

**FIN 423**  
**IPO Cases, 1992-present**

*Some cases are for IPOs that have already happened, some are "real-time"*

*Teams are assigned to represent either management or underwriters*

*Two phases:*

- negotiation occurs*
- valuation report prepared*

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*Some years, the negotiation pairings are assigned (bilateral monopoly)*

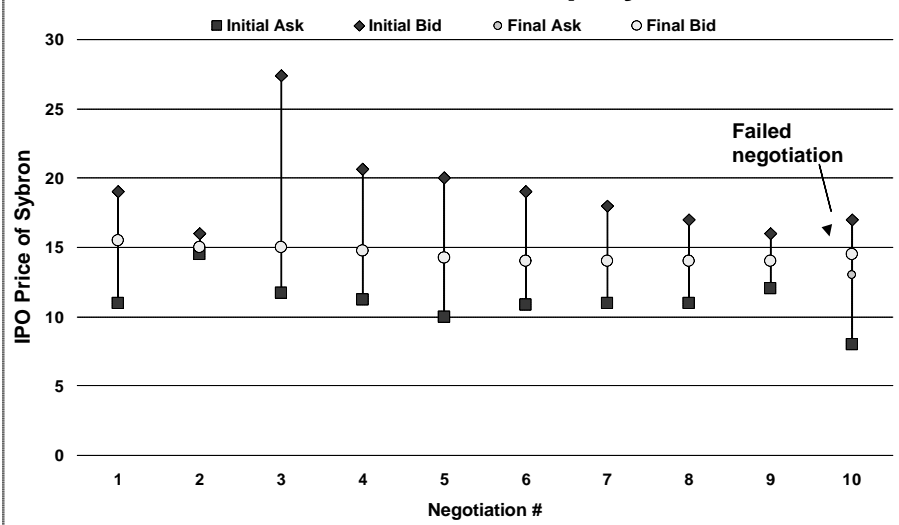
*Other years, teams are allowed to find any team on the other side of the case (competition)*

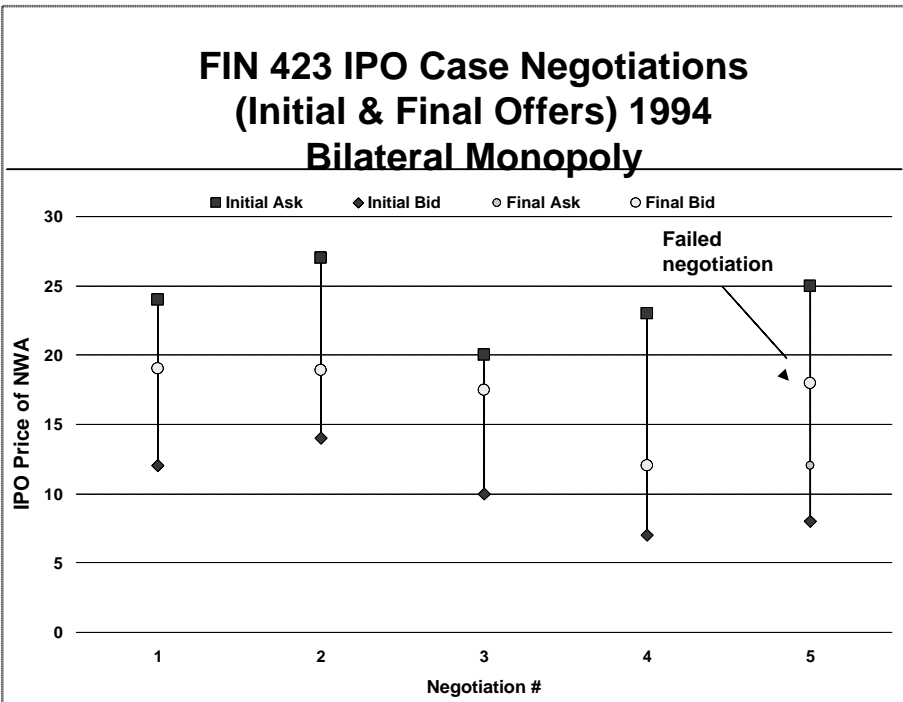
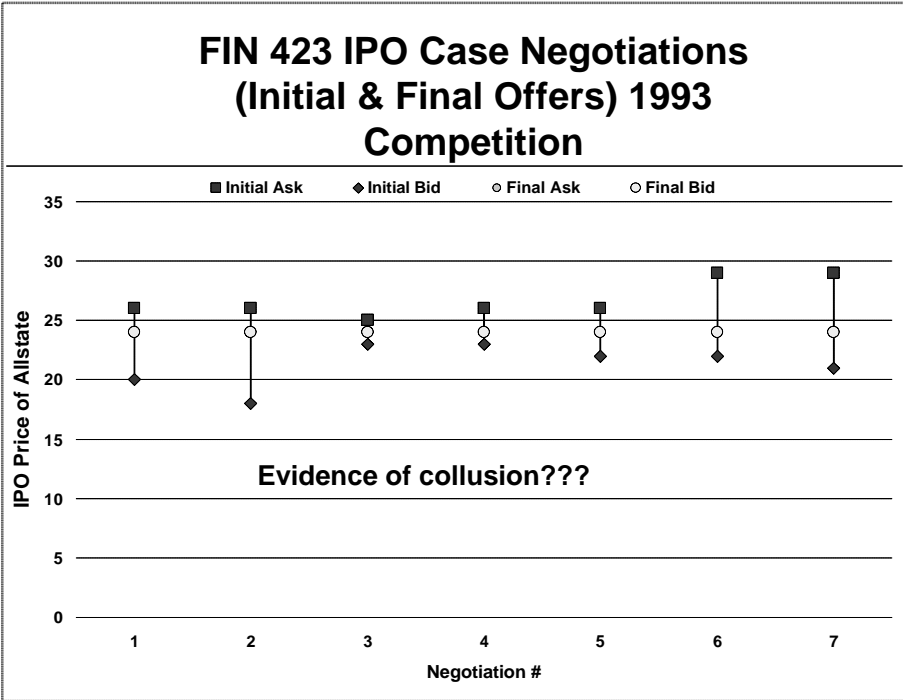
## FIN 423 IPO Cases, 1992-present

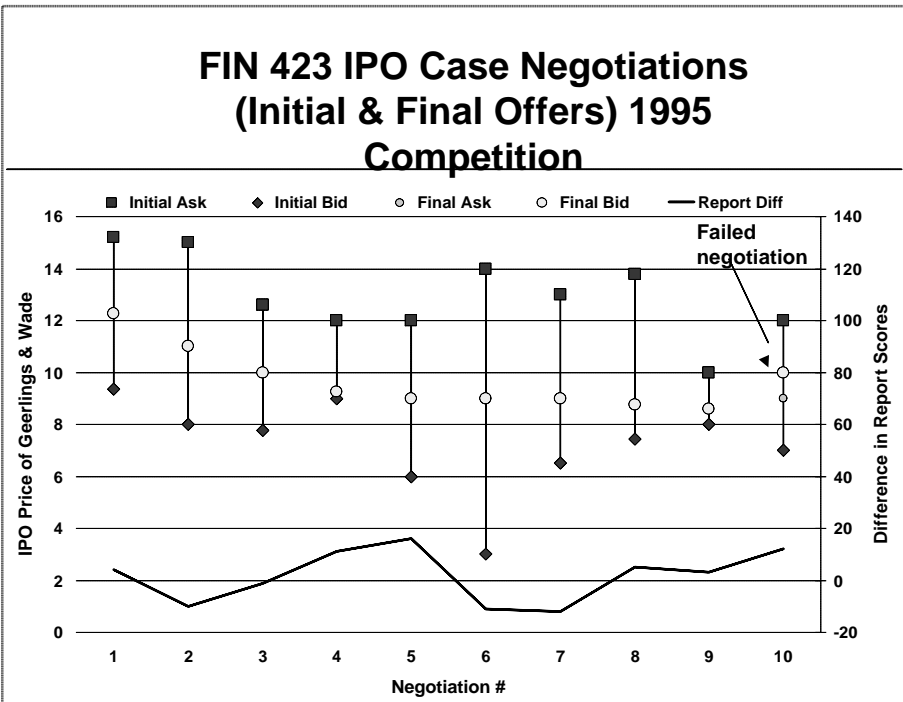
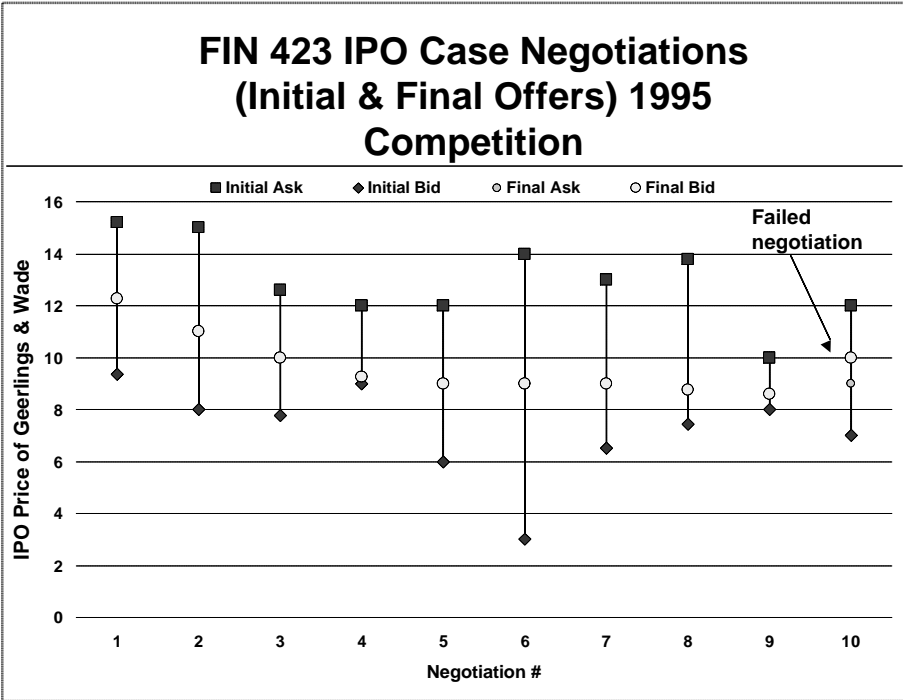
**Lessons:**

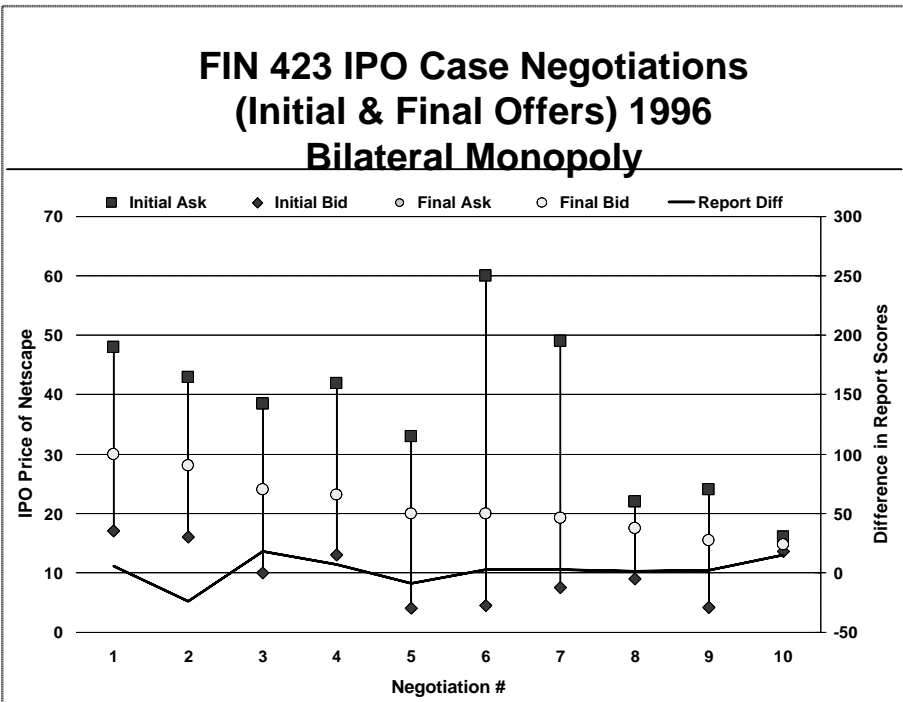
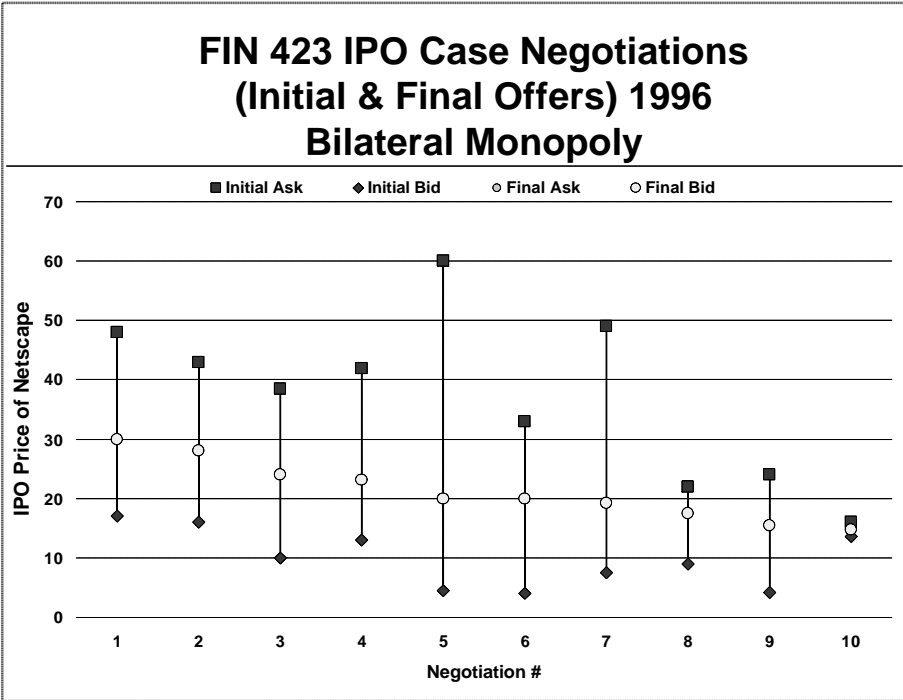
- systematic bias in valuation results as a function of the incentives
- initial position (bid or ask) seems to be unrelated to final price
- competition seems to have a stabilizing effect on prices
- negotiation success is not always related to the quality of the reports

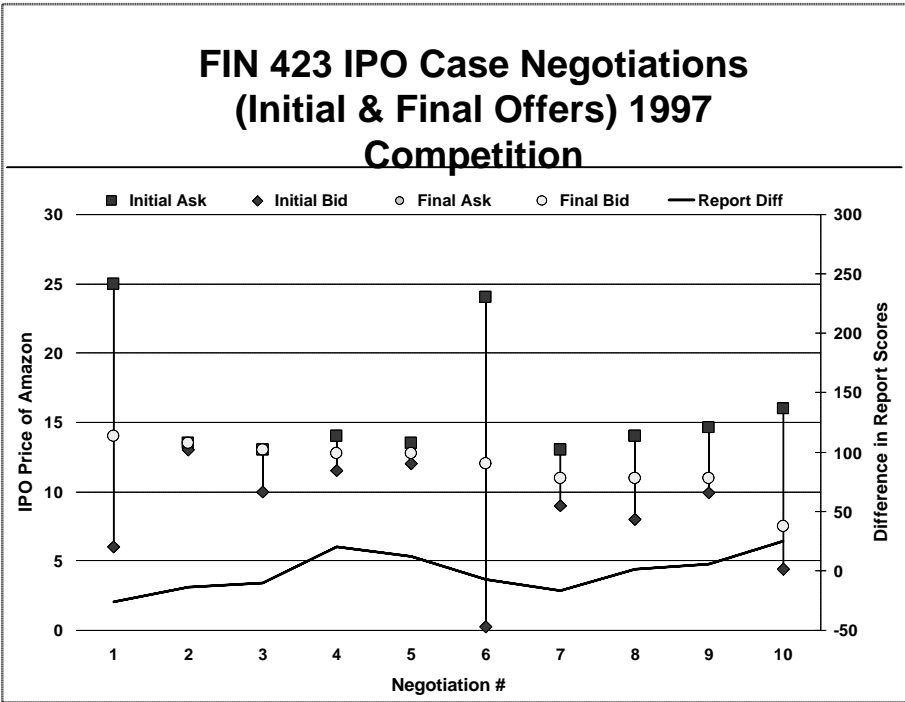
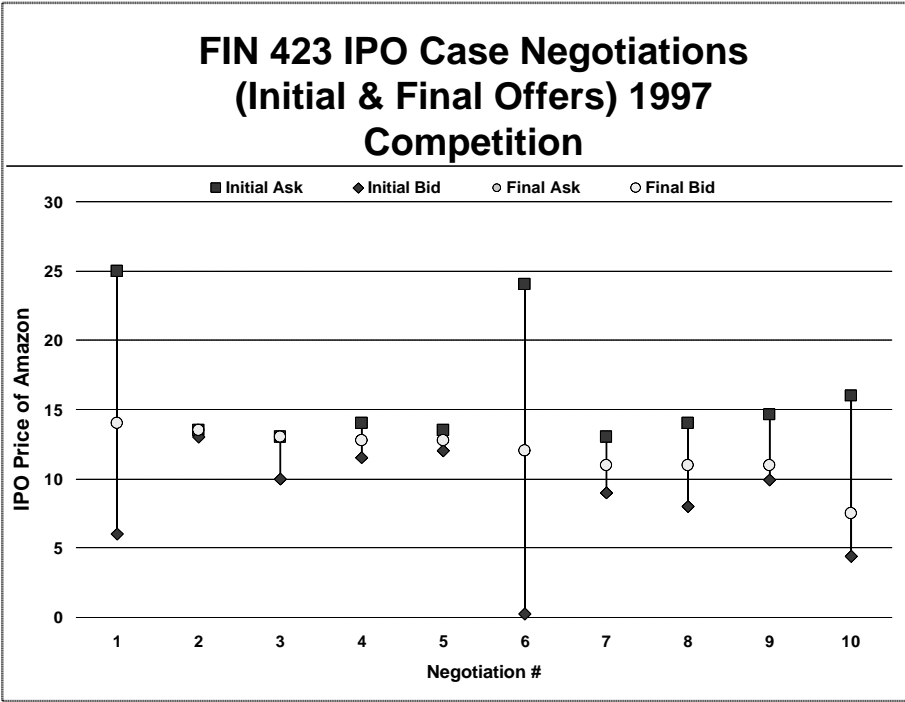
### FIN 423 IPO Case Negotiations (Initial & Final Offers) 1992 Bilateral Monopoly

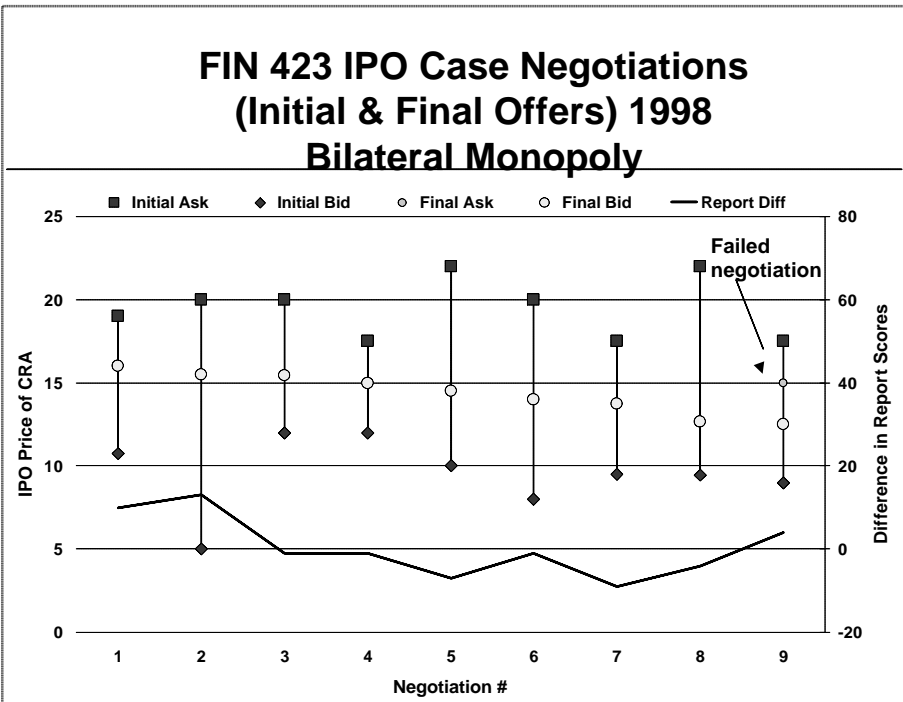
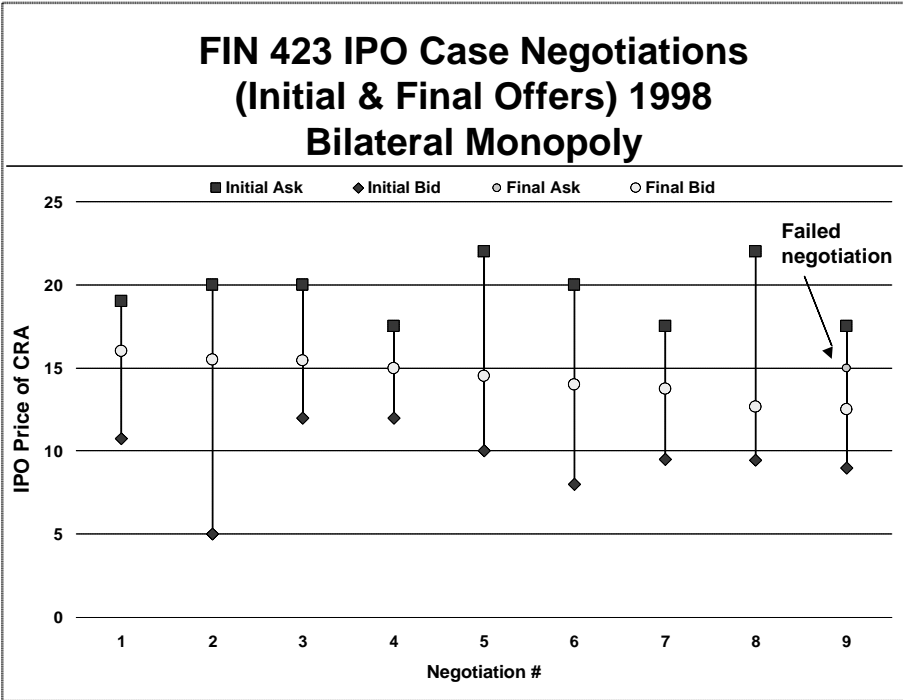


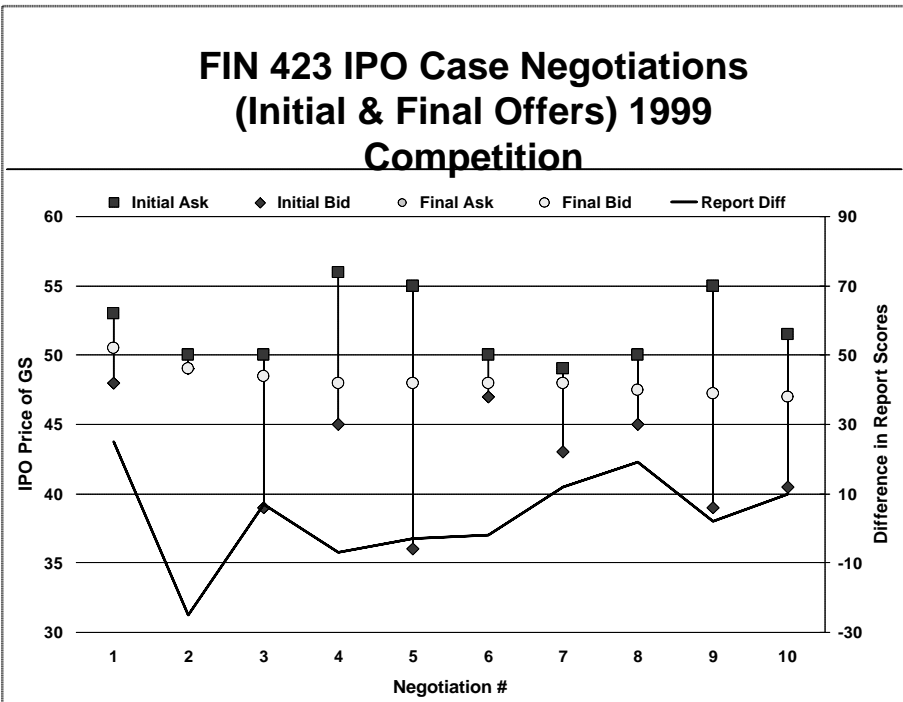
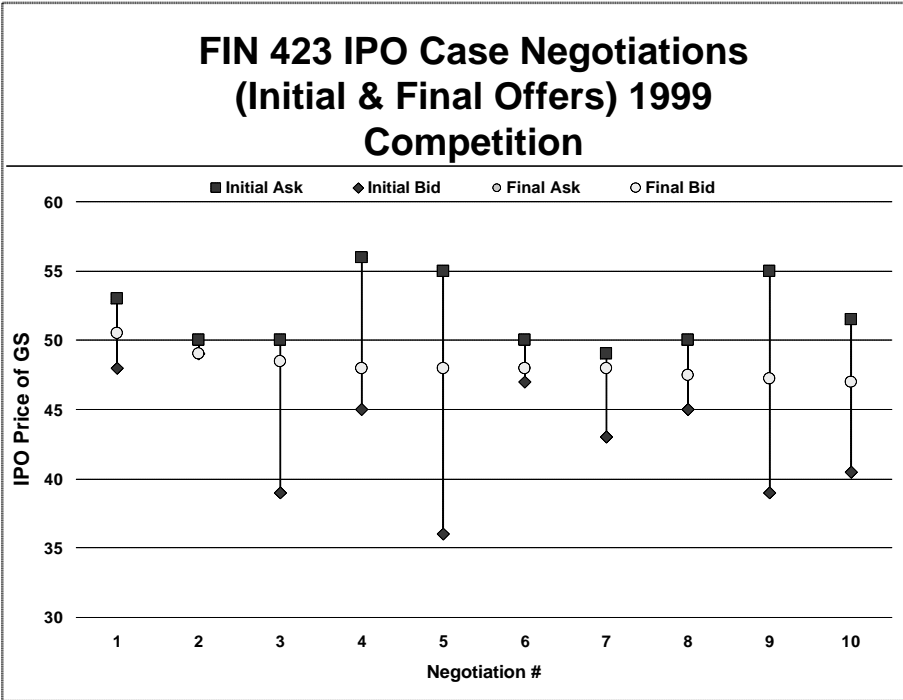


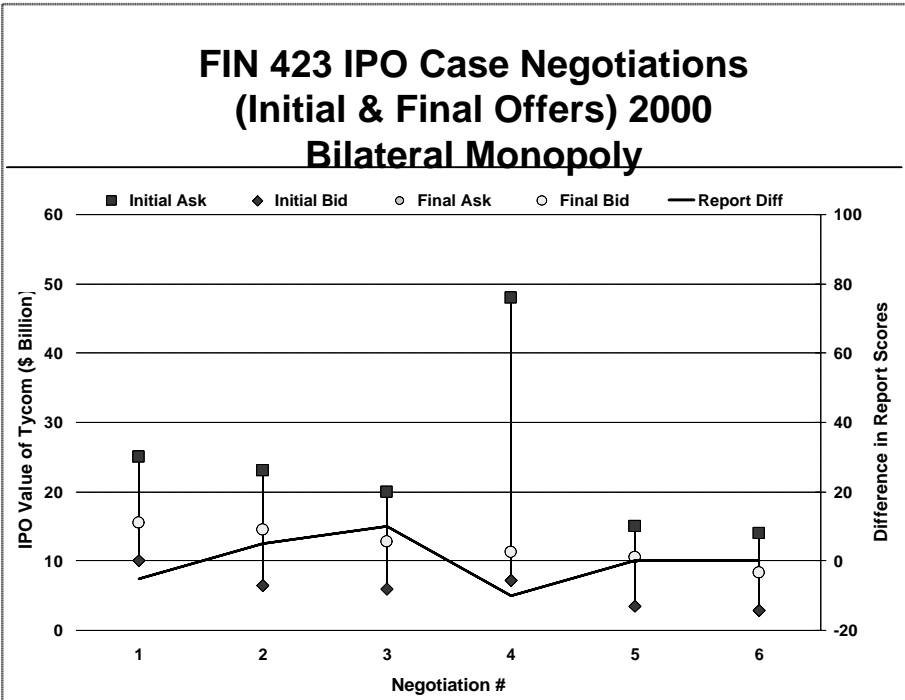
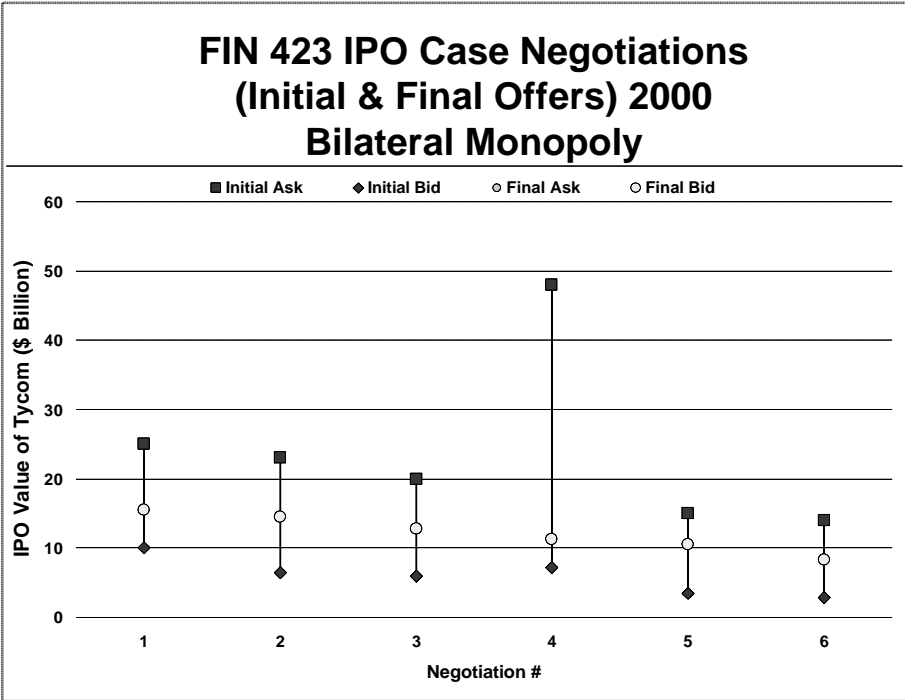


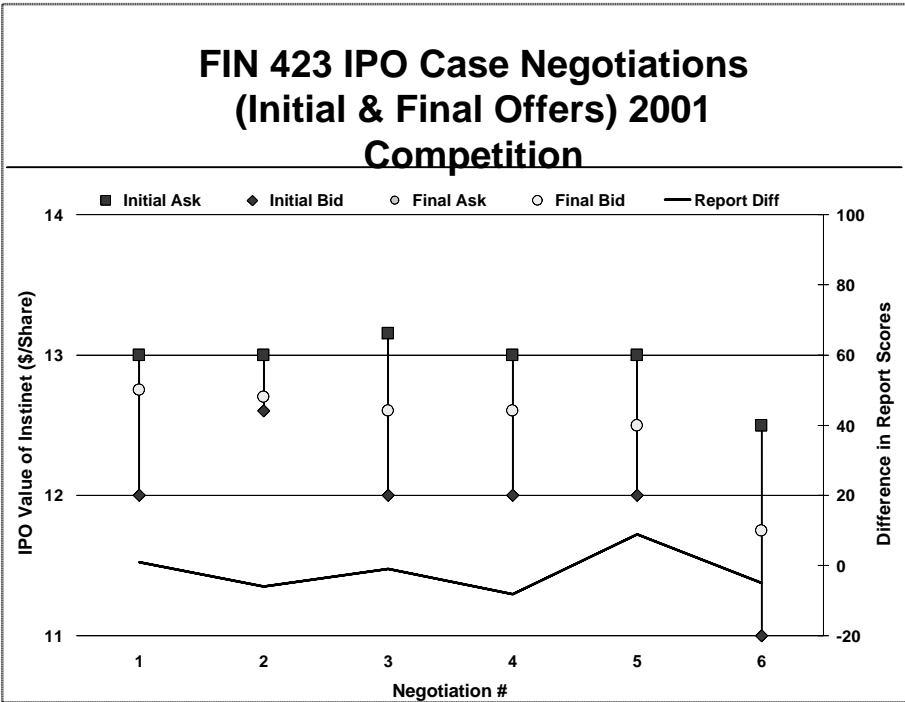
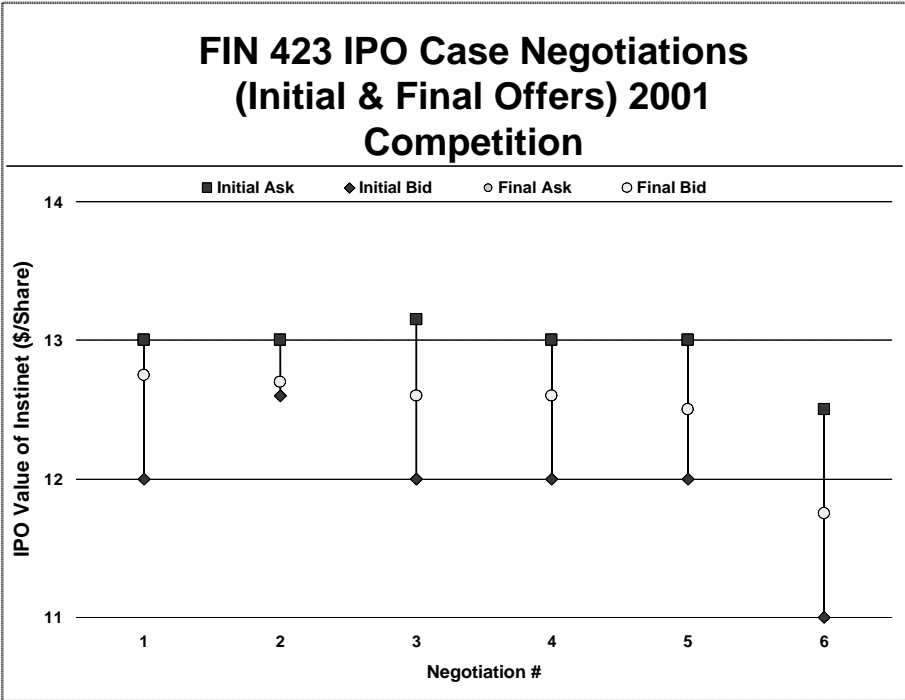


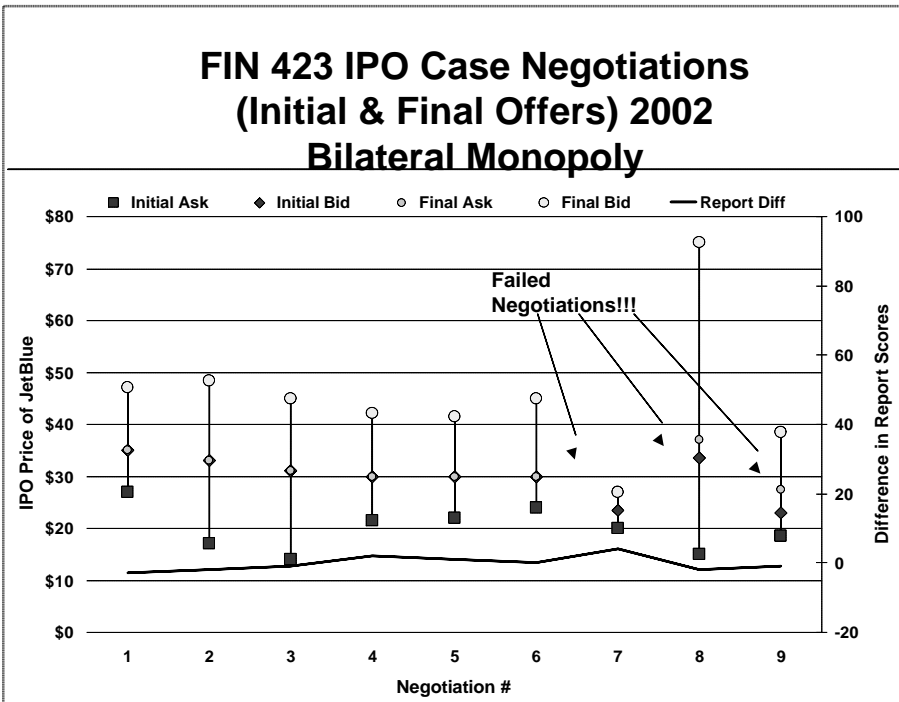
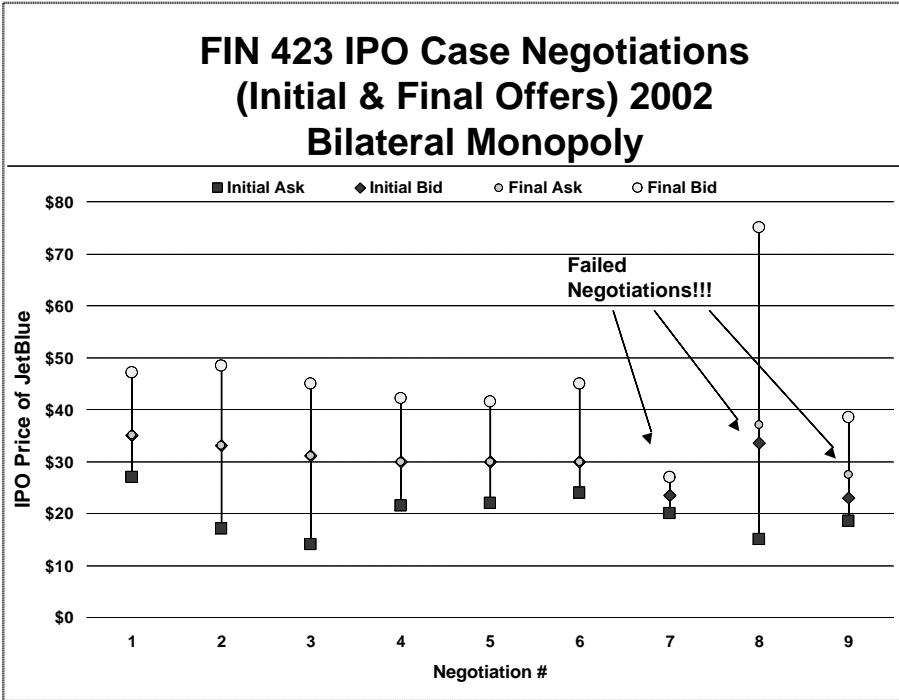


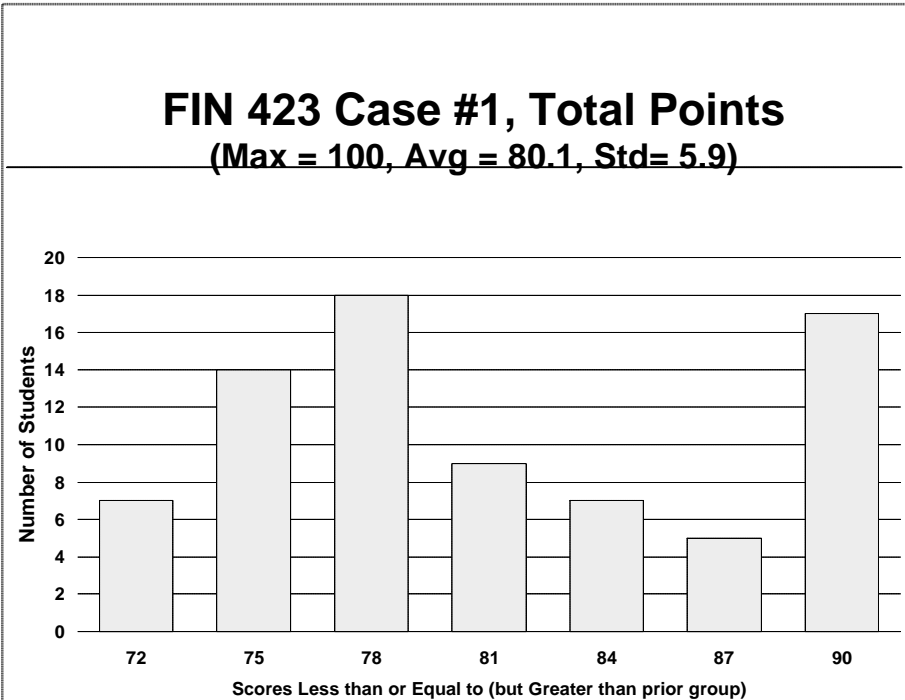
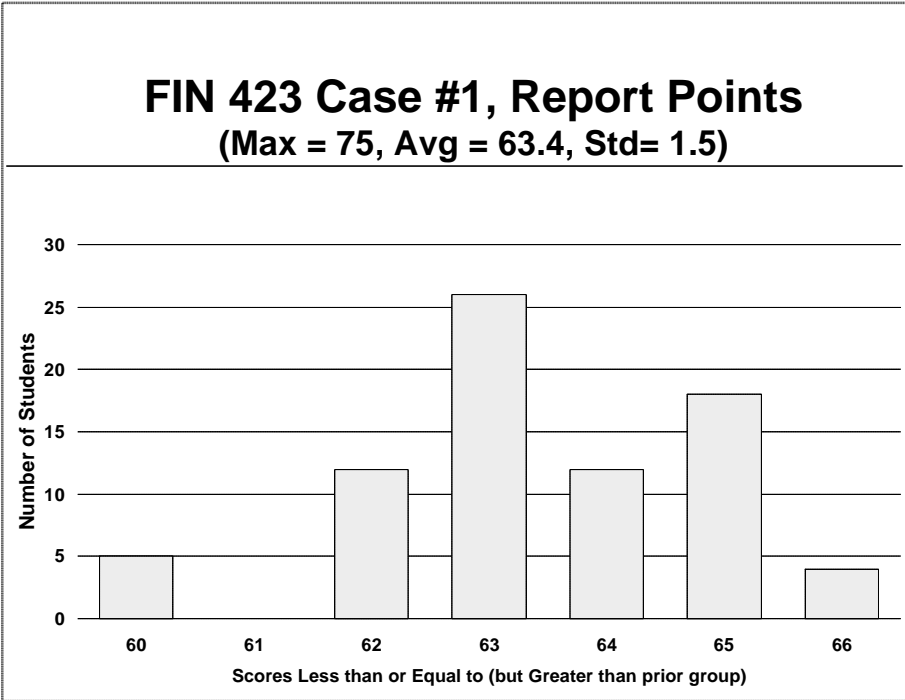












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