

# QIN LI

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## Current Position

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**Hong Kong Polytechnic University** 2016 to present  
*Assistant Professor of Accounting*

## Education

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**University of California, Irvine** 2016  
*Ph.D., Accounting*

**London School of Economics and Political Science** 2009  
*M.Sc., Accounting and Finance*

**Fudan University** 2008  
*B.Sc., Economics*

## Research Interests

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Corporate Innovation, Intangibles, Financial Analysts, Social Networks

## Working Papers

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**CEO Incentives and New Product Development: Insights from Trademarks** (With Lucile Faurel, Devin Shanthikumar, and Siew Hong Teoh)

- *Submitted for 2<sup>nd</sup> Review at The Accounting Review*
- Presented at Arizona State University, Chapman University, Ohio State University, Pennsylvania State University, Santa Clara University, Southern Methodist University, Stanford University, University of California Davis, University of California Irvine, University of California Riverside, University of Oregon, University of Texas Dallas, University of Toronto, the 2014 AAA Western Region Meeting, the 2015 AAA Annual Meeting, the 2015 AAA Financial Accounting and Reporting Section Midyear Meeting, the 2015 AAA Managerial Accounting Section Midyear Meeting, the 2015 MIT Asia Conference, the 2015 UCI/UCLA/USC Conference, the 2015 Utah Winter Accounting Conference, the 2016 Temple Conference on Convergence of Financial and Managerial Accounting

*Abstract:* New product development is critical for firms to achieve and maintain growth and performance, and is part of the OECD's definition of innovation. We build a novel dataset of 123,545 USPTO trademark registrations by S&P 1500 firms from 1993 to 2011 to study whether and how CEO compensation risk incentives motivate new product development. Our tests offer evidence on how risk incentives affect the development of new products. We find that the number of trademarks increases with the fraction of compensation in the form of stock options, the convexity of incentives, and unvested stock options, both in low-patent (non-high-tech) and high-patent (high-tech) industries. Using a revised accounting rule, SFAS 123(R), as an exogenous shock, we find that reductions in stock option compensation cause reductions in trademark

creation. Overall, the evidence indicates that CEO risk-taking incentives are important drivers of new product development.

### **Do Analysts Understand Innovation? Evidence from Patents and Trademarks**

- Presented at California State University, Fullerton, Florida International University, George Washington University, Hong Kong Polytechnic University, National University of Singapore, University of California, Irvine, the 2015 AAA Western Region Meeting, the 2015 Haskell & White Corporate Reporting & Governance Conference, the 2016 AAA Annual Meeting

*Abstract:* This study examines whether analysts efficiently impound information about innovation into their short-term and long-term forecasts. I use patents to measure technological innovation outputs, and trademarks to measure non-technological product and marketing innovation outputs. Analysts appear to understand that patents increase only long-term earnings growth whereas trademarks increase both short-term earnings and long-term earnings growth. However, their forecasts contain systematic errors. Analysts underreact to the short-term earnings implications of trademarks, and overreact to the long-term earnings implications of both patents and trademarks. Finally, analysts' short-term forecast errors predicted by trademarks partially explain investor mispricing of trademarks. Collectively, my findings improve our knowledge of whether analysts understand innovation and how analysts' inefficient use of information about innovation affects the stock market valuation of innovation.

### **Work in Progress**

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**Does New Product Development Have Value?** (With Lucile Faurel, Devin Shanthikumar, Siew Hong Teoh)

**Tax Policy and Innovation Efficiency** (With Mark Ma)

### **Research Grants**

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Hong Kong RGC Early Career Scheme Grant 2017  
Project Title: Achieving Human Capital Synergies: Inventor Collaborative Connections and M&A Performance  
Fund Approved: \$462,994  
Project Duration: January 1, 2018-December 31, 2019

Don Beall Center for Innovation and Entrepreneurship Innovation Research Grant 2013, 2014

### **Awards**

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CalCPA Ph.D. Scholarship 2013, 2014  
Fudan University Merit-based Scholarship 2004-2007

### **Presentations & Professional Activities**

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#### **2017**

Financial Intermediation Research Society (FIRS) Conference (Discussant)  
Journal of Law, Finance and Accounting (JLFA) Conference (Reviewer)

#### **2016**

AAA Annual Meeting (Reviewer and Presenter)

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Hong Kong Polytechnic University  
California State University, Fullerton  
George Washington University  
Florida International University  
National University of Singapore

### **2015**

AAA Miami Rookie Camp (Presenter)  
Haskell & White Corporate Reporting & Governance Conference (Presenter)  
AAA Annual Meeting (Presenter)  
MIT Asia Conference in Accounting (Presenter)  
UC Riverside (Co-presented with Professor Siew Hong Teoh)  
UC Irvine Brownbag Series & Fall Accounting Workshop (Presenter)  
AAA Western Region Meeting (Presenter)  
FARS Midyear Meeting (Reviewer and Discussant)

### **2014**

Santa Clara University (Co-presented with Professor Siew Hong Teoh)  
AAA Annual Meeting (Reviewer and Discussant)  
Annual Research Conference of CAPANA  
AAA Western Region Meeting (Presenter)  
American Taxation Association Midyear Meeting (Doctoral Consortium Participant)  
FARS Midyear Meeting (Doctoral Consortium Participant)

### **2013**

American Taxation Association Midyear Meeting (Doctoral Consortium Participant)  
AAA/Deloitte Foundation/J. Michael Cook Doctoral Consortium

### **Other Work Experience**

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**LSE Center for Economic Performance** 01/2010-06/2010  
*Research Analyst* in LSE/Stanford Management and Productivity Research Project