



SDI Review Form 1.6

PART 1:

Journal Name:	<u>British Journal of Economics, Management & Trade</u>
Manuscript Number:	2013_BJEMT_5149
Title of the Manuscript:	Semiparametric stochastic frontier estimation using Generalized Additive Models
Type of the Article	Research paper

General guideline for Peer Review process is available in this link:

(<http://www.sciencedomain.org/page.php?id=sdi-general-editorial-policy#Peer-Review-Guideline>)

- This form has total 7 parts. Kindly note that you should use all the parts of this review form.



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PART 2: Review Comments

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
<u>Compulsory</u> REVISION comments	The paper needs: ○ A stronger mentioning and explanation of the needs of regularization. ○ A careful inquiry, inclusion and addressing of related works done by other authors such Pakize Taylan, Amir Beck, Gerhard-Wilhelm Weber, Ayse Özmen, Inci Batmaz, Fatma Yerikaya, et al. . These additions relate with GLMs, GPLMs, always supported optimization, MARS and CMARS (and RCMARS), and mixed forms. ○ In fact, the “multivariate adaptive regression spline” approach is an alternative to GLMs and GPLMs and “better” when it comes to inclusion of interactions and dependencies. ○ The paper needs to be revisited very careful in style and layout, perhaps also English. This also relates to the formulas, the use/non-use of italics, etc.. The authors may refer to good advisers, and make the paper become “perfect” here. Even if these points will not be worked out fully, but they deserve inclusion in part and announcement for the future.	Your points are well-taken. We completely revised the manuscript and made it more readable for the readers of BJEMT. In particular, the followings show how we addressed your recommendations in the manuscript. 1. Please see page 2 where we explained why we used semiparametric frontier functions to estimate technical efficiency of firms in the U.S. industry. We also explained how the U.S. dairy industry is operated and what its difference is with the Canadian one for those readers who might be interested in applied microeconomics studies. 2. Please see page 3 where we mentioned GPLMs, MARS, CMARS, and RSMARS, as you instructed, for the BJEMT readers. We also adjusted the ‘Reference’ Section of the paper to add proper citations for the above spline smoothing methodologies. Your valuable comments have also motivated us to use the above models in our future applied studies to show different applications of them in other industries.



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<u>Minor</u> REVISION comments	The last section could be called “Conclusion and Outlook” and could have more on an “Outlook” part to future studies as well.	We changed the title of the last section from ‘Conclusion’ to “Conclusion and Outlook” according to your suggestion. Please see pages 9 and 10.
<u>Optional/General</u> comments		