

## Finance 423

Professor G. William (Bill) Schwert

UNIVERSITY OF ROCHESTER  
William E. Simon Graduate School of Business

Corporate Financial Policy & Control  
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CS 3-110L, 275-2470, fax: 461-5475

email: Schwert@mail.ssb.rochester.edu

Johnston, CS 3-110M, 275-8127

## COURSE OUTLINE

Course will cover the theory & evidence about major corporate financial policy decisions

FIN 402 & 411 (Portfolio Theory and Capital Markets) are prerequisites

FIN 413, "The Theory of Finance," is a corequisite

Discussion of "current events" will be a major part of some lectures (WSJ)

## Books & Readings

Recommended text for this course is:

- Donald Chew, ed., The New Corporate Finance: Where Theory Meets Practice, McGraw-Hill, 1993
  - Back-ordered by the bookstore

## Grading

I expect that students will come to class prepared by having read the necessary

- Active, high quality class participation will

Eight quizzes (10 points each) at the start of

- 60% of course grade
- you may throw out your two worst quizzes

## Grading (continued)

Two case problems that will be done in groups of between 3 and 5 people (about 20% each)

- (1) an initial public offering (IPO)
- (2) a merger/acquisition (M&A) problem

Option of writing a paper (for up to 40% of course grade) due on Wednesday, June 4 in

## Topics -- Securities Offerings

Venture Capital

Initial Public Offerings of Common Stock

Primary Distributions of Seasoned Stock
 

- Underwriting, Rights, or Private Placements

Corporate Bond Financing

Intra-Firm Exchange Offers and Recapitalizations

Repurchase Tender Offers

## **Topics -- Corporate Control**

**Mergers & Tender Offers**

**Going Private/Leveraged Buyouts**

**Antitrust Law and Public Regulation**

**Defensive Tactics**

**Corporate Raiders and Greenmail**

**The Value of Corporate Control**

**Divestitures and Spinoffs**