

**Guide to the  
Firm Database of Emerging Growth Initial Public Offerings (IPOs)  
from 1990 through 2010**

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University of California, Davis  
September 2013

## **Introduction**

This database is the product of many years of effort. Originally this project was directed to parsing the IPO registration documents of just the semiconductor, biotechnology, and telecom equipment IPOs from 1996 through 2000. Based on the research value of these efforts (Kenney and Patton 2005, Patton and Kenney 2005), this work was expanded to include all de novo IPOs from June 1996 through 2000.

A second effort was mounted to build a database from 2001 through 2006 with support from the National Science Foundation – Geography and Regional Sciences (NSF 0647838). A third stage to collect this data for the years 1990 through 1996 was recently completed with funding from the Science of Science Policy program of the National Science Foundation (NSF 0915257).

Based on our work with Jay Ritter for the Kauffman Foundation on employment and revenue growth of firms following their IPO (Kenney, Patton, and Ritter 2012), we have also extended our database to include the time period from June 1996 through the year 2010.

This guide deals with the data about the firm going public and the offering itself, and is a complete database of emerging growth firms going public on American exchanges from 1990 through 2010. The format of this database is Excel. Originally we thought that this database should be made available as a MySQL online relational database. However, from discussion with researchers at the Kauffman symposia on entrepreneurial and innovation data it became clear that there was limited interest in this database platform, and actually a preference for the Excel format due to its familiarity.

This database should be cited as:

Kenney, Martin and Donald Patton. 2013. Firm Database of Emerging Growth Initial Public Offerings (IPOs) from 1990 through 2010.

## **Database Overview**

This database is comprised of all emerging growth initial public offerings (IPOs) on American stock exchanges and filed with the Securities and Exchange Commission (SEC) from January 1990 through December 2010. In assembling the set of firms to be included we relied on Thomson Financial Venture Expert, SDC data and other sources to generate a list of all IPOs over this time period. From this list the following types of firms and filings were excluded: mutual funds, real estate investment trusts (REITs), asset acquisition or blank check companies, foreign F-1 filers, and all spin-offs and other firms that were not true emerging growth firms.

Every firm going public must file a prospectus with the U.S. Securities and Exchange Commission prior to its initial public stock offering. The IPO is a defining event in the history of any firm, and it performs two functions. First, it provides the firm with capital so that it can continue its expansion. Second, after the IPO, the stakes of both management and investors, (subject to certain lock-up delays) becomes liquid. In return, the firm must conform to the reporting and transparency requirements imposed by the SEC under the Securities Act of 1933. One of the primary objectives of the Securities Act of 1933 is to require companies making a public offering of their securities to publicly disclose relevant business and financial information about their company so that potential investors can make an informed investment decision regarding the offering. To achieve this end the 1933 Act requires companies going public to file disclosure documents with the Securities and Exchange Commission, the most important of which are the general form S-1 registration statement and the 424B prospectus.

This database has been constructed directly from these registration statements and prospectuses. These documents were found on the SEC's Electronic Data, Gathering and Retrieval (EDGAR) website. Up until the advent of the SEC's EDGAR system, IPO registration statements and other SEC documents were filed in paper form in officially designated locations and libraries. Beginning in the 1980s the SEC began to provide Internet access to these documents through its EDGAR program, but it wasn't until June 1996 that public firms were required to file all of their documents in this format. Therefore a complete EDGAR record of all IPO documents for firms going public only begins in June 1996.

For IPOs prior to June 1996 we have relied on IPO registration statements and prospectuses that were originally found in paper form. These documents were found at the Stanford Graduate School of Business Library in either pdf or TIFF format. It is from these documents that the data for IPOs from January 1990 through May 1996 were obtained.

## **The Variables**

This database contains variables that pertain to the firm going public and the offering itself. Each firm is assigned a Central Index Key by the SEC which we are using as the firm's unique identifier. All of the variables in this database are extracted from each firm's prospectus (form 424B) or the firm's registration statement (form S-1). An example of where the variables were found in these documents is shown for the initial public offering of Amazon Com in the Appendix.

### *The Firm Database Variables*

*Company ID:* The firm's Central Index Key (CIK) assigned by the SEC. This is used as the unique identifier of each firm in this database. If a firm was no longer publicly traded

by the time EDGAR was initiated it would not have a CIK. In these cases we assigned a unique ID to the firm.

*Company Name:* Firm name at the time of the IPO.

*IPO Year:* The year of the IPO.

*State of Incorporation:* State of incorporation at the time of the IPO.

*Company Street 1,*  
*Company Street 2,*  
*Company City,*  
*Company State,*  
*Company Zip:* } The company's business address.

*Stock Exchange:* The stock exchange that the issue will trade on.

*Stock Symbol:* The stock market symbol, or ticker, of the firm's stock.

*Shares Offered:* The number of shares sold to the public in this offering.

*Shares Outstanding:* The number of shares outstanding after the offer.

*Initial Share Price:* The public offering price.

*Offer Size:* The size of the offer in dollars calculated by the number of shares offered times the initial share price.

*Underwriter Discount:* The per share discounts and commissions taken by the underwriters.

*Company Auditor:* The firm's auditor.

*SEC SIC:* This is the 4 digit Standard Industrial Code (SIC) assigned to the firm by the SEC's Division of Corporate Finance.

*Primary SIC:* This is the 4 digit SIC found in the firm's S-1 registration statement. This is the SIC the firm going public assigns to itself, and on occasion it does not agree with the SEC SIC.

*Year Founded:* This is the year the firm was founded.

*Unit Offering:* If the firm's IPO was a unit offering this variable assumes a value of one, and zero otherwise.

## Discussion

Only emerging growth firms are included in this IPO database. Sometimes the term *de novo*, which means “from the beginning,” is used to describe these firms, but we rely on the more commonly used term emerging growth. Emerging growth refers to newly established firms, or firms that are not based on older firms by being a spinoff or subsidiary operation. The emerging growth status of firms was established through examination of the prospectus, particularly in the prospectus summary where the firm describes its activities, history, and business.

Usually the emerging growth status of a firm going public can be readily determined. This is the case when the firm explicitly states that it is a subsidiary of another firm, or was once a division of another firm that was spun off. In such cases it is clear that the company going public is not an emerging growth firm. In the cases described below this determination is more problematic.

The following guidelines were used to determine whether a firm is emerging growth.

Companies that are partnerships, such as an oil pipeline company, are considered emerging growth unless the partnership was formed by another company.

Companies that are the product of a merger are considered emerging growth if they have had some history of operation prior to the IPO. Similarly, companies that have made acquisitions of other firms are considered emerging growth unless the company is simply a product of acquisitions assembled for the purpose of going public.

Companies that are simply reorganizations of existing firms are not considered emerging growth.

Companies that at some point in their history were a division of another firm are not considered emerging growth.

Basically, any firm that originated as a new, independent entity and remained independent throughout its history is considered to be an emerging growth firm.

The founding year is determined through direct examination of the prospectus. No information other than that found in the firm's prospectus is used in establishing the founding year of the firm. If an explicit date of founding or inception is not stated in the prospectus, then we have relied on the earliest year of incorporation as a founding date.

In other cases judgment is required to establish a year of founding for the firm. In those cases where a firm has merged with another firm, we rely on the founding date of the firm that is the namesake of the merged company, or the older of the merged firms. In those cases where a firm has acquired one or more firms, we have relied on the founding

date of the acquiring firm. In these ambiguous cases and in all others we have relied as a general rule on the founding date of the firm that can be considered as the founding or predecessor firm.

In the example of Amazon the appendix below several possible founding dates are mentioned along with an explicit founding date. Most firm founding dates can be confidently established, as in this example, but others are more problematic.

Because this database is composed of all emerging growth equity offerings it includes unit offerings which are usually excluded from most IPO lists. These are given a dummy so that they can be excluded from any analysis. Since equity offerings are considered only, we do not include common unit offerings, enhanced income securities offerings, or income deposit securities offerings.

## Appendix

Using the Amazon Com IPO as an example, this appendix shows the source of the data found in this data base. Several pages of the Amazon Com Inc 424B prospectus are reproduced below, along with the first page of Amazon's S-1 registration statement, as downloaded directly from the SEC's EDGAR website. These pages show precisely where the variables assembled for this database were found in these IPO documents.

### Amazon Com Inc 424B EDGAR Document

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PRIVACY-ENHANCED MESSAGE-----

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Originator-Key-Asymmetric:

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CONFORMED SUBMISSION TYPE: 424B1

PUBLIC DOCUMENT COUNT: 1

FILED AS OF DATE: 19970515

SROS: NONE

Date of filing

FILER:

COMPANY DATA:

COMPANY CONFORMED NAME:

AMAZON COM INC

CENTRAL INDEX KEY:

0001018724

Unique firm  
identifier

STANDARD INDUSTRIAL CLASSIFICATION:

BOOKS: PUBLISHING

OR PUBLISHING AND PRINTING [2731]

SEC assigned SIC

IRS NUMBER:

911646860

STATE OF INCORPORATION:

DE

State of  
incorporation

FISCAL YEAR END:

1231

FILING VALUES:

FORM TYPE: 424B1

SEC ACT: 1933 Act

SEC FILE NUMBER: 333-23795

FILM NUMBER: 97607381

BUSINESS ADDRESS:

STREET 1: 1516 SECOND AVE 4TH FLOOR

STREET 2: PO BOX 80387

CITY: SEATTLE

STATE: WA

ZIP: 98101

BUSINESS PHONE: 2066222335

Firm  
address

MAIL ADDRESS:

STREET 1: PO BOX 80387
STREET 2: 1516 SECOND AVE 4TH FLOOR
CITY: SEATTLE
STATE: WA
ZIP: 98101

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Filed Pursuant to Rule 424(b)(1)
Registration Statement No. 333-23795

\*\*\*\*\*

3,000,000 SHARES Number of
COMMON STOCK shares offered

All of the 3,000,000 shares of Common Stock, par value \$0.01 per share ("Common Stock"), are being sold by Amazon.com, Inc. ("Amazon.com" or the "Company"). Prior to this offering, there has been no public market for the Common Stock. See "Underwriting" for a discussion of the factors considered in determining the initial public offering price. The Common Stock has been approved for listing on the Nasdaq National Market under the symbol "AMZN," subject to official notice of issuance.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" COMMENCING ON PAGE 5.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Table with 3 columns: PRICE TO PUBLIC, UNDERWRITING DISCOUNT(1), PROCEEDS TO COMPANY(2). Includes annotations for 'Initial share price', 'Underwriter discount', and 'Offer size'.

(1) The Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933. See "Underwriting."



(2) Before deducting expenses estimated at \$850,000, payable by the Company.

(3) The Company has granted the Underwriters a 30-day option to purchase up to 450,000 additional shares of Common Stock solely to cover over-allotments, if any. If such option is exercised in full, the total Price to Public, Underwriting Discount and Proceeds to Company will be \$62,100,000, \$4,347,000 and \$57,753,000, respectively. See "Underwriting."

#### THE OFFERING

<TABLE>		
<S>		<C>
Common Stock offered.....	3,000,000	shares
Common Stock to be outstanding after this offering..	23,858,702	shares(1)
Use of proceeds.....	For working	capital and other general corporate purposes.
Nasdaq National Market symbol.....	AMZN	
</TABLE>	Stock Exchange	Stock Ticker

(1) Excludes 2,789,804 shares, 1,069,125 shares and 264,000 shares of Common Stock issuable upon exercise of options outstanding at May 13, 1997 under the Company's Amended and Restated 1994 Stock Option Plan (the "1994 Stock Option Plan"), the Company's 1997 Stock Option Plan (the "1997 Stock Option Plan", and together with the 1994 Stock Option Plan, the "Plans") and outside the Plans, respectively, at a weighted average exercise price of \$3.62 per share. See "Management -- Employee Benefit Plans" and Note 3 of Notes to Financial Statements.

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#### THE COMPANY

Amazon.com is the leading online retailer of books. Since opening for business as "Earth's Biggest Bookstore" in July 1995, the Amazon.com bookstore has quickly become one of the most widely known, used and cited commerce sites on the Web. By offering customers an authoritative selection of more than 2.5 million titles, as well as competitive pricing and outstanding customer service, Amazon.com believes it has achieved a preeminent position among online retailers.

Customers enter the Amazon.com bookstore through the Company's Web site and, in addition to ordering books, can conduct targeted searches, browse from among highlighted selections, bestsellers and other features, read and post reviews, register for personalized services, participate in promotions and check order status. Customers simply click on a button to add books to their virtual shopping baskets. Customers can add and subtract books from their shopping baskets as they browse, prior to making a final purchase decision, just as in a physical store. To execute orders, customers click on the buy

button and are prompted to supply shipping and credit card details. Customers are offered a variety of delivery services, including overnight and various international shipping options, as well as gift-wrapping.

The worldwide book industry is large, growing and relatively fragmented. According to Euromonitor, U.S. book sales were estimated to be approximately \$26 billion in 1996 and are expected to grow to approximately \$30 billion in 2000, while worldwide book sales were estimated at approximately \$82 billion in 1996 and are expected to grow to approximately \$90 billion in 2000.

Amazon.com was founded to capitalize on the opportunity for online book retailing. The Company believes that the retail book industry is particularly suited to online retailing for many compelling reasons. An online bookseller has virtually unlimited online shelf space and can offer customers a vast selection through an efficient search and retrieval interface. This is particularly valuable in the book market because the extraordinary number of different items precludes even the largest physical bookstore from economically stocking more than a small minority of available titles. In addition, by serving a large and global market through centralized distribution and operations, online booksellers can realize significant structural cost advantages relative to traditional booksellers. Furthermore, unlike with clothing or other personal products, consumers can make educated book purchase decisions using online information. Books can be selected and sampled effectively through online synopses, excerpts and reviews and have consistent quality across different retailers. In addition, the demographic overlap between frequent book buyers and Internet users is high. Further, online bookselling has the potential to eliminate or mitigate critical inefficiencies and problems faced by book publishers.

Amazon.com intends to use technology to deliver an outstanding service offering and to achieve the significant economies inherent in the online store model. The Company's strategy is to build strong brand recognition, customer loyalty and supplier relationships, while creating an economic model that is superior to that of the capital and real estate intensive traditional book retailing business. Achieving profitability given the Company's planned investment levels depends upon the Company's ability to generate and sustain substantially increased revenue levels. See "Risk Factors -- Limited Operating History; Accumulated Deficit; Anticipated Losses."

The Company has grown rapidly since first opening its bookstore. Through March 31, 1997, Amazon.com had sales of more than \$32 million to approximately 340,000 customer accounts in over 100 countries. Compounded quarterly sales growth exceeded 100% from the first quarter of 1996 through the first quarter of 1997. Average daily visits (not "hits") have grown from approximately 2,200 in December 1995 to approximately 80,000 in March 1997, and repeat customers currently account for over 40% of orders. Time magazine rated Amazon.com one of the 10 "Best Websites of 1996." Growth rates experienced to date are not sustainable. The Company incurred net losses of \$5.8 million and \$3.0 million in the fiscal year ended December 31, 1996 and the quarter ended March 31, 1997, respectively. See "Risk Factors -- Limited Operating History; Accumulated Deficit; Anticipated Losses."

Earliest  
incorporation

The Company was incorporated in Washington in July 1994 and reincorporated in Delaware in June 1996. The Company's headquarters are located at 1516 Second Avenue, 4th Floor, Seattle, Washington 98101. Its telephone number at that location is (206) 622-2335. Information contained on the Company's Web site will not be deemed to be a part of this Prospectus. As used herein, "titles" offered by the Company means the number of items offered in the Company's catalog and includes primarily books but also a small number of CDs, videotapes and audiotapes.

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RISK FACTORS

In addition to the other information contained in this Prospectus, investors should carefully consider the following risk factors before making an investment decision concerning the Common Stock. All statements, trend analysis and other information contained in this Prospectus relative to markets for the Company's products and trends in net sales, gross margin and anticipated expense levels, as well as other statements including words such as "anticipate," "believe," "plan," "estimate," "expect" and "intend" and other similar expressions, constitute forward-looking statements. These forward-looking statements are subject to business and economic risks, and the Company's actual results of operations may differ materially from those contained in the forward-looking statements.

Explicit  
founding date

LIMITED OPERATING HISTORY; ACCUMULATED DEFICIT; ANTICIPATED LOSSES. The Company was founded in July 1994 and began selling books on its Web site in July 1995. Accordingly, the Company has a limited operating history on which to base an evaluation of its business and prospects. The Company's prospects must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development, particularly companies in new and rapidly evolving markets such as online commerce. Such risks for the Company include, but are not limited to, an evolving and unpredictable business model and the management of growth. To address these risks, the Company must, among other things, maintain and increase its customer base, implement and successfully execute its business and marketing strategy, continue to develop and upgrade its technology and transaction-processing systems, improve its Web site, provide superior customer service and order fulfillment, respond to competitive developments, and attract, retain and motivate qualified personnel. There can be no assurance that the Company will be successful in addressing such risks, and the failure to do so could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.

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#### LEGAL MATTERS

Certain legal matters will be passed on for the Company by Perkins Coie, Seattle, Washington. Certain legal matters will be passed on for the Underwriters by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Palo Alto, California.

#### EXPERTS

The financial statements of Amazon.com, Inc. at December 31, 1995 and 1996, and for the period July 5, 1994 (date of inception) to December 31, 1994 and the years ended December 31, 1995 and 1996, appearing in this Prospectus and the Registration Statement have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given upon the authority of such firm as experts in accounting and auditing.

Firm  
Auditor

**Amazon Com Inc**  
**S-1 EDGAR Document**  
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AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON MAY 14, 1997  
REGISTRATION 333-23795

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
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AMENDMENT NO. 5 TO

FORM S-1  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933  
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AMAZON.COM, INC.

(Exact name of registrant as specified in its charter)

<TABLE>	Firm assigned	<C>	<C>
<S> DELAWARE (State or other jurisdiction of incorporation or organization)	SIC 7375 (Primary Standard Industrial Classification Code Number)	7375	91-1646860 (I.R.S. Employer Identification No.)

</TABLE>

1516 SECOND AVENUE, 4TH FLOOR  
SEATTLE, WASHINGTON 98101  
(206) 622-2335

(Address, including zip code, and telephone number, including area  
code, of Registrant's principal executive offices)  
-----

JEFFREY P. BEZOS  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
AMAZON.COM, INC.  
1516 SECOND AVENUE, 4TH FLOOR  
SEATTLE, WASHINGTON 98101  
(206) 622-2335

(Name, address, including zip code, and telephone number, including  
area code, of agent for service)  
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## Acknowledgements

In addition to financial support from the National Science Foundation and assistance from the Ewing Marion Kauffman Foundation, we want to thank Jay Ritter for his very valuable ideas on the data collection from IPO documents. We also received assistance from Brandon Fleming and Ted Khoury, business doctoral students from the University of Washington and University of Texas, respectively. We have also employed a large number of research assistants over the years that have put in countless hours in assembling this database. The success of this effort is due to the diligence and judgment of the following students who have worked with us:

Natalie Pojman	Michelle Watson
Erin Burns	Amanda Kraus
V. Tani Elliott	Sabrina Vigil
Eugenia Shmulevich	Olivia Capeloto
Florence Wong	Alycia Thompson
Michael Green	Tracy Chang
Su Nguyen	Andrea Friedman
Mathew Kwong	Bridget Carlson
Esteban Pauli	
Alexander Marks	
Kristin Fabbro	
Chui (Wendy) Ng	
Jeanette Hernandez	
Samuel Chiang	
Elise Overly	
Catherine Hegemier	
Veronica Hernandez	
Sophia Mak	
Sana Ramzan	

## References

Kenney, Martin and Donald Patton. 2005. "Entrepreneurial Geographies: Support Networks in Three High-Technology Industries." *Economic Geography*, 81(2): 201-228.

Patton, Donald and Martin Kenney. 2005. "The Spatial Configuration of the Entrepreneurial Support Network for the Semiconductor Industry." *R&D Management*, 35(1): 1-16.

Kenney, Martin, Donald Patton, and Jay R. Ritter. 2012. "Post-IPO Employment and Revenue Growth for U.S. IPOs, June 1996-2010." Ewing Marion Kauffman Foundation: Kansas City, Missouri.  
[http://www.kauffman.org/uploadedfiles/post\\_ipo\\_report.pdf](http://www.kauffman.org/uploadedfiles/post_ipo_report.pdf)

## Useful Websites

EDGAR

<http://www.sec.gov/edgar.shtml>

SEC

<http://www.sec.gov/index.html>

SIC

<http://www.census.gov/epcd/www/sic.html>