

Table 3 from “Where Have All the IPOs Gone?”

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Acquisitions and Buyouts of Recent IPOs, 1980-2015

In this table, we merge our IPO database with the CRSP delisting file and the target firms in the Thomson Reuters (SDC) M&A database. The delisting file gives us the delisting date and the M&A file gives us information on the identity of the acquirers. We classify M&A deals via the following screens. First, the SDC M&A deal has to be completed with an effective date after the IPO date. The effective date must be within 200 calendar days before or after the CRSP delisting date. Second, the delisted IPO must have an effective date of being acquired that is no more than three years after the IPO date. This leaves us with 862 M&A deals targeting IPO firms in both the CRSP delisting and SDC M&A databases. Third, we identify each deal by searching SDC, CRSP, Compustat, Bloomberg, Wikipedia and other sources to classify acquirers into four categories: 1) strategic and public, 2) strategic and private, 3) financial and public, and 4) financial and private.

In Panel A, if the deal is identified as a leveraged buyout (LBO) and the acquirer is a special purpose acquisition company (SPAC), then the deal is labeled as financial and public. Two kinds of acquirers are classified as financial and private. If the deal is identified as an LBO and the acquirer is not a SPAC, the deal is classified as financial and private. If the deal is not identified as an LBO, but the deal type is classified as going private in SDC and the acquisition name is identified as a private company, usually whose name includes "LP", "LLC", or "acquisition", the deal is identified as financial and private. The rest of the deals are identified as strategic. For the strategic deals, if the acquirer is a public company, listed in the US or overseas, or is a subsidiary of a public company, then it is strategic and public. Otherwise, it is classified as strategic and private. For the strategic buyer, if the acquirer is an investor group, we classify the deal as public if at least half of the investors we can identify are public, otherwise it is classified as private. For the 92 IPOs that are identified by CRSP as delisted for non-distress reasons but are not in the SDC M&A database, we search EDGAR and other sources and identify one deal as financial and private and the other 91 as strategic and public. The Percentage of Strategic Buyers includes both public and private strategic buyers.

In Panel B, we categorize IPOs into small and large company IPOs based on their pre-IPO last twelve months sales (\$2009). Based on CRSP delisting codes, all companies that were either acquired by a strategic buyer or by a buyout firm are classified as mergers, since buyout firms typically set up an acquisition vehicle to merge the public company into.

Panel A: Acquisitions and Buyouts of Recent IPOs

Year	No. of IPOs	No. of cohort IPOs delisted for non-distress reasons	Number of acquisitions and buyouts by					
			Strategic buyer			Financial buyer		
			Public	Private	Percentage	Public	Private	
1980	73	2	2	0	2.7%	0	0	
1981	196	13	11	1	6.1%	0	1	
1982	78	6	4	2	7.7%	0	0	
1983	451	29	27	2	6.4%	0	0	
1984	175	16	14	2	9.1%	0	0	
1985	185	18	14	2	8.6%	0	2	
1986	391	40	31	5	9.2%	0	4	
1987	283	44	26	4	10.6%	0	14	
1988	102	7	7	0	6.9%	0	0	
1989	113	8	8	0	7.1%	0	0	
1990	110	5	4	1	4.5%	0	0	
1991	286	9	6	3	3.1%	0	0	
1992	412	36	34	2	8.7%	0	0	
1993	510	44	38	4	8.2%	0	2	
1994	404	42	37	4	10.1%	0	1	
1995	461	79	72	6	16.9%	0	1	
1996	676	115	101	11	16.6%	0	3	
1997	474	82	69	6	15.8%	0	7	
1998	282	40	33	3	12.8%	0	4	
1999	477	106	96	8	21.8%	0	2	
2000	381	56	51	4	14.4%	0	1	
2001	79	8	8	0	10.1%	0	0	
2002	66	11	10	1	16.7%	0	0	
2003	62	8	7	0	11.3%	0	1	
2004	174	24	21	0	12.1%	2	1	
2005	160	24	19	4	14.4%	0	1	
2006	157	19	16	1	10.8%	0	2	
2007	159	17	14	2	10.7%	2	1	
2008	21	3	3	0	14.3%	0	0	
2009	41	6	4	1	14.6%	0	1	
2010	91	8	3	2	8.8%	0	0	
2011	81	7	0	0	8.6%	0	0	
2012	93	14			15.1%			
2013	157	14			8.9%			
2014	207	5			2.4%			
2015	115							
1980-2011	8,183	966	790	81	11.4%	4	48	

Panel B: Frequency of Being Acquired or Going Private within Three Years of the IPO

Period	Small firm IPOs (sales<\$50m)			Large firm IPOs (sales >\$50m)		
	IPOs	Mergers	Merger rate	IPOs	Mergers	Merger rate
1980-1989	1,087	65	6.0%	960	118	12.3%
1990-1998	1,784	206	11.5%	1,831	246	13.4%
1999-2000	603	126	20.9%	255	36	14.1%
2001-2011	316	41	13.0%	777	85	10.9%
1980-2011	3,790	438	11.6%	3,823	485	12.7%

Note: acquired=1 if (1) 100<CRSP delisted code<400 (i.e., DLSTCD=231,233,241 or 261) and (2) delisted date-offer date<=365*3