

# Minhee Lee

Department of Economics  
The Ohio State University  
410 Arps Hall  
1945 N High Street  
Columbus, Ohio 43210

Phone: (+1) 614-981-8973  
Email: [lee.8954@osu.edu](mailto:lee.8954@osu.edu)  
Homepage: <https://sites.google.com/view/minhee-econ>

## Education

Ph.D. Economics, The Ohio State University, 2025 (Expected).

M.A. Economics, The Ohio State University, 2020.

M.A. Economics, Ewha Womans University, 2019.

B.A. Economics, Ewha Womans University, 2016.

## Research Interests

Industrial Organization, Applied Econometrics, Antitrust

## Works in Progress

[Vertical Contracts and Upstream Market Structure: Insights from the Connecticut Beer Industry](#) (Job Market Paper)

*Abstract:* This paper examines the motivation behind vertical contracts, focusing on their interplay with upstream market structure. Changes in upstream market structure through mergers can incentivize exclusionary vertical agreements by altering product ownership and the profit gains from excluding rivals. I analyze the Connecticut beer market, where a dominant upstream manufacturer rewarded distributors if its *share* of sales volume in the distributor's portfolio exceeds a certain threshold. I build a structural model that incorporates contract terms revealed through state regulations and federal antitrust enforcement to estimate demand, marginal costs, product entry costs, and pricing distortions under the reward program. Counterfactual analysis highlights the importance of firms' endogenous choice of vertical contracts, by evaluating a merger in which the dominant manufacturer acquires a craft manufacturer. The merger motivates the dominant manufacturer to adopt more aggressive exclusionary vertical contracts, as the portfolio expansion increases the substitutability between its products and those of rivals. I find that accounting for changes in vertical contracts results in a 42 percent greater consumer welfare loss after the merger.

Mergers with Endogenous Product Choice: Evidence from the U.S. Beer Industry

*Abstract:* This paper examines mergers that facilitate the market expansion of acquired firms by lowering entry barriers. In such cases, merger evaluations that ignore endogenous entry decisions may substantially underestimate the merger's impact, as the acquired firms typically have a limited market presence before the merger. The analysis focuses on the acquisitions of craft breweries by mega-brewers in the U.S. beer industry. These craft breweries initially had a small pre-merger footprint but expanded nationwide after gaining access to acquirers' resources. I estimate a structural demand and supply model that incorporates

product entry and find that when a craft brewery is acquired by a large beer company, its marginal costs decrease by 5.47 percent on average, with additional reductions of up to 6.15 percent due to shipping cost savings. Additionally, fixed costs for offering each product dropped by 6 to 20 percent post-acquisition. Counterfactual analysis shows that a standard merger evaluation without an entry model would predict a minimal decrease in consumer welfare, just 0.17 percent of what is predicted in an evaluation that accounts for entry. Furthermore, while market concentration alone induces moderate entry after the merger and increases consumer welfare, reductions in fixed costs lead to excessive entry of the acquired firms' products, displacing third-party firms and reducing consumer welfare.

## Experience

Independent Instructor, Principles of Microeconomics, The Ohio State University, Fall 2022, Fall 2023, Fall 2024

Teaching Assistant, Principles of Microeconomics, The Ohio State University, Spring 2022, Spring 2023, Spring 2024

Teaching Assistant, Principles of Macroeconomics, The Ohio State University, Spring 2021, Fall 2021

Teaching Assistant, Elementary Econometrics, The Ohio State University, Fall 2020

Research Assistant, Seokjin Woo, Myongji University, March 2018 - June 2019

Research Assistant, Inbae Kim, Ewha Womans University, March 2017 - December 2017

## Conference and Seminar Presentations

2024: Southern Economic Association (SEA) 94th Annual Meeting, Washington, DC (Expected); Economics Graduate Student Conference (EGSC) 19th, Saint Louis, MO; Applied Micro Seminar, The Ohio State University; Micro Lunch Seminar, The Ohio State University; GWE-EGSS Research and Networking Forum, The Ohio State University; Midwest Economics Association (MEA) 88th Annual Meetings, Chicago, IL

2023: SEA 93rd Annual Meeting, New Orleans, LA; Micro Lunch Seminar, The Ohio State University; MEA 87th Annual Meetings, Cleveland, OH

2022: EGSC 17th, Saint Louis, MO; Micro Lunch Seminar, The Ohio State University

## Workshops

Committee on the Status of Women in the Economics Profession (CSWEP) Mentoring Workshop, September 2022

Open Science Grid (OSG) User School, University of Wisconsin–Madison, July 2022

## Tools and Programming

Python, PySpark, Julia, MATLAB, Stata, R, SQL, QGIS,  $\text{\LaTeX}$ ,  $\text{\texttt{awsEMR}}$ ,  $\text{\texttt{awsSageMaker}}$ ,  $\text{\texttt{awsS3}}$ , Apache Zeppelin

## Languages

English (fluent), Korean (native)

## References

Professor Matthew C. Weinberg (Chair)  
Department of Economics  
The Ohio State University  
Email: [weinberg.133@osu.edu](mailto:weinberg.133@osu.edu)

Professor Jose Miguel Abito  
Department of Economics  
The Ohio State University  
Email: [abito.1@osu.edu](mailto:abito.1@osu.edu)

Professor Jason Blevins  
Department of Economics  
The Ohio State University  
Email: [blevins.141@osu.edu](mailto:blevins.141@osu.edu)

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