Research Notes: Ted Fee

January 12, 2017



Ted Fee's paper "Playing Favorites? Industry Expert Directors in Diversified Firms," co-authored with Jesse Ellis and Shawn Thomas, has been accepted for publication in the *Journal of Financial and Quantitative Analysis*. The paper examines the influence of outside directors' industry experience on segment investment, segment operating performance and firm valuation for conglomerates, finding that industry expert representation on the board causes increased segment investment. Consistent with experienced directors playing favorites rather than acting as dispassionate advisors, segment profitability (firm value) is lower for segments (firms) with industry expert outside directors. Fee is the Morton A. Aldrich Professor of Business and finance area coordinator at Tulane University's A. B. Freeman School of Business.