National Bureau of Economic Research, Inc.

November 16, 2015.

Dear Members of the Recruiting Committee,

I am writing in reference to the request for applications for your opening that was posted on *Job Openings for Economists*.

I will have completed my Ph.D. in Economics at Michigan State University by May 2016. My research is in the fields of industrial organization, international trade, and public economics. I am enclosing my job market paper, "Foreclosure, Entry, and Competition in Platform Markets with Cloud Storage," which analyzes the effect of cloud storage in a dynamic model of a two-sided market with platform entry and exit. In this setting, an incumbent endogenously determines the switching costs its consumers face when considering an entrant in future periods. I determine the equilibria that occur with endogenous switching costs and I find that the equilibria confirm anecdotal evidence found across many two-sided industries including smartphones, video game consoles, personal computers, and internet radio subscriptions.

In addition, I have submitted two other papers on two-sided markets to academic journals. One investigates the effects of competition within a platform marketplace. For example, the competition structure between video game producers affects the pricing strategies by the console developers. My other paper on platform markets, which is coauthored with Thomas D. Jeitschko, endogenizes the decisions agents make when there are multiple platforms available to them. We show under what conditions certain allocations will occur and these conditions confirm the equilibrium allocations seen in specific industries.

I have also applied my research to problems in international trade and public economics. In one working paper with John D. Wilson, we investigate tax policies on platform sales and on the sale of platform content in a two-sided market. We find that a subsidy policy increases participation, content, exchange between the two sides, and total welfare. In another paper, I investigate the effects of network externalities and two-sidedness on trade protection policies for a home country that sets a tariff on the sales of a foreign monopoly. I find that network externalities or two-sidedness make a positive equilibrium tariff more likely to occur than in the traditional trade protection model. I plan to investigate this more with future research.

I will be available for interviews at the January ASSA Annual Meetings in San Francisco. I appreciate your consideration of my materials. Please visit my website, <u>https://sites.google.com/site/markjtremblay/</u>, or contact me for additional information.

Sincerely yours,

Mark Juenhlay

Mark Tremblay