

Accepted Manuscript

Underwriter relationships and shelf offerings

Mark Humphery-Jenner, Sigitas Karpavicius, Jo-Ann Suchard



PII: S0929-1199(17)30521-7
DOI: <https://doi.org/10.1016/j.jcorpfin.2018.01.004>
Reference: CORFIN 1342
To appear in: *Journal of Corporate Finance*
Received date: 31 August 2017
Revised date: 22 December 2017
Accepted date: 8 January 2018

Please cite this article as: Mark Humphery-Jenner, Sigitas Karpavicius, Jo-Ann Suchard , Underwriter relationships and shelf offerings. The address for the corresponding author was captured as affiliation for all authors. Please check if appropriate. Corfin(2017), <https://doi.org/10.1016/j.jcorpfin.2018.01.004>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Underwriter relationships and shelf offerings

Mark Humphery-Jenner^{*}, Sigitas Karpavicius[†], Jo-Ann Suchard[‡]

Abstract

We compare the motivations for switching underwriters between seasoned equity offerings (SEOs) for both shelf offerings and traditional offerings. Shelf offerings have risen in importance and accounted for more than 90% of SEOs in 2015. In traditional offerings, the underwriter is selected before the terms and pricing of the deal are set. In contrast, shelf issuers request proposals or bids from underwriters for the sale of securities and the underwriter is selected based on the pricing, terms and services offered in the bid. The competitive and transactional nature of the shelf registered market may reduce switching costs for the issuer and potentially increases the issuer's bargaining power. This suggests that underwriter switching in shelf offerings might have different, heretofore unexplored, drivers from traditional offerings. The results suggest that cost-considerations motivate switching in shelf offerings whereas underwriter reputation motivates switching in traditional offerings. However, changes in underwriter reputation can themselves be associated with changes in cost. Cost considerations also impact switching from traditional offerings to shelf offerings.

Key words: Underwriter switching; Reputation; Seasoned equity offerings; Shelf offerings.

JEL classifications: G24; L14.

The authors thank the seminar and brownbag participants at UNSW Business School, University of Technology, Sydney, Financial Management Association Asian Meeting (2014), University of South Australia Finance Colloquium (2014), and Australasian Finance and Banking Conference (2014). We would also like to thank Johan Maharjan, Ron Masulis, William Megginson, Katushi Suzuki, and Bill Wilhelm. Humphery-Jenner and Suchard received support from Australian Research Council Grant DP140103039.

^{*} UNSW Business School and Columbia Law School. Email: mlhj@unsw.edu.au

[†] Adelaide Business School, The University of Adelaide. Email: sigitas.karpavicius@adelaide.edu.au

[‡] UNSW Business School. Email: j.suchard@unsw.edu.au

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات