

Bachelor-Seminar Unternehmensfinanzierung im SoSe 2016

Mergers and Acquisitions (M&A)

This seminar provides students with a comprehensive overview of important issues in mergers and acquisitions (M&A). Each of the nine topics discussed in the seminar (see below) is based on a chapter of the book “Applied Mergers & Acquisitions” by Robert Bruner and on an additional research paper that highlights a specific aspect of the topic of interest.

Part 1: General topics

1. Does M&A pay? (Hoang)

Bruner: Chapter 3.

Fich, E.M., Nguyen, T., Officer, M.S. (2015): Large wealth creation in mergers and acquisitions. AFA 2013 San Diego Meetings Paper.

2. M&A Activity (Hoang)

Bruner: Chapter 4.

Harford, J. (2005): What drives merger waves? *Journal of Financial Economics* 77, 529-560.

3. Securities Law, Issuance Process, Disclosure, and Insider Trading (Limbach)

Bruner, chapter 27.

Acharya, V.V., Johnson, T.C. (2010): More insiders, more insider trading: Evidence from private-equity buyouts, *Journal of Financial Economics* 98, 500-523.

Part 2: Deal structuring and negotiation

4. Cross-Border vs. Domestic M&A (Lüdecke)

Bruner: Chapter 5.

Erel, I., Liao, R.C., Weisbach, M.S. (2012): Determinants of cross-border mergers and acquisitions. *Journal of Finance* 67, 1045-1082.

5. Choosing the Form of Payment and Finance (Schubert)

Bruner: Chapter 20.

Savor, P.G., Lu, Q. (2009): Do stock mergers create value for acquirers? *Journal of Finance* 64, 1061-1097.

6. Negotiating the Deal (Lüdecke)

Bruner: Chapter 30.

Baker, M., Pan, X., Wurgler, J. (2012): The effect of reference point prices on mergers and acquisitions. *Journal of Financial Economics* 106, 49-71.

Part 3: Corporate governance, takeover defense, and risk management

7. Governance in M&A (Scholz)

Bruner, chapter 26.

Harford, J., Humphery-Jenner, M., Powell, R. (2012): The sources of value destruction in acquisitions by entrenched managers. *Journal of Financial Economics* 106, 247-261.

8. Takeover Attack and Defense (Limbach)

Bruner, chapter 33.

Karpoff, J.M., Schonlau, R., Wehrly, E. (2016): Do takeover defenses deter takeovers? WFA 2015 Seattle Meetings Paper.

9. Risk Management in M&A (Scholz)

Bruner, chapter 23.

Bates, T.W., Lemmon, M.L. (2003): Breaking up is hard to do? An analysis of termination fee provisions and merger outcomes. *Journal of Financial Economics* 69, 469-504.

Introductory literature:

Bruner, R.F. (2004): Applied Mergers and Acquisitions, Wiley, Hoboken, N.J.

Betton, S.B. Eckbo, E., Thorburn K.S. (2008) Corporate Takeovers, in B.E. Eckbo, ed.: *Handbook of corporate finance: Empirical corporate finance* (Elsevier, North-Holland).

Dates:

The seminar consists of three parts (“Blockseminar”). The dates are:

Part 1: June 03 (topics 1-3), 14.00h - ca. 18.30h

Part 2: June 10 (topics 4-6), 14.00h - ca. 18.30h

Part 3: June 17 (topics 7-9), 14.00h - ca. 18.30h

Rules of the seminar:

Each student must compose his/her own term paper. The presentation is group work. Each group (of 2 or 3 students per topic) has to make a one-hour presentation. Additional fifteen minutes are scheduled for discussion.

Students are supposed to analyze, summarize, supplement, and criticize both the book chapter and the research paper. In particular, students should...

... put the research paper in the overall context of the book chapter/topic of interest,

... provide additional (and related!) insights, such as results from additional research papers or case studies, beyond the ones already provided,

... explain the major economic arguments, the research approach and the major empirical results of the research paper,

... be able to hold a presentation that allows other students to follow.

The focus of the term paper (book chapter vs. research paper) will be discussed and determined with the supervisor.

Attending the seminar (at all scheduled days) is mandatory. For more information about the seminar, see: <http://finance.fbv.kit.edu/177.php>

Registration and preliminary meeting:

Registration is only possible via the online registration system and will start on February 22, 2016. Students will receive an acceptance/rejection notification on March 21, 2016.

To register for the seminar, please use the online registration system:
<https://portal.wiwi.kit.edu/>

On April 20, 2016, a preliminary meeting will take place at 13.10h in room 110 (Lehrstuhlbibliothek), building 20.13.

Contact: In case of any questions, please contact Dr. Peter Limbach: peter.limbach@kit.edu