

**Referee report on
“A New Method for Measuring Tail Exponents of Firm Size
Distributions”**

This manuscript introduces a method for estimating the power-law exponent from the data which generalizes the contribution of Malevergne et al. (2011). The work is well structured and it contributes to the research, motivates the usage of the method well, thus is suitable for publication in your journal. Still, I believe that the manuscript suffers from some minor issues which I am going to describe in the following points. I hope that my comments will help authors to improve the quality of the manuscript.

1. In my opinion, behavior of the test statistics (or p-value) should be shown in the paper. I propose authors to include the Figure which will plot the p-values for all k -th, $2k$ -th, $3k$ -th test statistics. This would bring more insight on how the method works on the tested data.
2. In the first sentence of Abstract I would delete last part: “... such as annual sales” as authors propose method which is general and finally use it to estimate power laws for several variables, not only annual sales.
3. p.2, last paragraph: There is no need to repeat the citation of Malevergne et al. (2011), use “authors” for example instead.
4. p.3., line 23: ...within some range (instead of with some range).
5. p.6., line 11: I would propose to use 2 different lines for upper and lower thresholds in Fig.2. Now authors describe “two vertical dotted lines”, but I can see also some dashed line so this is not clear from the Figure. This applies also to Figure caption.
6. p.6, line 17: “black dots” instead of “back dots”
7. p.8. Eq. 17: Where did the constant from Eq. 16 disappear?
8. p.8. last sentence: use for example “The sample includes the period from 1999 until 2009”, or different formulation.
9. p.10, line 11: use different word instead of “thing”.
10. p.12, line 5. use different start of the sentence, as this is second consecutive sentence which starts with “On the other hand...”