

Table 4**Median Age and Fraction of IPOs with VC and Buyout Backing, 1980-2008**

7,377 IPOs with an offer price below \$5.00 per share, unit offers, ADRs, closed-end funds, partnerships, acquisition companies, REITs, bank and S&L IPOs, and firms not listed on CRSP are excluded. Missing numbers are supplemented by direct inspection of prospectuses on EDGAR, information from Dealogic for IPOs after 1991, Howard and Co.'s *Going Public: The IPO Reporter* from 1980-1985, and the Graeme Howard-Todd Huxster collection of IPO prospectuses for 1975-2006. Tech stocks are defined as internet-related stocks plus other technology stocks, not including biotech. Loughran and Ritter (2004) list the SIC codes in their appendix 3 and sources of founding dates in appendix 1. Age is defined as the year of the IPO minus the year of founding. For buyout-backed IPOs, the founding date of the predecessor company is used. VC-backed firms exclude private equity firms that are mainly buyout firms. Private equity (PE) or buyout-backed IPOs were restricted to "reverse LBOs" in the 1980s and 1990s. Jerry Cao has provided information on which IPOs are buyout-backed.

Year	Number of IPOs	IPOs w/ Missing Age	Median Age	Percentage VC-backed	Percentage buyout-backed	Technology IPOs	
						Number	% VC-backed
1980	73	0	6	33%	n.a.	23	61%
1981	197	0	8	29%	n.a.	73	40%
1982	81	0	5	26%	n.a.	42	36%
1983	451	1	7	26%	n.a.	172	38%
1984	178	2	7.5	25%	n.a.	51	51%
1985	185	0	8	20%	8%	35	46%
1986	397	3	7	20%	11%	74	42%
1987	291	7	6	23%	13%	59	64%
1988	102	0	7.5	32%	8%	26	62%
1989	110	0	7	35%	9%	33	61%
1990	110	4	8	40%	12%	30	77%
1991	280	0	9	39%	27%	67	64%
1992	397	2	9	35%	24%	102	64%
1993	490	1	8	35%	16%	114	74%
1994	405	3	8	33%	5%	115	56%
1995	458	0	7	40%	6%	195	57%
1996	675	0	7	38%	5%	264	56%
1997	474	0	8.5	27%	7%	169	42%
1998	284	0	7	26%	12%	112	47%
1999	477	0	4	56%	7%	368	65%
2000	382	0	6	63%	8%	261	68%
2001	80	0	12	36%	31%	23	70%
2002	66	0	14.5	21%	42%	20	45%
2003	63	0	11	38%	33%	17	59%
2004	174	0	8	45%	25%	61	66%
2005	161	0	11	28%	42%	45	49%
2006	157	0	13	34%	44%	46	52%
2007	159	0	9	41%	21%	72	61%
2008	21	0	14	43%	14%	5	80%
1980-1989	2,065	13	7	25%	n.a.	588	46%
1990-1994	1,682	10	8	35%	16%	428	65%
1995-1998	1,891	0	7	34%	7%	740	52%
1999-2000	859	0	5	59%	8%	629	66%
2001-2008	881	0	10	36%	33%	289	58%
1980-2008	7,378	23	8	35%	14%	2,674	57%

Table 16**Long-run Returns on IPOs Categorized by VC-backing or Buyout Fund-backing**

All Last Twelve Months (LTM) sales figures for the firms going public have been converted into dollars of 2006 purchasing power using the Consumer Price Index. IPOs from 1980-2006 are used, with returns calculated through the end of December, 2008. In Panel A, the sample size is 7,071 firms for which sales data is available. IPOs with an offer price below \$5.00 per share, unit offers, ADRs, REITs, closed end funds, partnerships, banks and S&Ls, and IPOs not listed on CRSP within six months of the offer date are excluded. In Panel B, two additional screens are implemented, reducing the sample size. These two additional screens are that the last twelve months (LTM) sales of the issuing firm is at least \$50 million (2005 purchasing power) and that the IPO occurred in 1985-2006, since I do not have information on buyout-backed IPOs from 1980-1984. Buy-and-hold returns are calculated until the earlier of the three-year anniversary or the delisting date (Dec. 31 of 2008 for IPOs from 2006). Market-adjusted returns use the CRSP value-weighted index. All returns include dividends and capital gains. Style adjustments use firms matched by market cap and book-to-market ratio with at least five years of CRSP listing and no follow-on equity issues in the prior five years. All returns include dividends and capital gains, including the index returns. Jerry Cao of Singapore Management University has assisted in providing data on the classification of IPOs as buyout-backed.

Panel A: IPOs from 1980-2006 categorized by venture capital backing

VC-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
VC-backed	2,463	28.1%	24.9%	-12.9%	2.5%
NonVC-backed	4,608	12.7%	20.1%	-24.3%	-11.0%
NonVC and nonBuyout	3,749	13.6%	16.7%	-31.1%	-14.4%
All	7,071	18.1%	21.8%	-20.3%	-6.3%

Note: The nonVC- and nonBuyout-backed IPOs do not include a minimum sales screen, unlike in Panel B.

Panel B: IPOs with at least \$50 million in LTM sales (2005 purchasing power) from 1985-2006 categorized by private equity (buyout fund) backing

Buyout-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
Buyout-backed	746	8.7%	36.8%	7.1%	5.0%
NonBuyout-backed	2,216	13.7%	40.1%	-5.0%	3.7%
All	2,962	12.5%	39.3%	-1.9%	4.0%

Table 17
Long-run Returns on IPOs Categorized by VC-backing, by Subperiod

IPOs from 1980-2006 are used, with returns calculated through the end of December, 2008. In Panel A, the sample size is 7,094 firms. (Unlike Table 16, information on sales is not required for this table, which adds 23 IPOs.) IPOs with an offer price below \$5.00 per share, unit offers, ADRs, REITs, closed end funds, SPACs, most partnerships, banks and S&Ls, and IPOs not listed on CRSP within six months of the offer date are excluded. Buy-and-hold returns are calculated until the earlier of the three-year anniversary or the delisting date (Dec. 31 of 2008 for IPOs from 2006). Market-adjusted returns use the CRSP value-weighted index. All returns include dividends and capital gains. Style adjustments use firms matched by market cap and book-to-market ratio with at least five years of CRSP listing and no follow-on equity issues in the prior five years. All returns include dividends and capital gains, including the index returns. Only IPOs for which the post-issue book value of equity information is available are included.

Panel A: IPOs from 1980-2006 categorized by venture capital backing

VC-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
VC-backed	2,465	28.1%	24.9%	-12.9%	2.6%
NonVC-backed	4,629	12.7%	20.4%	-23.9%	-10.7%
All	7,094	18.1%	22.0%	-20.1%	-6.0%

Panel B: 1980-1989

VC-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
VC-backed	510	8.5%	32.3%	-13.4%	15.5%
NonVC-backed	1,516	6.8%	18.8%	-26.0%	-2.2%
All	2,026	7.2%	22.2%	-22.8%	2.2%

Panel C: 1990-1998

VC-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
VC-backed	1,229	17.5%	59.7%	-2.3%	26.3%
NonVC-backed	2,310	13.3%	28.9%	-31.0%	-12.9%
All	3,539	14.8%	39.6%	-21.0%	0.7%

Panel D: 1999-2000

VC-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
VC-backed	487	82.3%	-62.1%	-40.3%	-62.5%
NonVC-backed	347	37.9%	-36.4%	-15.7%	-51.5%
All	834	63.8%	-51.4%	-30.1%	-57.9%

Panel E: 2001-2006

VC-backed or not	Number of IPOs	Average First-day Return	Average 3-year Buy-and-hold Return		
			IPOs	Market-adjusted	Style-adjusted
VC-backed	239	14.2%	7.4%	-10.3%	-14.4%
NonVC-backed	456	10.2%	26.4%	12.6%	4.1%
All	695	11.6%	19.9%	4.7%	-2.3%