

Initial public offerings of start-up firms: evidence from Japan*

Yuji Honjo[†]

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Abstract

This paper explores the IPOs of start-up firms in Japan. Using a survival analysis approach, we examine what factors affect the duration to IPO. We provide evidence that initial firm size induces the likelihood of an IPO with a short period. In addition, the results indicate that start-up firms relying on equity financing are more likely to go public with a short period, while those firms relying on bank credit do not tend to go public. Furthermore, we find that start-up firms in the information and communication technology (ICT) industry are more likely to go public.

JEL Classification: C24; G32; M13

Keywords: Exit; Initial public offering; Initial funding; Start-up; Survival analysis

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[†]Faculty of Commerce, Chuo University, Hachioji, Tokyo 192-0393, Japan
E-mail: yhonjo@tamacc.chuo-u.ac.jp