

Do Merger Create Value? –A Review Of Literature

Priyatosh Sarkar*

*Assistant professor of Commerce, Raiganj University, Raiganj , Uttar Dinajpur, West Bengal, India

ABSTRACT - Based on sixty four papers published between 1974 and 2015, review of M&A articles is based on various aspects of M&A performance like financial, human resources, corporate governance/ ownership, cross border/ culture, merger wave, business cycle, type of deal, type of industry. The paper classifies the existing literature into various sections, identifies the gaps, and suggests the scope for future research. In the light of literature review made, studies have been classified based on the evaluation process of M&A financial performance of firms either accounting based or event study based or combination of both. Literature has shown mixed results. From literature, there is no conclusive evidence about the impact of M&A on corporate performance. M&A deals have gone up manifold in India in recent years. Earlier studies were based on a limited number of merger and acquisition items. Hence there is a need to relook at the post M&A performance India. As far as literature review is concerned, studies with respect to post M&A performance in terms of economic profit which is supposed to be the true profit for shareholders are few, particularly in India. Studies taking into account the nonfinancial factors need to be focused.

KEYWORDS: Mergers, Acquisitions, Takeovers, Event Study, Accounting Study.

I. INTRODUCTION

Mergers and acquisitions are growing not only in volume, but also in value. Global cross border M&A volume has reached \$1.02tr in 2014; Up 45% from \$701.6bn announced in the same period last year and the highest since 2008 (\$1.07tr). Deal activity has also increased, up 5% year on year to 8,240 deals from 7,840 deals in 2013. Healthcare, pharmaceutical deal drive activity. By the end of the first quarter of this year, deal activity had risen 54 percent on the same period last year, with deals worth a total of \$710 billion announced. Nearly 70 percent of announcements of U.S. acquisitions worth \$1 billion or more in the first half were followed by gains in the stock prices of the buyers. The US (24% market share) is top targeted nation by both volume and activity for global cross border M&A, with \$247.8bn in 2014. UK leads cross border M&A with \$114.4bn in 2014; France ranks second with \$83.0bn; Singapore Companies' M&A deal value surged 110.4% compared to the first nine months of 2013, and surpassed the annual volume in 2013 (US\$41.8 billion). Completed M&A activity went up by 49.4%. M&A activities in Singapore, South Korea, India, and Japan are exceptionally strong among all Asia Pacific Countries. Hence, this has attracted the attention of researchers around the world. Literature on research in mergers or acquisitions or takeovers and effects of M&A on performance is quite vast. There are also several other review papers based on such literature. This paper attempts to make a fresh review of literature on post M&A performance, keeping in mind the growing importance of M&A in recent times.

II. MERGERS AND ACQUISITIONS: A WORTHY STRATEGY OR A WORSE SITUATION?

Mergers and acquisitions are growing not only in volume, but also in value. The Following chart shows the trend of M&A in India:

III. VOLUME AND VALUE OF MERGERS AND ACQUISITIONS IN INDIA

From 2000 to 2011, there have been 3692 merger deals, 9713 acquisition deals that are announced in India with the acquisition consideration of more than Rs.10,000 billion (Source: Business Beacon CMIE database). But do mergers and acquisitions improve performance of companies? Post M&A performance can be better, worse or remain same as pre M&A performance. Most of the literature suggests that merger fails in creating value for the shareholders. Although performance can be measured in terms of financial and non financial parameters, this review paper are based on studies that have considered the financial parameters on performance metrics. But companies still go for M&A. This might be because of the fact that most of the literatures have taken economic and financial aspect as the success benchmark. This study is confined only to financial performance. Thus, the success or failure of mergers and acquisitions needs to be defined. Most of the studies have defined the success or failure of M&A as economic outcomes through financial performance of firms. This can be the reason for which most studies conclude that M&A fails rather than succeed. The reason is performance should

be measured not only in financial terms, but also in nonfinancial terms. The success or failure depends upon the objective or goals for which the M&A deals are done. If acquisitions cannot meet the goals set, then it would be considered as a failure (Rosenzweig, 2006). Bierich (1988) defined success as the degree of goal achievement (Brouthers, et al., 1998). According to Richards (1978), a goal is a planned position or result to be achieved. In order to judge success of business combination, it must be clear whose goals are to be followed and what these goals are specifically called (Bosecke, 2009). But there is a different view also. A merger is successful if other things remaining same, it increases the total current wealth of the owners of the acquiring firm (Kumar & Rajib, 2007). There is no evidence in the literature on what particular percentage of change would make the merger successful, but any positive increase means success and any negative change mean failure and no change means no impact of mergers and acquisitions. Healy et al. (1992) considered industry ratios (operating cash flow/total assets) are the benchmark of successful mergers. It is not only success that needs to be defined, but also it is important to define failure. DePamphilis (2010) defined failure as eventual sale and liquidation of business, inability to meet or exceed the financial objectives, not achieving the strategic objectives. Thus, one can conclude that it is not only the economic and financial outcome of an M&A that define success or failure, but also the attainment of objectives for which a deal is made shows the success and failure of M&A. Compared to other performance parameters, economic and financial outcomes are used in most of the studies because this is the basic objective behind any company to go for any M&A deals.

The literature review is organised as 'Studies using Accounting Measures', 'Studies using Event studies', 'Studies using multiple performance measures'. Although one can survey literature regarding nonfinancial measures, the same is beyond the scope of the paper. The review has focused only on financial performance, taking into consideration the time limit and vastness of subject and limit of journal pages.

IV. STUDIES FOCUSING ON ACCOUNTING APPROACH

Accounting approach use accounting measures and productivity measures from financial statements to evaluate the M&A success.

Do M&A result in negative returns?

There is evidence from various research studies that shareholders have to face disappointing returns after M&A or company performance deteriorates after M&A. There is no improvement in performance from merger (Meeks, 1977); (Salter and Weinhold, 1979); (Mueller, 1980); (Chatterjee & Meeks, 1996); (Parrino & Harris,

2001); (Ghosh, 2001); (Sharma & Ho, 2002); (Bruner, 2004). Using the Return on Asset (ROA), it was found that acquiring firms' erformance consistently declined in post merger years (Meeks, 1977 cited from Bruner, 2004). The firms with tender offer activity were 3.1 per cent less profitable than firm without the activity (Ravenscraft & Scherer, 1987). Acquirers get ROA same as control firms in the postacquisition period. herefore M&A is a zero Net Present Value (NPV) activity (Healy, et al., 1992). The postacquisition ROA for acquirers is two per cent lower than return on assets for nonacquirers (Dickerson, et al., 1997). The firms involved in merger activity are less profitable, although not significantly so, than comparable firms, when measures such as return on equity, return on asset, and return on sales were used (Mueller, 1980) (Singh, 1975); (Daga, 2007). There is no extensive gain in the efficiency which is defined as profit margin on sales adjusted for changes in input and output prices (Cowling et al, 1980 cited from Daga, 2007). Companies experienced an increase in turnover in post M&A, thereby growing in size and increasing market share. However, M&As are neutral to return on net worth while mixed results were found with respect to other measures used for performance evaluation (Kar & Soni, 2008). So from the above studies, it is observed that acquirers face deteriorating performance both when they are compared with companies involved in M&A and companies not nvolved in M&A deals. *2.1.2 Do M&A result in positive returns?*

Return on capital for acquirers (using tender offers) increased from 14.7 per cent to 19.6 per cent post merger in 197578. A similar measure for the period from 198183 showed a decrease in return on capital (Herman & Lowenstein, 1988). There is post merger improvement of companies involved in the merger. There is no significant increase in post merger profitability except for companies using the pooling of interest method (Ravenscraft & Scherer, 1989).

The shareholders of the acquirer companies increased their liquidity position after the merger (Pawaskar, 2001). The performance of the merged firms improves significantly following their combination. Buyers, targets, the combined firms underperform their peers in five years before the merger, and outperform their peers in five years after (Carline et al, 2004). Long term operating performance is positive, but insignificant. The acquisitions lead to improvements in long run operating cash flow performance because of both increases in return on sales (operating cash flow per dollar of sales) and in asset turnover (sales per dollar of assets) (Rahman & Limmack, 2004). The average net working capital, returns on investment, quick ratio, operating profit have increased during the postmerger years (Vanitha & Selvam, 2007). *2.1.3 Do M&A returns vary in different performance measures?* Just as different ratios have different impact as discussed above, Mantravadi & Reddy (2008) found that the impact of M&A on post

merger performance vary from industry to industry. Merger and acquisition deals done by companies in the electrical equipment sector do not impact their performance and, thus profit margins and returns on capital employed are affected less. The debt of such companies in post merger periods remains unchanged. Such a finding suggests that when the firms in this sector combine together through mergers, their scale of operations and asset base increase without hampering the profit generating capacity of the company and also the returns on the amount the company had invested. More than fifty percent of merger cases and sixty percent of acquisition cases improved financial performance in the post M&A situation compared to the pre M&A situation (Kumar & Bansal, 2008). Acquired entities almost always suffer from declining profitability after merger or realised no very little gains in terms of profitability each year after the merger Ravenscraft & Scherer, 1987); (Daga, 2007, p29&30). Sometimes for same companies involved in M&A may give both positive and negative returns. Operating synergies in the form of additional cash flows is positive (12.9 per cent) and financial synergies in the form of changes in required rate of return is negative (3.6 per cent) after M&A (Seth, 1990). Pautler (2001) made literature survey and found that pre merger and post merger studies provide no clear answers to questions about the efficiency and market power effects of M&As. In case of large scale studies (those used large sample, as viewed by Pautler, 2001) M&A are unsuccessful. There is significant gain to target firms and little or no gains to acquiring firms. Again, there is price enhancement and cost reduction in multiple merger cases. Thus, from the above literature, it is concluded that accounting based studies shows mixed results. These mixed results may be because of studies made in different countries or using different performance variables or other deal specific factors.

V. STUDIES FOCUSING ON THE EVENT STUDY APPROACH

The majority of event studies or share return studies in regards to takeover examines share returns to the acquirer and acquired over a short turn period surrounding the announcement. A number of event studies also examine share returns over a long run post acquisition period. The approach for the examination of abnormal stock returns to the shareholders of both acquirer and target around the announcement of an offer is called event studies, event being the M&A announcement.

Do the returns on share price go down?

Acquisitions are not value enhancing for shareholders (Morck, et al. 1990). Stockholders of the acquiring firm experience a statistically significant wealth loss of about 10 per cent over five years after the merger completion date (Agrawal, et al., 1992). There is a small and insignificant

abnormal return for acquirer at the date of takeover announcements (Halpern, 1973); (Mandelkar, 1974); (Ellert, 1976); (Brailsford & Knights, 1998). There is a negative relationship between management shareholdings and post acquisition performance of high tech acquisitions. High managerial ownership seems to reduce managers' risk aversion and encourage over investment in value diminishing high tech acquisitions (Sudarsanam & Gao, 2003). The acquiring firm experiences considerable deteriorating operating performance after the acquisition, but the poor performance is generally not different from industry counterparts (Yook, 2004). The stock returns to the acquiring companies are either zero or negative (Maletesta, 1983 cited from Bruner, 2004). It is also found that the post merger stock price and operating performance of the merged companies are negative and even worse than the stock price and operating performance of a control portfolio of companies that did not merge (Becker et al., 2008). The acquirers get negative returns during the M&A announcement period (Kyriazis, 2010).

Do the returns on share price go down always?

It is not always necessary that return from M&A will be negative. Various studies show evidence that shareholders of both acquiring and target firms earn positive returns from M&A. Stockholders of target firms earn large positive abnormal returns from tender offers (Dodd & Ruback, 1977); (Asquith, et al. 1983); (Dennis & McConnell, 1986); (Moeller, et al. 2004). The cumulative abnormal return is statistically significant giving positive returns to acquiring firm shareholders (Loderer & Martin, 1992); (Frederikslust, et al., 2005). Mergers and acquisitions show positive cumulative abnormal returns to the shareholders of both acquiring firm and target firms (Berkovitch & Narayana, 1993); (Bradley, et al., 1982). Target return, acquirer return and total returns are larger when targets have low q ratios and acquirers have high q ratios (Servaes, 1991). Acquisition helps in getting positive announcement returns). The cumulative abnormal return is positive (+13.27 per cent) to the target firm shareholders (Leeth & Borg, 2000). Both acquisitions and divestitures in the 1990s increased shareholder wealth (Mulherin & Boone, 2000). There is a significant, positive co movement in vertical merger activity and wealth effects, consistent with an economy wide shocks that affect both the incentives for firms to integrate vertically and the resulting efficiency gains from such mergers (Fan & Goyal, 2002). There is a long term abnormal return for acquirers. Market corrects for its overreaction to an acquisition announcement event within a short period of time and this is consistent with the long term operating performance results in the post acquisition period (Dutta & Jog, 2009).

Have returns on share price gone both up and down?

Literature suggests that M&A returns are based on who gets the returns and the timing of getting a return. M&A are the

positive net present value generating projects, for acquiring as well as target firms. But target gets more returns during announcement compared to the acquirer from mergers (Kumar & Panneerselvam, 2009). Acquiring firm shareholders make small gains before and large losses after consolidation (Leeth & Borg, 1994).

The shareholder value is found to be positive, even though it is small (Pautler, 2001). Mergers and acquisitions result in benefits to the acquired firms' shareholders and to the acquiring companies' managers while in case of losses, it is suffered by the acquiring companies' shareholders (Firth, 1980). Shareholders of target firm gain while shareholders of acquirer either gain or lose (Kaplan & Weisbach, 2012). Mergers that focus on both geography and activity are value increasing, whereas diversifying mergers do not create value (DeLong, 2001). In stock market studies, it is found that there is significant gain to target firm shareholders and little or no gain to acquiring firm shareholders around the time when the mergers and acquisitions took place. Over the long-term, in the post announcement period, acquiring firms earn lower returns relative to those earned in the reacquisition performance, but their relative performance remains exceptionally good (Rosa et al., 2003). Since the return varies in different situations, it is therefore important to know for whom performance is to be evaluated target, acquirer or combined firm; for which time period performance is to be evaluated short term or long term. There are mixed results as found in works applying event study methodology. It is therefore needed to know the results of studies that have used both accounting return and event study methods to evaluate the M&A performance.

VI. DETERMINANTS OF M&A SUCCESS AND FAILURE: HOW AND WHAT FACTORS INFLUENCE M&A?

In the previous sections, it is discussed whether M&A gives positive or negative returns. It is then important to know when M&A gives positive or negative returns to companies and the factors affecting the M&A. The factors influencing M&A are (a) Type of target private or subsidiary of another firm (b) Relative size of acquirer to target (c) Method of payment to finance the transaction (d) Industry Relatedness (e) Attitude of acquirer (f) Acquirer experience to make deal (g) Business cycle (i) Ownership structure/corporate governance (j) business health.

When do firms realise positive returns from M&A and why?

The company performance improves after five years, suggesting that the merging firm takes some time to make internal adjustments and to manage new organisations (Katsuhiko & Noriyuki, 1983). In the first year and the beginning of second year after M&A, the performance of many companies showed descending trend but later it improved. M&A need a certain period for adjustment; new

enterprises take time to adapt. In the long run, M&A enhance the operating ability of the listed company on the whole under the circumstances of pressure from government policies and market as well as the efforts of M&A companies (Xiao & Tan, 2009). Acquirers who make no immediate change to the management team of the target company following the acquisition also achieve a greater increase in post acquisition performance (Rahman & Limmack, 2004). Large sample studies and clinical studies suggest that cost cutting is a greater driver of acquisition success (Kaplan & Weisbach, 2012). Merger gains arise from the decision of over and under investment problems. Acquirers with high free cash flow have a tendency to pay too much for their targets. Examining the combined effects of free cash flow and financial leverage on bidder and target stock returns it is found that the return to the bidding firm is positive when there is change in capital structure (due to increase in amount of debt) that reduce the bidder agency cost of free cash flow (Smith & Kim, 1994). The estimated value gains from mergers stem from the opportunity to cut costs by eliminating overlapping operations and consolidating backroom operations (Houston, et al., 2001).

When does firm realise negative returns from M&A and why?

M&A hardly generate financial value because they disrupt business performance, damage profits over the short term, distract the management, and add nothing to book value of new business (Devine, 2007). Cross border mergers are frequently unsuccessful due to lack of 11 strategy and post merger integration (Hopkins, 2008). Most acquisitions do not create value due to wrong strategy, wrong information, wrong price, and wrong implementation. Economic downturn sometime turns good merger into bad. There are various reasons for M&A failure like (a) the tendency to lay too much stress on the strategic, unquantifiable benefits of the deal which leads to over valuation of acquired company. (b) the use of wrong integration strategy leads to poor actual realised synergies compared to projected ones. (c) companies think they can save cost, but practically the cost remains intact (d) cultural factors prevent knowledge sharing, thus the best practices and core competencies cannot be used. (d) the duration for cost saving is much higher which reduces the value of synergies to be generated (e) revenue growth sometimes adversely affect after a merger if customers and competitors reactions are hostile (Dash, 2010). The cumulative average excess return to the winning bidder is significantly negative due to over expected takeover gain (Varian, 1985).

Which method of payment performs better Stock or Cash deals?

The extent of improvement depends significantly on the method of payment selected for the merger (Carline, et al., 2004). Payment of the acquisition in cash in comparison to payment in shares provides better returns on average to

both the shareholders of the bidding company and the takeover target (Healy, et al., 1992); (Pautler, 2001); (Frederikslust, et al., 2005); (Kaplan & Weisbach, 2012). Acquirer's returns from equity financed acquisitions of public firms is often less than cash financed deals in the USA while the reverse is observed in European countries. Acquirer returns on equity financed acquisitions of private firms often exceed significantly in case of cash deals, particularly when the target is difficult to value (Linn & Switzer, 2001); (Chang, 2002); (Heron & Lie, 2002); (Shleifer & Vishny, 2003); (Megginson, et al., 2004); (Martynova & Renneboog, 2008); (Officer, et al., 2009); (Depamphilis, 2010).

How does firm size affect M&A performance?

The size has been defined in terms of either total assets or market capitalisation. In some cases the book value of assets closest to sample firms' asset size in the year prior to takeover is defined as size (Bild, et al., 2002). The firm with the median EBIT/ Total assets ratio at the end of the year prior to the acquisition is also termed as size (Selcuk & Yilmaz, 2011). The size of the bidding firm as well as the relative size of the target firm in relation to acquirer firm is important predictors of announcement returns for bidding, target and combined firm. The size of the acquirer is negatively associated with announcement returns for the acquirer and combined firms giving lower returns (Moeller et al., 2004). Smaller acquirers may realise higher returns than larger acquirers. The merger of relatively larger target firms showed improved profitability, though statistically insignificant, in post merger period while the mergers of relatively smaller target firms did not. Relatively small deals may generate higher returns than larger ones. Acquirer returns may be higher when the size of the acquisition is large relative to buyer and small relative to seller (Asquith et al., 1983); (Frick & Torres, 2002); (Moeller, et al., 2004); (Hackbarth & Morellec, 2008); (Gell, et al., 2008); (Kumar, 2009); (Gorton, et al., 2009); (Depamphilis, 2010). The relative size is one of the factors that influence the acquirer's operating performance in the post merger period (Mantravadi & Reddy, 2007).

How Business cycles, attitude of bidders, business health affect M&A performance?

If acquisition takes place in a boom period, performance is expected to be better, unlike those in bust (Junna, 2008). Hostile takeovers have an adverse impact on post operating performance compared to friendly takeovers that lead to good relations and positive synergies realisation. Takeover premiums are likely to be higher for hostile than for friendly targets (Carline, et al., 2004); (Daga, 2007); (Servaes, 1991). Hostile takeovers are poor performers. First of all firms go for hostile takeovers with the intention that they have unutilised resources which could be used for value creation. There is also the possibility of "hubris hypothesis". If the cases of Arcelor Mittal merger or Tata

Corus deal are taken into account, it can be found that the acquirers paid a very high price, much larger than the initial offer. While paying so much the companies are optimistic about future conomic value additions. But the strategy may go wrong. If a sick company is taken over by a good management and serious attempts are made, it is possible to turn it around successfully (Vanitha & Selvam, 2007).

VII. CONCLUSION AND SCOPE OF RESEARCH

In the light of literature review made, studies have been classified based on the evaluation criteria used for M&A financial performance either accounting based or event study based or combination of both. There are inconsistent results both in accounting and event study; it might be because the performance of M&A is not centered on the financial aspect of the business but also the nonfinancial aspect. Again, every merger and acquisition deal is different from each other and thus the objective of each deal also differs. So going deep into the objectives that the companies have framed for specific M&A deals and finding out whether they have accomplished the objectives or not can show whether M&A as a strategy gives better results for the companies or not. Many studies have been made to know whether M&A are value creating or value destroying in nature and on the factors influencing M&A. There is still scope to do a study about the factors affecting the success and failure of M&A by finding out the combinations of factors that can make a particular merger or acquisition deal successful.

REFERENCES

- [1] Adavikolanu, S., & Korrapati, R.B. (2009). A Study on Value Creation in Serial Acquisition of Technology Firms, A llied Academies International Conference, Proceedings of the Academy of Strategic Management , New Orleans, 8 (1).
- [2] Agrawal, A., Jaffe, J.F. and Mandelker, G.N. (1992) 'The PostMerger Performance of Acquiring Firms: A Reexamination of an Anomaly', The Journal of Finance , vol. 67, no. 4, pp. 16051621. 17
- [3] AkbenSelcuk, E. and AltioKYilmaz, A. (2011) 'The Impact of Mergers and Acquisitions on Acquirer Performance: Evidence', Business and Economics Journal , vol. 22, pp. 18.
- [4] Asquith, P., Bruner, R.F. and Mullins, D.W. (1983) 'The Gains to Bidding Firms from Merger', Journal of Financial Economics , vol. 11, pp. 121139.
- [5] Basu, N., Dimitrova, L. and Paeglis, I. (2009) 'Family Control and Dilution in Mergers', Journal of Banking & Finance , vol. 33, no. 5, pp. 829841.
- [6] Becker Blease, J., Goldberg, L. and Kaen, F. (2008) 'Mergers and Acquisitions as a Response to the

- Deregulation of the Electric Power Industry: Value Creation or Value Destruction?', *Journal of Regulatory Economics*, vol. 33, no. 1, pp. 2153.
- [7] Berkovitch, E. and Narayanan, M.P. (1993) 'Motives for Takeovers : An Empirical Investigation', *Journal and Financial Quantitative Analysis*, vol. 28 no. 3, pp. 347362.
- [8] Brailsford, T., & Knights, S. (1998). The financial and nonfinancial effects of corporate takeovers. Melbourne Institute of Applied Economics and Social Research, The University of Melbourne.
- [9] Brailsford, T.J. and Knights, S. (1998) 'The Financial and Non Financial Effects of Takeover', Working Paper No 23/98, Melbourne Institute of Applied Economics and Social Research, The University of Melbourne, pp. 125. available at: <http://www.melbourneinstitute.com/wp/wp1998n23.pdf> (Accessed 6 June 2010)
- [10] Brouters, K.D., Hastenburg, P.V. and Ven, J.V.D. (1998) 'If Most Mergers Fail Why Are They So Popular?', *Long Range Planning*, vol. 31, no. 3, pp. 347353.
- [11] Bruner, R.F. (2004) 'Does M&A Pay?', in Bruner, R.F. (ed.) *Applied Mergers and Acquisitions*, United States: John Wiley & Sons, Inc.
- [12] Carline, N.F., Linn, S.C. and Yadava, P.K. (2009) 'Operating performance changes associated with Corporate Mergers and the Role of Corporate Governance', *Journal of Banking & Finance*, vol. 33, no. 10, pp. 18291841.
- [13] Chakrabarti, R. (2008) 'Do Indian Acquisitions Create Value?', *I CRA Bulletin : Money and Finance*, pp. 6173,
- [14] Daga, V. (2007). Post Merger Profitability Analysis of Shareholders: Evidence from Europe, Unpublished Master's Dissertation, available at: <http://edissertations.nottingham.ac.uk/1094/1/07MAIixvd1.pdf> (Accessed on 16 April 2015)
- [15] DeLong, G. L. (2001) 'Stockholder Gains from Focusing versus Diversifying Bank Mergers', *Journal of Financial Economics*, vol. 59 no. 2, pp.221252.
- [16] Dennis, D.K. and McConnell, J.J. (1986) 'Corporate Mergers and Security Returns', *Journal of Financial Economics*, vol. 16, pp. 143187.
- [17] Devine, M. (2007) *Fusion and Fission: M&A Success and Failure, Successful Mergers: Getting the people's Issues Right*, London: The Economist Newspaper Ltd and Profile Books Ltd.
- [18] Dickerson, A.P., Gibson, H.D. and Tsakalotos, E. (1997) 'The Impact of Acquisitions on Company Performance: Evidence from a Large Panel of UK', *Oxford Economic Papers, New Series*, vol. 49, no. 3, pp. 344361.
- [19] Dodd, P., and Ruback, R. (1977) 'Tender Offers and Shareholder Returns: An Empirical Analysis', *Journal of Financial Economics*, vol. 5, no. 3, pp. 371374.
- [20] Dutta, S., and Jog, V. (2009) 'The LongTerm Performance of Acquiring Firms: A ReExamination of an Anomaly', *Journal of Banking & Finance*, vol. 33, no. 8, pp. 140141