Nima Nematian

University of Arizona, Eller College of Management | nnematian@arizona.edu
(520) 833-4777 | Website | LinkedIn | Updated: August 2026

Education

University of Arizona
Ph.D. in Finance — 2022–2027 (expected)

University of Tehran
M.S. in Finance — 2019–2022

University of Tehran
B.S. in Engineering Science — 2014–2018

Research Interests

Empirical Corporate Finance, Product Market Competition, Innovation, and Mergers and Acquisitions

Working Papers

Foreign Import Competition and Process Innovation (Job Market Paper)

Abstract: I examine how Chinese import penetration changes the type of innovation U.S. firms pursue. Using an instrumental variable strategy, I find that rising imports from China lead U.S. firms to shift their innovative efforts toward process innovation, which focuses on cost reduction rather than the creation of innovative products. This shift is stronger when product differentiation is difficult, when firms operate in ex-ante riskier environments, and for more labor-intensive firms. In contrast, the effect is weaker for firms that already have alternative ways to reduce costs. I also show that process innovation buffers firms against the adverse effects of import competition. Firms with higher process innovation experience smaller declines in profitability and in the growth of sales, assets, employment, and capital when import penetration rises. When Chinese import competition is high, market participants reward firms with more process-oriented patents, especially in industries in which product differentiation is limited. Together, these findings show that product market structure and firm characteristics play a central role in shaping how firms modify their innovation in response to foreign competitive pressure.

- **Presentations:** University of Arizona; Southern Finance Association (SFA) 2026*; Southwestern Finance Association Annual Meetings (SWFA) 2026; International Industrial Organization Conference (IIOC) 2026; World Finance Conference (WFC) 2026†; Midwest International Economics Group conference (MWIEG) 2026†
- **Accolades:** Best Doctoral Paper Award (SWFA 2026); Doctoral Consortium (SWFA 2026); Travel Grant (SWFA 2026)

Industry Concentration and Innovation: The Effect of Industry Product Similarity

Abstract: This study shows that firms operating in industries where products are more similar reduce their investment in innovation when industry concentration increases. I attribute this to the ease with which rivals can imitate a firm's innovations in industries with more similar products. Firms decrease their investment in innovation in concentrated industries to a lesser extent when the legal protection of their trade secrets is strengthened. The effects I document are particularly pronounced for financially constrained firms and firms that are followers in their respective industries. Also, following large import

tariff rate reductions, which increase competition intensity, firms decrease their investment in innovation. Finally, employing a novel measure that proxies for the speed of innovation imitation, I find that firms in concentrated industries reduce their R&D expenses to a greater degree in industries where the speed of imitation is high.

- **Presentations:** University of Arizona; Southwestern Finance Association (SWFA) 2026, Southern Finance Association (SFA) 2026*, Financial Management Association (FMA) 2026*
- **Accolades:** Travel Grant (SWFA 2026)

Does Bank Credit Reach the Firms That Use It Most Productively? Banking Deregulation and the Reallocation of R&D

Abstract: I show that the entry of competition into local credit markets reallocates research and development toward the firms that use it most productively. Using the staggered removal of intrastate bank branching restrictions across U.S. states and a marginal revenue product framework, I find that deregulation raised the R&D of high-return firms by roughly 40 percent relative to low-return firms in the same state, while leaving the total unchanged. In addition, firms with misallocated physical capital respond by raising leverage and physical investment, while the R&D response operates through a pass through of internal funds to research. The reallocation is largest in states where banking is most concentrated before deregulation, pointing to the entry of competition as the operative channel. Finally, I document that this reallocation produces a measurable gain in aggregate productivity.

Works in Progress

Import Competition and the Direction of Vertical Integration (with Sandy Klasa)

Abstract: We examine how foreign competition reshapes firms' vertical boundaries. Rather than changing the overall extent of vertical integration, import competition changes its direction. Using an instrumental-variable strategy, we find that firms more exposed to foreign competition undertake significantly more forward acquisitions of their customers and fewer backward acquisitions of their suppliers. This reorientation creates value: exposed firms earn positive announcement returns on their vertical acquisitions and realize subsequent input-cost (COGS) synergies. The shift is driven by firms' own product-market shocks rather than by input substitutability. Firms facing declining sales retreat from backward integration, while financially capable firms pursue forward integration to secure demand threatened by import competition. Our findings identify the direction of vertical integration as an important and previously overlooked adjustment margin through which firms respond to competitive shocks.

Supply Chain Opacity and Corporate Acquisitions (with Chenyanzi Yu)

Abstract: We examine how supply chain opacity affects corporate acquisition activity. Using customer initial public offerings as an instrumental variable, we find that greater supply chain opacity significantly reduces a firm's likelihood of making acquisitions. A one-standard-deviation increase in the private customer share lowers acquisition probability by 7.4% relative to the unconditional mean. This effect is stronger for firms with poorer accounting quality, consistent with information asymmetry being the primary channel. Dedicated institutional ownership attenuates the negative relationship, suggesting that sophisticated investors help mitigate these frictions. Overall, our findings show that the composition of a firm's customer base represents an important but previously overlooked determinant of merger and acquisition decisions.

Teaching Experience

University of Arizona:

- FIN 302: Personal Investing (Instructor) 2025
  Average instructor rating: 4.7/5 (N=11, 100% Response rate)
- FIN 311: Introduction to Finance (Instructor) 2024
  Average instructor rating: 4.6/5 (N=15, 100% Response rate)
- FIN 360: Quantitative Financial Management (Instructor) 2023
  Average instructor rating: 4.6/5 (N=4, 100% Response rate)
- FIN 360L: Quantitative Financial Management Techniques (Instructor) 2023
  Average instructor rating: 4.3/5 (N=3, 100% Response rate)

University of Tehran:

- Finite Elements Method (Teaching Assistant) 2017
  Instructor: Rooholah Abedian

Professional Service

Journal Referee:

- Managerial Finance 2026

Conference Paper Review:

- Eastern Finance Association (EFA) 2025
- Southern Finance Association (SFA) 2026
- Financial Management Association (FMA) 2026

Discussant:

- Southwestern Finance Association (SWFA) 2026
- International Industrial Organization Conference (IIOC) 2026
- Southern Finance Association (SFA)* 2026
- Financial Management Association (FMA)* 2026

Session Chair:

- Southwestern Finance Association (SWFA) 2026
- Southern Finance Association (SFA)* 2026

University of Arizona:

- Finance Data Czar 2024 – 2026

Computational Skills

Python, Stata, SAS, LaTeX, Matlab

References

Sandy Klasa (Chair)
Professor of Finance
Philip Rhoads Endowed Chair in Finance
Department of Finance
Eller College of Management
University of Arizona
Phone: 520-621-8761
Email: sklasa@arizona.edu

Alice Bonaimé
Professor of Finance
Ann Griffin Endowed Chair in Finance
Finance Department Head
Department of Finance
Eller College of Management
University of Arizona
Phone: 520-621-2082
Email: alicebonaime@arizona.edu

Andrea Rossi
Associate Professor of Finance
Sheafe/Neill/Estes Fellow in Finance
Department of Finance
Eller College of Management
University of Arizona
Phone: 520-621-4486
Email: rossi2@arizona.edu

* Scheduled, † Accepted but did not attend