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Academic Positions

University of Arizona 2015-Present
Assistant Professor of Finance

Education

University of Texas-Austin, Austin, TX
Ph.D. in Finance 2015

Lewis & Clark College, Portland, OR
Bachelor of Arts, Mathematics and Economics 2009

Working Papers

“Debt and Bargaining Outcomes: Evidence from U.S. Hospitals” (Job Market Paper)

- Washington University 11th Annual Corporate Finance PhD Poster Session Finalist for Best Paper Award in Honor of Professor Stuart I. Greenbaum
- 2015 Western Finance Association Cubist Systematic Strategies Ph.D. Candidate Award for Outstanding Research

This paper uses the health care industry as a novel laboratory in which to study a firm's strategic use of debt to enhance their bargaining power during negotiations with non-financial stakeholders. I show that reimbursement rates negotiated between a hospital and insurers for a specific procedure are higher when the hospital has more debt. I show that this effect is stronger when hospitals have less bargaining power relative to insurers ex ante. The contribution of this paper is to provide direct evidence that debt improves a firm's bargaining outcomes.

“Insider Activism” joint with Aazam Virani

- Presented at Arizona Junior Finance Conference, University of New South Wales

We show that inside shareholders use activist tactics to influence firm policies, which we term insider activism. We contrast insider activism with hedge fund activism and find that insider activists have larger stakes in the firm, employ more aggressive tactics, and are more likely to seek board representation or control. The targets of insider activism are smaller, have less institutional ownership, and spend more on R&D than hedge fund targets. Insider activist campaigns are less successful than hedge fund activist campaigns in meeting their objectives, but they are associated with improvements in value and operating performance. Our analysis therefore suggests that insider activism is an effective governance mechanism that plays a distinct and complementary role.

“Evolution of Mutual Fund Voting: Consensus or Contentious?” joint with Audra Boone and Stu Gillan
- Presented at University of Arizona, FIRCG

The mutual fund industry has progressed towards one with larger funds and a greater proportion of passively managed assets. We examine how mutual fund voting behavior has evolved given these trends and the enhanced focus on governance since the financial crisis. We find that funds are increasingly likely to vote on agenda items as management recommends and less likely to vote as Institutional Shareholder Services (ISS) recommends. These results are stronger for large mutual fund families. Moreover, we find evidence suggesting that larger funds influence ISS recommendations and other fund's voting behavior.

“The Evolution of Healthcare and Corporate Finance”

I give a brief summary of the institutional details of the U.S. healthcare sector with a special emphasis on healthcare finance. In addition to its large size, U.S. healthcare has four unique features that can be used to help answer corporate finance questions: segmented markets, variation in corporate type, extensive data requirements and recent consolidation. I explain how changes over the last 100 years have led to each of these features. Next, I delve deeper into bargaining between insurance companies and hospitals, Medicare pricing, and hospital capital structure decisions during 2008-2012. Finally, I conclude with a brief discussion on how the Affordable Care Act has contributed to these factors.

Non-Refereed Publications

“Norway’s Summit On Responsible Investing” *The Journal of Investment Management* 12.01 (2014): 33-44.

Research Interests

Capital Structure, Corporate Governance, Investor Activism, Institutional Investors, Corporate Finance, Health Care

Teaching Experience

University of Texas-Austin: Business Finance FIN 357 (Undergraduates) Summer 2011
University of Arizona: Investments FIN 421 (Undergraduates) 2015-present
University of Arizona: Investments FIN 521 (Masters) 2016-present

Professional Offices and Committees

Program Committee Member, Western Finance Association meetings: 2015-present
Faculty Advisory Board, Eller Center for Management Innovations in Healthcare: 2015-present

Honors and Awards

- 2016 World Series of Poker Event #41 Monster Stack Champion
- 2016 Spring Eller Small Research Grant with Jeremy Douthit
- 2015 Fall Eller Small Research Grant with Aazam Virani
- 2015 Cubist Systematic Strategies Ph.D. Candidate Award for Outstanding Research
- 2014 Stuart I. Greenbaum Ph.D. Outstanding Paper Award at Washington University in St. Louis Conference on Corporate Finance
- 2009-12 4-time member of the U.S. Bridge Federation Junior Team at World Championships - Silver medalist in 2012
- 2003 Junior world champion in “Magic: the Gathering” card game

References

Laura Starks (Co-chair)
Charles E. and Sarah M. Seay Regents
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Jonathan Cohn (Co-chair)
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Last updated: April 3, 2017