

Facebook IPO targeted for mid-May, source says

April 20 2012, By Peter Delevett, San Jose Mercury News



Citing "multiple sources close to the company," a popular technology blog has reported that Facebook Inc. officials have chosen May 17 as the date to launch their eagerly awaited initial public offering.

But a source told the San Jose Mercury News that the actual date is not set in stone and could be a few days earlier.

The social network's IPO is easily the most-anticipated tech stock debut in a decade. The company, founded in 2004 in a Harvard University dorm room, is looking to raise \$5 billion in the offering. That easily outpoints the \$1.9 billion [Google](#) raked in through its 2004 IPO - the largest to date for an [Internet company](#).

A [Facebook](#) spokesman declined to comment to the Mercury News on the TechCrunch report about the IPO date. As is typical when companies are in the pre-IPO "quiet period" mandated by the U.S. [Securities and Exchange Commission](#), Facebook has generally declined to answer any questions related to the stock offering.

A person close to the company, however, told the Mercury News that while May 17 falls within the general range Facebook has been targeting for its Wall Street debut, "nobody really knows what the date is. It's going to depend on the SEC."

If the IPO is indeed set for the third week of May, Facebook likely would begin its two-week "road show," during which it would tout the stock to institutional investors, the week of April 30.

Sam Hamadeh, a New York analyst who has been closely following the Facebook IPO, said people close to the deal have told him the stock launch actually may come a day or two before TechCrunch's target.

"We've verified that the road show is targeted to begin by April 30 and wrap by May 11," said Hamadeh, a former investment banker who is now CEO of PrivCo. "But once that wraps, they want to go public as soon as possible."

That could be as soon as May 14, he's been told, but no later than May 18. The company wants the deal done before the following week's Memorial Day weekend.

The road show, he added, will likely take a day or two longer than usual because Facebook and its investment bankers plan to add a couple of overseas stops, given tremendous worldwide demand from investors. Those include London and possibly Hong Kong, he said.

Hamadeh also said he's confirmed that Facebook is nearly finished updating its first-quarter financial records for the SEC's review, a necessary step before the road show can be scheduled.

Scott Sellers, CEO of Sunnyvale, Calif.-based Azul Systems, said that whenever it happens, "The Facebook [IPO](#) is going to have a tremendously positive effect on Silicon Valley," with employees over time using their newfound wealth and status to seed a new generation of startups.

As a co-founder of graphics processing company 3dfx Interactive, which went public in the dot-com era, Sellers said he empathizes with Facebook CEO Mark Zuckerberg and his team.

"Founders are inundated with people coming out of the woodwork offering all kinds of things," he said. "You've got other entrepreneurs seeking advice, investment seekers, philanthropic opportunities, public speaking slots, and on and on."

Given the pressure to deliver on financial projections and jump through all the regulatory hoops, he said, "it's challenging to stay focused on running the business. But even with the stress and distraction, there's just nothing quite like seeing your ticker symbol scroll across the exchange screen for the first time."

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