

Appendix A – SDC Data Corrections

The table describes corrections that were made to the SDC underwriting syndicate data. SDC provides underwriting allocation data for each underwriter in the syndicate as well as codes to define the role of each underwriter in the syndicate. The codes include Book Manager, Joint Book Manager, Joint Lead, Co-Manager, Syndicate Member, and Global Lead. All corrections to SDC data are verified using the IPO prospectus. The initial sample includes 2,146 firm-commitment IPOs issued by U.S. firms from January 1997 through June 2002.

<i>Ticker</i>	<i>Date</i>	<i>Explanation</i>
We gathered underwriting allocation data from prospectuses for all offers with missing SDC underwriting allocation data. There were 273 such cases (12.7% of the sample).		
We collected additional data from the prospectuses for all remaining offers for which share allocations did not match the total shares offered as stated in SDC. 453 offers had non-matching data. In most cases, these discrepancies are corrected using data from the final prospectus. An additional 64 offers are manually coded as matches: 31 offers differed only by the amount of international share allocations that were not described in the prospectus, 16 offers differ only by an amount of shares offered directly by the firm rather than through the underwriter, and 17 offers differed due to incorrect SDC share data. These 64 offers are included in the final sample as matches using total allocations to determine offer size and offered shares. In six of the remaining cases, the discrepancies were due to units and these offers are excluded from the sample. Finally, discrepancies could not be corrected for 53 offers. These are excluded from the final sample.		
Sixty-five offers have two underwriters coded as joint book managers. Joint book codes are verified using the IPO prospectus. Fifty of the 65 are listed as Joint Book Managers in the prospectus. The remaining 15 are not explicitly listed as joint book managers, but are assumed to be correct as listed by SDC. 129 offers have one book manager and one additional underwriter coded as joint lead. Five offers have one book manager and two additional underwriters coded as joint lead. Of the managers designated as joint leads, we found no cases in which this underwriter was explicitly referred to as a joint book-running manager. Throughout the paper we therefore treat joint leads as co-managers rather than joint book managers.		
Global Lead Codes: Underwriter roles were verified in 66 cases where the underwriter was coded as a global lead, but was not also listed as a co-manager. This check resulted in three cases where the global lead was coded as a co-manager. In all other cases, the global lead indicator is ignored.		
CTIC	19970321	SDC underwriter roles in incorrect order. Order is corrected.
SCMM	19971006	Westdeutsche Landesbank Girozentrale coded as co-manager.
IMMT	19990426	SDC underwriter roles in incorrect order. New China Hong Kong Securities and China Everbright Securities H.K. coded as co-managers.
Co-Manager Codes: Underwriter roles were verified in seven cases where an underwriter received the same share allocation as the book manager, but was not coded as either a co-manager or a joint lead manager. This check resulted in four corrections.		
ERTH	19980323	SDC lists four joint lead managers and no co-managers. The prospectus lists two joint book managers and no co-manager.
ABNH	19980714	SDC lists two joint lead manager and no co-managers. The prospectus lists one lead and three co-managers.
ZIPL	19990526	SDC lists one book manager and no co-managers. The prospectus lists one book manager and one co-manager.
ERMS	20000802	SDC lists two joint lead manager and no co-managers. The prospectus lists one book manager and no co-managers.

Appendix A (continued)

<i>Ticker</i>	<i>Date</i>	<i>Explanation</i>
Co-Manager Codes: Underwriter roles were verified in 72 cases where the syndicate included more than five co-managers or the syndicate was made up of at least 75% co-managers. This check resulted in ten corrections. For most of these cases, it appears that SDC mistakenly coded all syndicate members as co-managers.		
LHC	19981027	SDC lists 10 underwriters, including 1 book manager and 9 co-managers. The prospectus lists 1 book manager and no co-managers.
DBSI	19981112	SDC lists 7 underwriters, including 1 book manager and 6 co-managers. The prospectus lists 1 book manager and 1 co-manager.
IDSY	19990630	SDC lists 17 underwriters, including 1 book manager and 16 co-managers. The prospectus lists 1 book manager and no co-managers.
PRFT	19990729	SDC lists 7 underwriters, including 1 book manager and 6 co-managers. The prospectus lists 1 book manager and no co-managers.
AIRO	19990729	SDC lists 11 underwriters, including 1 book manager and 10 co-managers. The prospectus lists 1 book manager and 2 co-managers.
QSFT	19990812	SDC lists 7 underwriters, including 1 book manager and 6 co-managers. The prospectus lists 1 book manager and 2 co-managers.
FSHP	19990927	SDC lists 19 underwriters, including 1 book manager and 18 co-managers. The prospectus lists 1 book manager and 3 co-managers.
BTBC	20000215	SDC lists 7 underwriters, including 1 book manager and 6 co-managers. The prospectus lists 1 book manager and 1 co-manager.
SFTY	20000218	SDC lists 4 underwriters, including 1 book manager and 3 co-managers. The prospectus lists 1 book manager and no co-managers.
PMBC	20000614	SDC lists 5 underwriters, including 1 book manager and 4 co-managers. The prospectus lists 1 book manager and no co-managers.