

Thomas Frederik Hellmann

B.I. Ghert Family Foundation Professor in Finance and Policy

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Education

- Stanford University, Ph.D. in Economics ('89-'94), advisers: J. Stiglitz and M. Aoki
- London School of Economics, BA in Mathematical Economics and Econometrics ('86-'89)
- Fluent in German, English and French

Professional highlights

- Director of the W. Maurice Young Entrepreneurship and Venture Capital Research Centre
<http://evc.sauder.ubc.ca/>
- Research focuses on entrepreneurship, venture capital, innovation, corporate finance, strategic management, and contract theory.
- Teaching undergraduate, MBA and executive courses in entrepreneurship, entrepreneurial finance, and strategic management.
- Founding Organizer of the NBER Entrepreneurship Research Boot Camp
- Co-editor of Journal of Economics and Management Strategy (including Co-editor for a special issue on “Entrepreneurship: Strategy and Structure”)
- Associate Editor of Management Science (2006-2009)
- Referee for all leading economics and finance journals; Member of the program committee for various conferences (EVI, WFA, a.o.)
- Project Leader for the BCIC Case Study Library

Career history

- Since July 2004, Professor at the Sauder School of Business, University of British Columbia.
- 1994 - 2004: Assistant Professor of Strategic Management; Stanford Graduate School of Business; developed MBA elective on entrepreneurship; co-taught business plan course with Silicon Valley entrepreneurs and venture capitalists; developed an interactive approach to teaching entrepreneurship called “The Entrepreneurship Game”; taught core course in strategic management.
- Visiting professor at The Wharton School (University of Pennsylvania), September 2001 to May 2002, taught entrepreneurship course. Visiting researcher at INSEAD, Fontainebleau, France, March - May 2000; and at University of New South Wales, Sydney, Australia, May – September 2002
- Summer internships at the World Bank in the department of “Financial Policy and Systems:” research on financial policy in East Asia, Washington D.C., summer 1992; at the economics department of the “Commerzbank,” estimation of a financial asset demand model for German capital markets, Frankfurt a.M., Germany, summer 1991; and at the “Luxemburger Wort” newspaper, Luxemburg, summer 1989.

Grants and Honors

- Canadian SSHRC Grant (2005-2008, 2009-2011)
- Hampton Grant (2009-2011)
- National Science Foundation, Economics Program Grant (with Manju Puri, NSF-95-26)
- At the Stanford GSB: Faculty Fellowship in Entrepreneurship (1999-2000); National Fellow, Hoover Institution (1998-1999); Fletcher Jones Faculty Scholar (1997-1998)

Main refereed publications

Laura Bottazzi, Marco Da Rin and Thomas Hellmann (2009), *“What is the Role of Legal Systems in Financial Intermediation? Theory and Evidence”* Journal of Financial Intermediation, 18, 559–598

Laura Bottazzi, Marco Da Rin and Thomas Hellmann (2008), *“Who are the active investors? Evidence from venture capital”* Journal of Financial Economics, 89(3), 488-512

Thomas Hellmann, Laura Lindsey and Manju Puri (2008), *“Building Relationships Early: Banks in Venture Capital”* The Review of Financial Studies 21(2), 513-541

Thomas Hellmann (2007), *“When Do Employees Become Entrepreneurs?”* Management Science, 53(6), 919-933.

Thomas Hellmann (2007), *“The Role of Patents for bridging the science to market gap”* Journal of Economic Behavior and Organization, 63(4), August, 624-647

Thomas Hellmann (2007), *“Entrepreneurs and the Process of Obtaining Resources”* Journal of Economics and Management Strategy, 16(1), 81-109

Thomas Hellmann (2006), *“IPOs, Acquisitions and the Use of Convertible Securities in Venture Capital”* Journal of Financial Economics, 81(3), 649-679

Marco Da Rin and Thomas Hellmann (2002), *“Banks as a Catalyst for Industrialization”* Journal of Financial Intermediation, 11, 366-397, Winter, Winner of the “Best Paper of the year” prize of the JFI

Thomas Hellmann (2002), *“A Theory of Strategic Venture Investing”* Journal of Financial Economics, Vol. 64, 2, 285-314, May

Thomas Hellmann and Manju Puri (2002), *“Venture Capital and the Professionalization of Start-Up Firms: Empirical Evidence”* Journal of Finance, 57, 1, 169-197, February 2002, reviewed by Business Wire 01/29/01 and Reuters 01/30/01

Thomas Hellmann and Manju Puri (2000), *“The Interaction between Product Market and Financing Strategy: The Role of Venture Capital”* Review of Financial Studies, 13, 4, 959-984, Winter, reviewed in Business Week 08/11/99 (p.28)

Thomas Hellmann, Kevin Murdock and Joseph Stiglitz (2000), *“Liberalization, Moral Hazard in Banking and Prudential Regulation: Are Capital Requirements enough?”* American Economic Review, 90(1), 147-165, reviewed in Business Week 05/08/00 (p.10)

Thomas Hellmann, and Joseph Stiglitz (2000), "*Credit and Equity Rationing in Markets with Adverse Selection*" *European Economic Review*, 44, 281-304

Thomas Hellmann (1988), "*The Allocation of Control Rights in Venture Capital Contracts*" *The Rand Journal of Economics*, Vol. 29, 1, 57-76, Spring 1998

Papers submitted to refereed journals and work in progress

Thomas Hellmann and Enrico Perotti (2009), "*The circulation of ideas in firms and markets*"

Laura Bottazzi, Marco Da Rin and Thomas Hellmann (2009), "*The Importance of Trust for Investment: Evidence from venture capital*", winner of the NASDAQ Award for best paper on capital formation, Western Finance Association (June 2006)

Thomas Hellmann and Veikko Thiele, "*Incentives and Innovation Inside Firms: A Multi-tasking Approach*" (2009)

Thomas Hellmann and Veikko Thiele, "*Contracting among founders*" (2009)

Thomas Hellmann and Noam Wasserman, "*How do founders split the equity?*" (2009)

Invited academic publications (non-referred)

Thomas Hellmann and Scott Stern (2009), "*Introduction to the Special Issue on Economics and Strategy of Entrepreneurship*" *Journal of Economics & Management Strategy*, 18(3), Fall, 615-621.

James Brander, Edward Egan and Thomas F. Hellmann (2009), "*Government Sponsored versus Private Venture Capital: Canadian Evidence*" Forthcoming in an NBER volume on "International Differences in Entrepreneurship, edited by J Lerner and A. Schoar

Ralf Becker and Thomas Hellmann (2005), "*The Genesis of Venture Capital: Lessons from the German Experience*" in Venture Capital, Entrepreneurship, and Public Policy ed. by C.Keuschnigg and V.Kanniainen, Chapter 2, 33-67, MIT Press.

Thomas Hellmann (2003), "*Going Public and the Option Value of Convertible Securities in Venture Capital*" Venture capital contracting and the valuation of high tech firms, ed. J. McCahery and L. Renneboog, 60-73, Oxford University Press

Thomas Hellmann and Manju Puri (2002), "*On the Fundamental Role of Venture Capital*" "*Economic Review*," published by the Atlanta Federal Reserve Bank, 87, No. 4

Thomas Hellmann, Kevin Murdock and Joseph Stiglitz (2002), "*Franchise Value and the Dynamics of Financial Liberalization*" Financial Systems in Transition: The Design of Financial Systems in Central Europe, eds. Anna Meyendorff and Anjan Thakor, MIT Press, 111-127

Thomas Hellmann (2001), "*Developing a Venture Capital Industry*" in The Institutional Foundations of a Market Economy, G Kochendörfer-Lucius and B. Pleskovic (eds.), Villa Borsig Workshop Series 2000, German Foundation for International Development.

Thomas Hellmann (1998), "*Some Thoughts on the Theory of Corporate Venture Investing*" in Corporate Governance Today, The Sloan Project on Corporate Governance at the Columbia Law School, May, 37-41.

Thomas Hellmann, Kevin Murdock and Joseph Stiglitz (1998), "*Financial Restraint and the Market Enhancing View*" Proceeding of the IEA Round Table conference: The institutional Foundation of Economic Development in East Asia, ed. M. Aoki, 255-284

Thomas Hellmann and Kevin Murdock (1998), "*Financial Sector Development Policy: The Importance of Reputational Capital and Governance*" in "Development Strategy and Management of the Market Economy," vol. 2, eds. R. Sabot and I. Skékely, Oxford University Press

Comment by Thomas Hellmann in *Brookings Papers on Economic Activity--Microeconomics* (1998, 197-203) on "*What Drives Venture Capital Fundraising?*" by Paul Gompers and Josh Lerner.

Comment by Thomas Hellmann in Annual World Bank Conference on Development Economics (1998, 335-339) on "*Financial Liberalization and Financial Fragility*" by Asli Demirgüç-Kunt and Enricha Detriagiache.

Thomas Hellmann, Kevin Murdock and Joseph Stiglitz (1997), "*Financial Restraint: Towards a New Paradigm*" in The Role of Government in East Asian Development: Comparative Institutional Analysis, eds. M. Aoki, M. Okuno-Fujiwara and H. Kim, Oxford University Press

Thomas Hellmann, Kevin Murdock and Joseph Stiglitz (1996), "*Deposit Mobilization and Financial Restraint*" in Financial Development and Economic Growth: Theory and Experiences from Developing Economies by N. Hermes and R. Lensink (eds.), London, Routledge

Book review by Thomas Hellmann in the *Journal of Development Economics* (1996, Vol. 50, 389-395) of "*Development Finance as Institution Building: A New Approach to Poverty-Oriented Banking*" by Jan Pieter Krahn and Reinhard H. Schmidt.

Yoon Je Cho and Thomas Hellmann (1994) "*The Government's Role in Japanese and Korean Credit Markets: A New Institutional Economic Perspective*" *Seoul Journal of Economics*, 7(4)383-415. (lightly refereed publication emanating from my internship at the World Bank, summer 1992)

Andrea Gubitz, Thomas Hellmann und Martin Larch (1994), *“Die Struktur der Renditen auf deutschen Anlagemärkten: Schätzung und Prognose mit einem Portfoliomodell”* Kredit und Kapital, 27(4), 571-590. (lightly refereed publication emanating from my internship at the Commerzbank, summer 1991)

Practice-oriented publications

Thomas F. Hellmann, Edward J. Egan and James A. Brander *“Value creation in venture capital: A comparison of exit values across Canadian provinces and US states”* Report commissioned by Leading Edge British Columbia, October 2005

Laura Bottazzi, Marco Da Rin and Thomas Hellmann, 2004, *“The Changing Face of the European Venture Capital Industry: Facts and Analysis*, The Journal of Private Equity, 7(2) Spring, 26-53,

Marc-Oliver Fiedler and Thomas Hellmann (2001), *“Against all odds: the late but rapid development of the German venture capital industry”* The Journal of Private Equity, Fall, 4(4), 31-45

Thomas Hellmann (2000), *“Venture Capitalists: The Coaches of Silicon Valley”* in The Silicon Valley Edge: A Habitat for Innovation and Entrepreneurship, eds. W. Miller, C.M. Lee, M.Gong Hanock & H. Rowen, Stanford University Press

Philip Alphonse, Thomas Hellmann and Jane Wei (1999), *“Minority Private Equity: A Market in Transition”* The Journal of Private Equity, Summer, 27-45

Thomas Hellmann (1997), *“Venture Capital: A Challenge for Commercial Banks”* The Journal of Private Equity, Fall 1997, 49-55

Case Studies

BCIC case Study Library

1. *High Stakes at Absolute Software*, with Reza Arbabian, BCIC CSL 0001, 2009
2. *OncoGenex Technologies: Bringing Drugs to Market in a Tight Funding Environment*, with Ambrish Chatterjee, BCIC CSL 0003, 2009
3. *Westport Innovations Inc.: Tales of a University Spin-off*, with Yajuvender Singh, BCIC CSL 0006, 2009.
4. *Inproheat Industries: Managing Innovation*, with Shail Parihar, , BCIC CSL 0007, 2009
5. *Sitemasher Corporation*, with Chris Huston, BCIC CSL 0012, 2009

Stanford GSB Case Studies

1. *eCircle AG*, E-92, June 2001
2. *A Note on Valuation of Venture Capital Deals*, E-95, March 2001
3. *SpiffyTerm, Inc.: January 2000*, SM-86, March 2001
4. *Allied Equity Partners: March 1999*, S-SM-61, March 2001
5. *AllAdvantage: Fall of 2000*, E-117, February 2001
6. *Strategy in Entrepreneurial Ventures*, Mimeo, Stanford, 2000
7. *Jim Jorgensen: The Initial Days at Discovery Zone*, S-SM-56, January 1999
8. *Shanghai Tang: Global Strategy in an Entrepreneurial Company*, S-SM-55, January 1999
9. *SimVoice Corporation*, S-SM-48, May 1998
10. *WI Harper International: Bridge between Silicon Valley and Asia*, S-SM-39, May 1998
11. *Genset*, S-SM-38, December 1997
12. *CambiaVision*, S-SM-28, October 1996
13. *Symantec Corporation: Acquiring Entrepreneurial Companies*, S-SM-27, November 1996
14. *Professional Staff: Taking a Venture Abroad*, S-SM-23, November 1996, also published in Cases in International Entrepreneurship, eds. R. Hisrich, P. McDougall and B. Oviatt, IRWIN, Chicago, 1997
15. *Apple Computer – Strategic Investment Group*, S-SM-21, September 1995
16. *Tender Loving Things*, S-SM-19, April 1995

Student Supervision

At UBC

- PhD supervisor to Qianqian Du
- Master Thesis supervisor in Donau-Krems program to Alexandra Gruber
- Undergraduate supervisor to honor thesis by David Pothier, Adam Kim and Armin Navabi

Formal PhD supervision at Stanford

- Ralf Becker (Goldman Sachs)
- Amit Bubna (Indian School of Business)
- Mushtaq Khan (Citibank)
- Laura Lindsey (University of Arizona)

Informal PhD supervision at Stanford

- Morten Sorensen (University of Chicago)
- Yael Hochberg (Northwestern University)

Academic Seminars

I don't keep track of all my seminars and conferences, but I can remember giving presentations at the AER meetings, Arizona State University, Bocconi University (Milan), Carnegie Mellon, Columbia University, Cornell (Johnson School), Dartmouth (Tuck), Duke (Fuqua), Federal Reserve Bank Philadelphia, Harvard Business School, Humbolt University (Berlin), Indian School of Business (Hyderabad), Industry Canada (Ottawa), INSEAD, London Business School, London School of Economics, MIT, National Bureau of Economic Research (CF, IPE, Ent), New York University (Stern School), Northwestern (Kellogg), Ohio State University, Oxford University, Rennsalaer Polytech, Simon Fraser University, Stanford University (Economics and GSB), Stockholm School of Economics, Tilburg University, Tulane University, Western Finance Association, Yale University, the Universities of Alberta (Edmonton), Amsterdam, Arizona, British Columbia (Sauder School and Economics), California (Berkeley), California (UCLA), Cape Town, Chicago (GSB), Dresden, Frankfurt, Lisbon, Madrid (Carlos III), Mannheim, Maryland, Melbourne, Michigan, Munich, New South Wales, Oslo, Pennsylvania (Wharton), Pittsburgh, Pompeu Fabra (Barcelona), Porto, Rochester, Texas Austin, Toronto (Rotman), Toulouse, Victoria, Washington St. Louis (Olin School) and Wollongong, as well as numerous academic conferences.