>Session 13: Governance and the Entrepreneurial Firm</p> <p>Session Chair: Joel Shulman, Babson College</p> <p>Do High-Growth Entrepreneurial Firms Have a Specific System of Governance?</p> <p>Peter Wirtz, University of Lyon Discussant: Debora Dragseth, Dickinson State University</p> <p>Strong Corporate Governance: A Larger Positive Effect on Shareholder Wealth</p> <p>John N. Laski, New Jersey City University Rezarta Aliaj, Pace University. Discussant: Greg Roth, New Mexico State University</p> <p>Small Firm Governance and Analyst Following</p> <p>Rich Fortin, New Mexico State University Greg Roth, New Mexico State University Discussant: John N. Laski, New Jersey City University</p> <p>The Financial Growth Cycle Theory and Non-Conventional Financing: An Empirical Examination of Atlantic Canadian SMEs</p> <p>Carlton Osakwe, Mount Royal College Discussant: TBA</p> |
| <p>3:00-3:30 Paris North Foyer</p> | <p>Refreshment Break</p> |

3:30-5:00
Paris Central

Session
14: Planning and Financing the New Enterprise

Session 14: Planning and Financing the New Enterprise

Session Chair:

Charles Ou
U.S. Small Business Administration

Investing in Troubled Times: Bet on Entrepreneurs

Joel Shulman, Babson College
Discussant: Charles Conrick, Dickinson State University

The Effect of Familiarity on Capital Acquisition of Niche Agricultural Producers

Howard Van Auken, Iowa State University
Discussant: Richard Boden, The University of Toledo

Financial Capital Injections among New Black and White Business Ventures: Evidence from the Kauffman Firm Survey

Alicia Robb, UC Santa Cruz and Kauffman Foundation
Robert W. Fairlie, University of California, Santa Cruz
David T. Robinson, Duke University
Discussant: Howard Van Auken, Iowa State University

A Study Of Possible Motivators For Entrepreneurs' Initial Decision Process: A Beginning

Charles Conrick, Dickinson State University
Debora Dragseth, Dickinson State University
Discussant: Diego Liechti, University of Bern, Switzerland

Friday Program, September 25, 2009

| Morning Sessions | Morning Sessions |
|---|--|
| 7:30-8:30 <i>Paris North Foyer</i> | Breakfast |
| 8:30-8:45 <i>Paris Central</i> | Welcome and Logistics for Day 2 Dr. Richard Constand, The University of West Florida |
| 8:45-10:15 <i>Paris Central</i> Session 25: Predicting Small Business Success/Failure | Session 25: Predicting Small Business Success/Failure Session Chair: Dr. Richard Constand, The University of West Florida Predicting Small Business Failure Traci L. Mach, Board of Governors of the Federal Reserve System Discussant: Dr. Richard Constand, The University of West Florida Predicting Financial Distress in Small Businesses: A Boundary Crossing Threshold Method Tarek ElMekkawy, University of Manitoba Winnie Fu, University of Manitoba Charles E. Mossman, University of Manitoba Discussant: Chares Ou, US SBA The Impact of Financial Capital on Business Performance: A Comparison of Women- and Men-Owned Firms Susan Coleman, University of Hartford Discussant: Traci L. Mach, Board of Governors of the Federal Reserve System Do Banks Reduce Information Asymmetry? Evidence from Bank Loans to Recent Initial Public Offerings Tatyana Sokolyk, University of Wyoming Discussant: G. Brandon Lockhart, University of Nebraska-Lincoln |

| | |
|--|---|
| | |
| <p>10:15-10:45 Paris North Foyer</p> | <p>Refreshment Break</p> |
| <p>10 :45-noon Paris Central</p> <p>Session 26: Financing, Capital Structure, and the Cost of Capital</p> | <p>Session 26: Financing, Capital Structure, and the Cost of Capital</p> <p>Session Chair: Rebel A. Cole, DePaul University</p> <p>Adjusting to Target Capital Structure: The Effect of Credit Lines</p> <p>G. Brandon Lockhart, University of Nebraska-Lincoln Discussant: Samuel Mongrut, Campus Queretaro, Mexico</p> <p>Who Needs Credit and Who Gets Credit? Evidence from the Surveys of Small Business Finances</p> <p>Rebel A. Cole, DePaul University Discussant: Alicia Robb, UC Santa Cruz and Kauffman Foundation</p> <p>Revisiting the Cost of Capital for Family Firms: An Equilibrium Approach</p> <p>Carlton Osakwe, Mount Royal College Discussant: Shenghui Tong, Chinese Academy of Finance and Development</p> <p>An Analysis of the Determinants of SME Use of Commercial Finance Company Funding Instruments</p> <p>Richard Boden, The University of Toledo Michael D. Sherman, The University of Toledo Discussant: Rebel A. Cole, DePaul University</p> |

Lunch and Joint Session

| Afternoon Sessions | Afternoon Sessions |
|--|--|
| <p>Noon-2:00 Paris North Foyer (lunch serving area)</p> <p>Session 27: Lunch and Joint Session</p> <p>Paris Central</p> | <p>Session 27: Lunch and Joint Session</p> <p>Session Chair: Angela Stanton, Claremont Graduate University, Claremont, and Max Planck Institute of Economics, Jena, Germany</p> <p>What Matters More for Entrepreneurial Success: Skills, Personality, or Luck?</p> <p>Diego Liechti, University of Bern, Switzerland Discussant: Evgenia Golubeva, University of Oklahoma</p> <p>Do Entrepreneurial Goals Matter? Resource Allocation in Newly-Established Owner-Managed Firms*</p> <p>William Dunkelberg, Temple University Carmen Moore, Temple University Jonathan Scott, Temple University William Stull, Temple University Discussant: Peter Wirtz, University of Lyon</p> <p>Individuals and the OTC Stocks: Preference for the Unfamiliar</p> <p>Abhishek Varma, Illinois State University Discussant: Danling Jiang, The Florida State University</p> |
| <p>2:00- 2:30 Paris North Foyer</p> | <p>Refreshment Break</p> |

| | |
|---|---|
| <p>2:30 – 3:45 Paris Central</p> <p>Session 28: Valuation</p> | <p>Session 28: Valuation</p> <p>Session Chair: Andre Gygax, University of Melbourne, Australia</p> <p>Special Purpose Acquisition Companies – Valuing a Blank Check</p> <p>Andre Gygax, University of Melbourne, Australia Discussant: Andrew Kumiega, Infinium Capital Management, LLC</p> <p>Valuation and Funding of Seed Capital Firms: A Prospective Perspective</p> <p>Samuel Mongrut, Campus Queretaro, Mexico Discussant: Andre Gygax, University of Melbourne, Australia</p> <p>Hybrid Book Allocation for Private Equity Hedge Funds</p> <p>Andrew Kumiega, Infinium Capital Management, LLC Discussant: Samuel Mongrut, Campus Queretaro, Mexico</p> |
| <p>3:45 – 4:00 Paris North Foyer</p> | <p>Refreshment Break</p> |
| <p>4:00 – 5:00 Paris Central</p> <p>Session 29: Global Aspects of Venture Capital and Entrepreneurship</p> | <p>Session 29: Global Aspects of Venture Capital and Entrepreneurship</p> <p>Session Chair: Richard Constand, The University of West Florida</p> <p>The Role of Venture Capital in Listed Companies: Evidence from Mainland China</p> <p>Ming Sun, University of Electronic Science and Technology of China Chengdu, China Discussant: Renyou Tan, University of Electronic Science and Technology of China, China</p> |

| | |
|--|---|
| | <p>Debt Maturity Structure, Agency Costs, and Firm Value: Evidence from 1973-2004</p> <p>Shenghui Tong, Chinese Academy of Finance and Development Discussant: Hsin-Hui Chiu, Chapman University</p> <p>Construction Strategy of VCs' Firms Portfolio from Industrial Organization Perspective: Empirical evidence from Mainland China</p> <p>Renyou Tan, University of Electronic Science and Technology of China, China Discussant: Ming Sun, University of Electronic Science and Technology of China, China</p> |
| <p><i>5:00</i> Conference Conclusion</p> | <p>Conference Conclusion</p> |

2009 Program Committee

Program Co-Chairs:

Richard L. Constand, Ph.D.
University of West Florida

R. (Russell) Yazdipour, Ph.D.
California State University, and
Academy of Entrepreneurial Finance

Program Committee Members:

Richard L. Constand, Ph.D.
University of West Florida

Charles Ou, Ph.D.
U.S. Small Business Administration

J. William Petty, Ph.D.
Baylor University

Michael D. Sherman, Ph.D.
The University of Toledo

R. (Russell) Yazdipour, Ph.D.
California State University, and
Academy of Entrepreneurial Finance

Contact Information:

You may contact us by either:

Email: staff@aoef.org (preferred and faster method) or

Phone: 818-236-2145

Regular Mail:

Academy of Entrepreneurial Finance

P.O. Box 157

Montrose, CA 91021-0157

ACADEMY OF ENTREPRENEURIAL FINANCE

Website: www.aoef.org

Email: staff@aoef.org