

B40.2304 - Restructuring Firms and Industries
NYU Stern School of Business

Spring 2012
Saturday, 9:00am – 12:00pm
Location: TBD

Adjunct Prof. Stacy Dick
Office Hours: *by appointment*

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Description: Issues in strategic transactions, corporate finance and corporate governance. The course encompasses five broad topics: (i) the corporation in context: legal, financial, industrial and historical frameworks, (ii) conceptual and practical issues in a broad range of corporate strategic/financial transactions, (iii) corporate governance mechanisms (internal and external), (iv) corporate financial strategy (leverage, risk and incentives), and (v) other related topics (financial distress, emerging regulation).

Transactions are covered in a sequence that mirrors the life cycle of many companies: transition from private to public ownership (IPO), growth and diversification (mergers and acquisitions), governance challenges (proxy contests), restructuring (spin-offs, spin-outs, divestitures, LBOs) and financial distress/bankruptcy/re-emergence.

Each three-hour class will include a discussion of theoretical and practical considerations necessary for a deep understanding of each topic area and will also draw upon several recent real-world examples. Extensive classroom discussion of cases will be encouraged to further reinforce the themes of the course.

Prerequisites: Because this course addresses advanced topics in finance, prerequisites include Foundations in Finance (B01.2311 or B01.2302) and Corporate Finance (B40.2302). *These prerequisites cannot be waived by the instructor, so please contact the registrar with questions.*

Textbook:

Gaughan, Patrick A.; Mergers, Acquisitions, and Corporate Restructurings (5th ed., 2007); Wiley

Weekly reading packages: Each week, reading packets for the next class will be distributed in class and posted on the class Blackboard site.

Course requirements: Each student will be expected to complete one take-home exam, a final exam due approximately one week following the last class on May 5th. Classroom participation can supplement exam grades by as much as 25%.

Weekly lecture topics (subject to change):

Feb. 11: Course Introduction/Overview
Feb. 18: Markets, Corporations and IPOs
Mar. 25: Agency and Governance Problems
Mar. 3: The Market for Corporate Control
Mar. 10: Intro. to “Friendly” M&A

Mar. 17:	No class (Spring Break)
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Mar. 24: “Friendly” M&A (cont.)
Mar. 31: “Unfriendly” M&A
Apr. 7: “Unfriendly” M&A/Intro. to Spinoffs
Apr. 14: Spinoffs, spin-outs, etc.
Apr. 21: LBOs, Risk and Incentives
Apr. 28: LBOs (cont.) / Bankruptcy
May 5: Bankruptcy (cont.) / Wrap-up