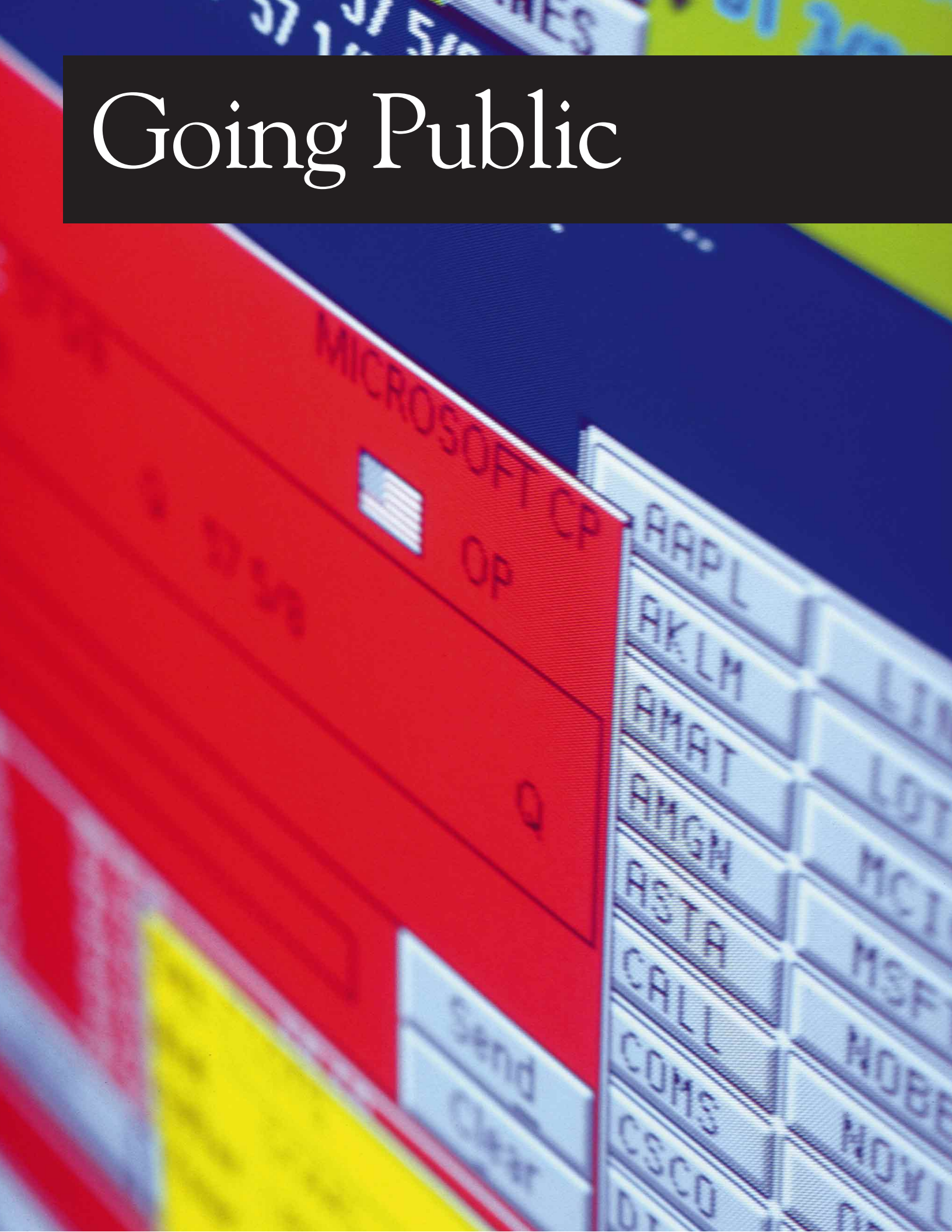


Going Public



Going Public

The Nasdaq Stock Market

Preface

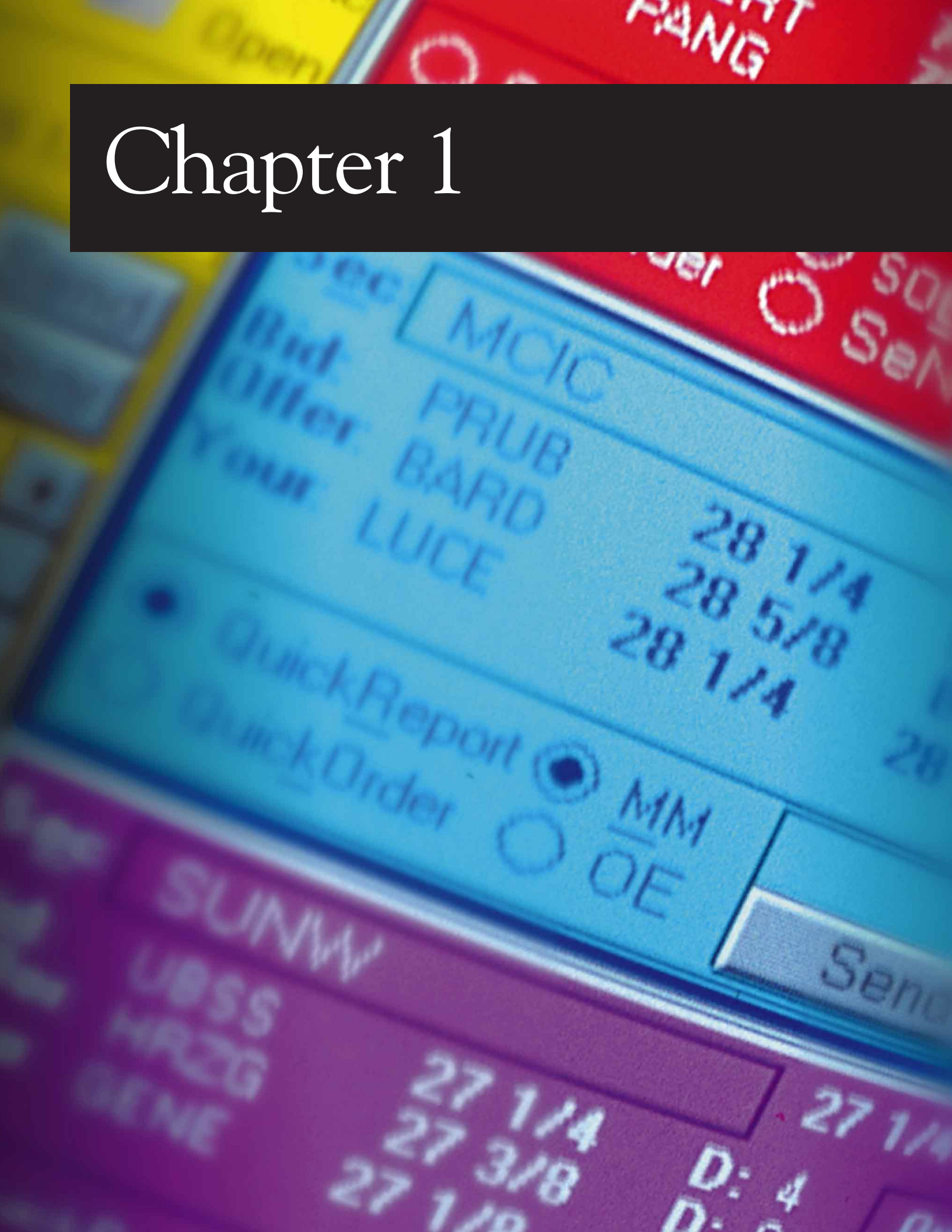
*Taking your company public through an initial public offering (IPO) is a major undertaking for any entrepreneur. The event is at once a source of pride, an opportunity for business growth, and a serious legal responsibility. You are wise to consult many different professionals for authoritative counsel. These advisers are usually members of the investment banking, legal, and accounting professions—as they should be. **Going Public** supplements their valuable perspectives with that of a stock market and securities industry self-regulatory organization. The Nasdaq Stock MarketSM hopes that you find this publication helpful and wishes you great success.*

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Chapter 1



Going Public: Benefits and Responsibilities

When you take your company public, you gain certain benefits by assuming additional responsibilities. Both the advantages and disadvantages result from the fact that your



company will become a public property. By sharing ownership, you spread the company's reputation and increase its business opportunities. At the same time, you give up your exclusive control of its future.

Benefits

Expands access to capital. The public market is potentially the most substantial source of corporate funding. An initial equity offering can immediately bring considerable proceeds to a company. Subsequently, the public company can return to the market for additional capital through secondary equity offerings. The public company is also in a position to consider bond or convertible bond issues. Finally, a more favorable balance of equity to debt should allow greater bank financing and better terms.

Increases employee commitment and recruiting power. A public company can institute a stock purchase plan for employees, which, in effect, makes employees owners of the company where they work. It also may offer them an attractive investment on favorable terms. Such plans tend to elicit a stronger employee commitment to productivity and quality, since they link employees' financial future to the company's success. At the same time, these plans express the company's good will through its offer to share ownership. Similarly, stock-option bonus arrangements are attractive com-

compensation to financially savvy executives that link a portion of their compensation to the company's future; in essence, to their own managerial performance. Moreover, such plans tend to put a company's stock in predominantly friendly hands and sometimes can, should an undesirable takeover threat arise, be developed into a defense strategy.

Complements product marketing. Most companies' customers are, at the same time, investors themselves, exposed to the standard information flow of a public company. Articles about the company in local and regional newspapers and magazines—resulting from the company's news releases, media relations initiatives, and business journalist inquiries—will inevitably report on the company's products and services. National newspapers and magazines are much more likely to cover public companies than private companies and focus on products from a positioning and market-share perspective. Local radio and television business programs may contribute to this exposure. Even the daily stock market tables contribute to public awareness of the company. Likewise, the company's annual report, quarterly reports, and corporate identity brochures publicize the company's products as they define the company, outline strategy, and report on performance. Securities analyst reports serve the same function, but from an objective, analytical point of view. Such publicity can be an effective, if indirect, reinforcement of the company's advertising and product-promotion initiatives.

Expands business relationships. The publicity that a public company generates by meeting its disclosure obligations can also bring it to the attention of prospective suppliers and distributors as well as potential partner companies for joint ventures, and sometimes the research laboratory or inventor with a marketable idea. Such relationships, existing or future, are strengthened by the added confidence that comes from knowing that the company has met stringent Securities and Exchange Commission (SEC) reporting requirements and stock market financial and corporate governance listing standards. The assurance that a company's financial condition is subject to continuing scrutiny by the market may even affect various business negotiations favorably.

Facilitates mergers and acquisitions activity. A public company is better able to finance cash acquisitions because it has the option of raising additional cash through an offering. Alternatively, a public company can use its own stock and maintain its cash position. For acquisitions financed by an exchange of stock, a public company can offer a valuation determined by the market, avoiding the complications of calculating the value of a private company. Finally, in a merger, a public company offers the certainty of public disclosure and broad-based shareholder scrutiny when considering financial condition and operations.

Provides flexibility in personal financial planning. Shares of a public company are much more liquid than those of a private enterprise that can aid personal financial management, including portfolio diversification and asset allocation, as well as the eventual disposition of an estate. Given their public market valuation, calculating the proceeds from the sale of public shares can be done with some certainty. Moreover, the ability to time their conversion to cash, while observing insider selling restrictions and market trends, is greatly increased.

Responsibilities

Sharing corporate control. While the owner of a private company with venture capital financing is never entirely free to make strategic decisions unilaterally, a public company shares even more of the decision-making. Stock markets require independent members of the board of directors to provide precisely an objective review of management's policies. Certain corporate actions require shareholder approval, such as increasing the number of shares outstanding, creating a new class of stock, stock-option compensation plans, employee stock purchase plans, and mergers and acquisitions. Even in decisions where shareholder approval is not required by law, their interests, opinions, and reactions must be taken into account. Of course, your goal and theirs will largely be the same—enhancing corporate profitability—though you may inevitably disagree on the policies and methods to use and the timetable to follow. Also, your degree of control—measured in terms of the number of shares that you hold—may be reduced by secondary offerings or large shareholders acting individually or in concert to change the composition of the board or even replace management. Depending upon the economic environment and company performance, an unsolicited tender offer could wrest the company away from you entirely.

Sharing financial gain. The owner of a venture-capital financed private company is already sharing the profits in one way or another, but an initial public offering will vastly increase the number of those entitled, however indirectly, to a portion of the fruits of your labor. Such distributions are inherent to public share ownership of the company. Public companies with uneven cash flow may be pressured to make one-time or irregular dividend payments when revenues permit, while others with established cash-flow levels may be expected to institute regular periodic dividend payments. For certain growth companies, on the other hand, stock price appreciation may be the mechanism for rewarding shareholders. Indeed, investors merely selling shares in the public market after a price increase due to strong company performance is a kind of sharing in financial success, whatever the consequences.

Managing for shareholder value. Senior management of a public company and its board of directors are ultimately accountable to the shareholders and, therefore, must perform their fiduciary responsibilities diligently. Furthermore, because corporate control of a public company ultimately rests with the shareholders themselves, the objectives of any strategic decision must include enhancing shareholder value. Stock price itself will become a factor in management's deliberations. Since shareholder value is often measured in terms of the share price-to-earnings multiple, certain actions such as stock buy backs, may even be adopted specifically to increase that ratio. Others, such as stock splits, will be instituted simply to respond to the preferences of a large portion of the shareholder base. All of these measures, as well as strategic decisions directly affecting operations, need to be communicated to the market within the context of an ongoing investor relations (IR) program. Such a program positions the company with its shareholders and makes explicit to them the full value of their ownership position—value that they might not otherwise perceive.

Sharing strategic information. Periodic financial reporting, required by law, is an added business expense for a public company. This financial information and the required disclosure of material developments to shareholders may at times result in sharing what you, as the owner of a private company, would have previously considered confidential, proprietary strategic information. On the other hand, there is a wealth of competitive information on operations that is not required to be disclosed and, if known to competitors, would be as damaging to shareholders, in sacrificing the company's competitive edge, as the withholding of material information from them. Thus, while you must tell more than you ever thought advisable before going public, your company's competitive outlook ultimately should not be adversely affected by these disclosures. Prompt, clear disclosures will, in fact, help to build shareholder loyalty and the good will of the general public.

Start-up and ongoing costs. The initial and continuous costs involved in going public can be very high. In the beginning, substantial fees are required for various functions of the going public venture, such as underwriting discounts and commissions, as well as costs for accountants and attorneys. There are also filing, registration, and transfer agent fees involved. After your company goes public, you must consider the ongoing expenses of producing information for shareholders and regulatory entities, as well as continuing fees to lawyers and accountants as your company grows. Sample costs of going public are provided in the table below.

The following table provides examples of the costs associated with a \$25 million and \$50 million dollar offering. These figures are to serve as estimates so a company can plan accordingly.

Estimated Cost of Going Public

Offering Value: Item	\$25 million Estimated Fee	\$50 million Estimated Fee
Underwriting Discounts & Commissions	\$1,750,000 ¹	\$3,500,000 ¹
Item 13 from Registration Statement		
SEC Fees	9,914 ²	19,828 ²
NASD Fees	3,375 ³	6,250 ³
Printing and Engraving	100,000 ⁵	100,000 ⁵
Accounting Fees & Expenses	160,000 ⁵	160,000 ⁵
Legal Fees & Expenses	200,000 ⁵	200,000 ⁵
Blue-Sky Fees	15,000 ⁵	15,000 ⁵
Miscellaneous	34,200 ⁵	34,200 ⁵
Nasdaq Listing Fees	32,200 ⁴	35,000 ⁴
Transfer Agent & Registrar Fees	5,000 ⁵	5,000 ⁵
Total	\$2,309,689	\$4,075,278

¹ Typically 7 percent of the offering value, exclusive of over-allotment shares

² 1/29 of 1 percent of the offering value, inclusive of over-allotment shares

³ \$500 + .01 percent of the offering value, inclusive of over-allotment shares, not to exceed \$30,500

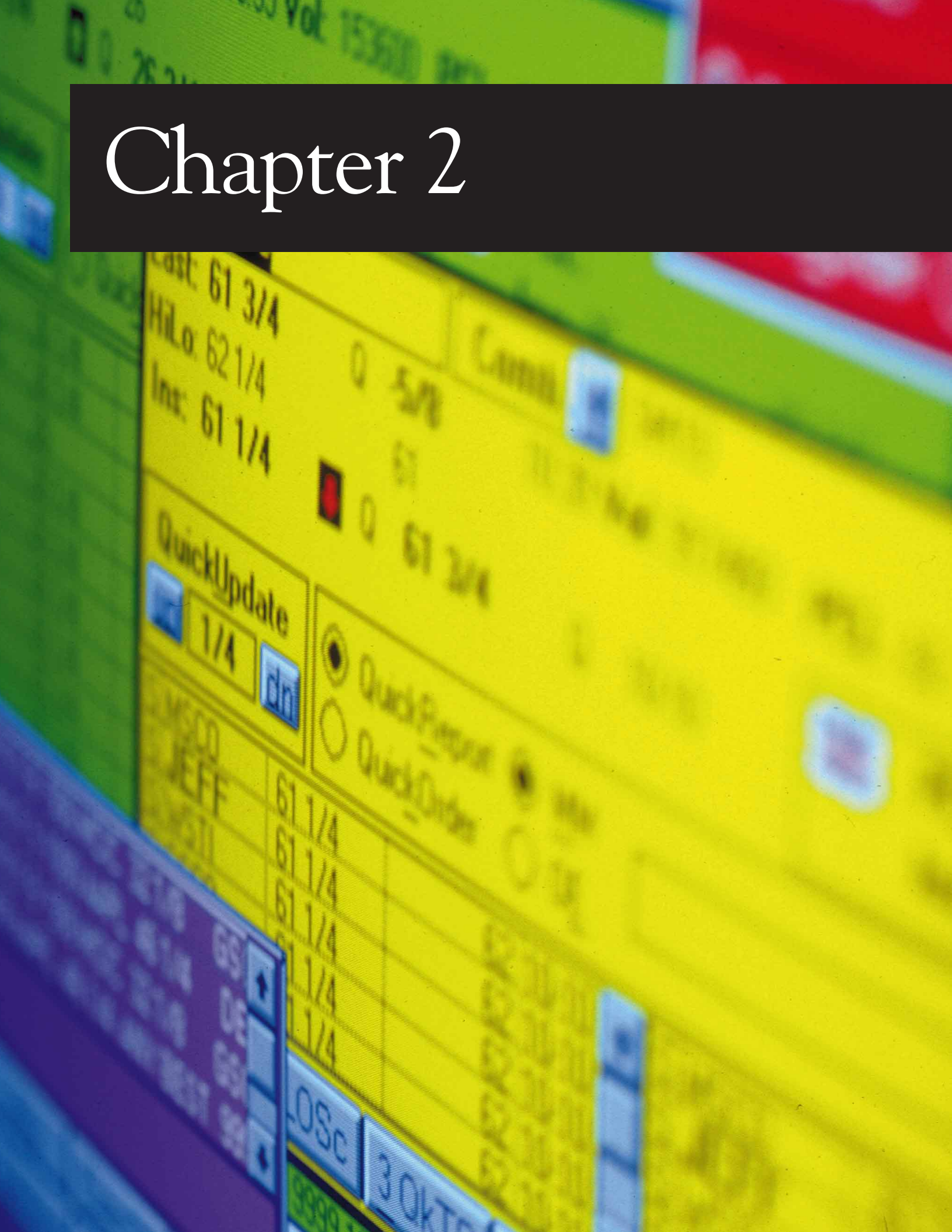
⁴ \$5,000 + \$.005 per first 5 million shares, \$.0025 per next 5 million shares, \$.001 per remaining shares, not to exceed \$50,000

⁵ Mean value

Relinquishing control over personal assets invested in the company.

Although your investment in a public company will be more liquid than if the company were still private, your control over liquidating that asset will nevertheless be limited. You may not trade shares purchased in the secondary market in response to nonpublic material information. In addition, there are periods specified by law when shares may not be traded at the time of earnings announcements, and periods when shares purchased in the public market may not be resold. Moreover, you must be careful to avoid even the appearance of trading on nonpublic material information, because such activity by insiders is used to support fraud claims in securities class-action lawsuits. Also, selling by high-ranking insiders can adversely affect market confidence in your company while buying sends a positive signal. Both should be coordinated with the flow of company events and an ongoing investor relations strategy. Establishing trading windows for corporate officers and monitoring such trading can help to ensure compliance and reinforce strategic goals, giving peace of mind even in the face of less freedom. Finally, stock issued when the company was private is still “restricted” under SEC Rule 144 even after the IPO. Such privately placed stock (and any other stock acquired by corporate officers in the public market) is subject to the Rule’s sale restrictions unless it is included in a subsequent public offering.

Chapter 2



The Company Role and Selecting the Team:

Company Officers, Investment Bankers, Attorneys, Accountants

The private company may already have one or more of the appropriate members of the underwriting



team—investment bank, law firm, accounting firm—serving it on a regular basis. More likely, however, you will need either to review existing relationships or establish new ones that will serve you well through-

out the IPO process. In fact, you will probably continue your relationship with these professionals for some time after the underwriting. Personal rapport will, of course, be important. You will need to feel comfortable confiding sensitive information, secure that appropriate discretion will be observed, and confident in the honesty and accuracy of all advice.

The company role. Before selecting the team to take your company public, the top company executives must be ready to take on the responsibility and time involved in going public, and more importantly being public. The company's CEO and other close advisers will need to play a key role in the formation of the team, and will have to make complex decisions throughout the process of going public based on a review of information generated by the team.

The company's executives also must have a business plan prepared well in advance of making the decision to go public. The business plan should outline your company's strengths and weaknesses. It will also serve to "sell" your company to various entities by demonstrating the viability of your company and your plans to go public.

Act like a public company. It is imperative to begin to think and act like a public company—develop a publicly held attitude and mindset—as soon as possible. This includes addressing housekeeping issues such as cleaning up financials, establishing or reviewing internal controls, and reviewing company bylaws and stock option plans.

Prior to going public, companies should consider establishing and reviewing policies for corporate communications, developing investor and public relations programs, and setting aside resources to communicate with new constituents. It is necessary to develop standards for timely annual and quarterly filings with the SEC and to prepare for after-market support for new vendors and current team members.

This will prepare you for going public and, better yet, being public. It will also save on accounting fees and cut down on the time it takes to go public.

Time factor. Going public will take a great deal of time. Assigning someone to take the company public may prove beneficial so that the company is not derailed from its current business objectives. Once public, the CEO must address the responsibilities of being public and communicating and interacting with many new constituents.

The CEO or designated IR manager will dedicate a significant amount of time to managing and communicating to a variety of new constituents: research analysts, portfolio managers, and individual investors. It is best to prepare for this role in the earliest stages of going public.

Choosing an Investment Banker

Interest. At the outset, you need to make sure that you select an investment banker who will be the most likely to provide your particular IPO with the attention that it deserves and, afterwards, demonstrate a long-term interest in your company. Desirable ongoing post-IPO service includes proposals on financing alternatives, balance sheet structures, as well as advice on strategic decisions, in addition to trading support and continual research coverage. (See "NASD Review for Fair Underwriting Compensation, Terms, and Arrangements" in Chapter 3.) Prospective public companies and their IPOs differ, first, according to size of offering and, second, age of company and extent of its operations. There are global, full-service firms; smaller, full-service national firms with international capabilities; regional firms with in-depth geographic knowledge and varying product offerings; and boutiques, concentrated throughout the country, with an industry-sector or product specialty. Select an investment bank that

matches your company's particular stage in its life cycle. This will not always be the global firm, but if you are well served now by a high-quality, if less visible, firm, you may eventually grow to attract the attention of others. Increasingly, companies are choosing a regional firm and a national or global firm to manage and co-manage, respectively, their IPO.

Transaction experience. Not only should the investment banker have experience putting together IPOs, but preferably equity underwritings of the size you contemplate. Stock offerings of various sizes by companies of varying size and age pose their own unique challenges. The investment banker should be sufficiently knowledgeable and creative to propose effective structural solutions for your company's individual financial and strategic requirements. Finally, your underwriter should have experience in other kinds of financings and restructurings so that it can suggest useful capital formation measures in the future when equity offerings will not be most desirable.

Industry knowledge. Your investment banker will be able to serve you better if the banker has a working knowledge of your company's industry sector—its markets, business cycles, products, and competitors; common balance sheet structures and financial approaches to operations; investor expectations, characteristic financing techniques beyond IPOs, and, eventually, potential acquisition targets and joint venture partners.

Distribution capability. The ability to sell your company's stock and to target the desired type of investor purchasing it can affect the initial success of the offering, its subsequent market performance, and even long-range corporate control. Your investment banker should be able to place your stock with individual investors and institutions in the desired mix, targeting a particular region of the country if necessary, and perhaps bring in some international ownership. The underwriter should be able to arrange the appropriate syndicate to supplement its own placement strengths.

Market making. An appropriate volume of stock trading is essential to the long-term financial viability of your public company. If you go public on The Nasdaq Stock Market, your underwriter should commit to becoming a market maker in your company's stock and trade actively in it. You may wish to visit the market maker's trading room to observe its level of activity and meet the prospective traders of your stock. Other members of the selling syndicate should become market makers as well. Subsequent to the IPO, statistics on trading volume, quotations, and spreads will be available for your review.

Research. The visibility of your company with investors is a key ingredient of market performance. Periodic research reports keep your company before the eyes of institutional investors and brokers, who, in turn, will bring it to the attention of their retail clients. It is preferable if your underwriter has a strong, active research department and has indicated a long-term commitment to your company by assigning an analyst to follow it. Again, you may want to meet the analyst who will be assigned to your company before the IPO to become familiar with his or her background, analytical style, and predilections in communicating with

companies. You should be careful, however, not to discuss the impending offering or any non-public information about your company. If you reveal information to analysts that the company has not yet announced publicly, you have made them, in effect, insiders, and they must then refrain from issuing reports until the company reveals the information to the public.

Choosing a Law Firm

Experience with underwritings. The attorney that you select to handle your initial public offering should be familiar with the underwriting process, including the rules, regulations, and protocols that govern it. Your attorney should also be accustomed to dealing with the SEC, the National Association of Securities Dealers, Inc. (NASD[®]) and the state securities commissions regarding prospectus approval, both in writing and over the telephone. For example, your attorney needs to know how to coordinate correspondence with staff of regulatory agencies, how to handle SEC filings, and must be familiar with the registration process, including the review of the prospectus and the registration statement. Such familiarity not only ensures that proper procedures are observed, but also helps to avoid inordinate delays because points of objection can be anticipated and remedied before filing.

Industry knowledge. Because corporate counsel will draft the prospectus, industry knowledge can be crucial to the description of the company's business and management's discussion and analysis, but particularly in identifying industry risks and judging if disclosure is adequate.

Full-service capability. A full-service law firm can provide helpful, convenient, and probably cost-effective advice to your principal attorney in matters of due diligence. Should issues about real property, intellectual property, patents, 401(k) plans, labor, or environment, for example, be raised, there likely will be a specialist on staff to provide an opinion.

Choosing an Accounting Firm

Stature in profession. Usually, any company about to tap the public market should retain a national accounting firm or a firm that is a member of the American Institute of Certified Public Accountants (AICPA).

Their stature will give your audited financial statements more credibility with investors, and their “comfort letter”—assuring that there is no indication that the unaudited financial data appearing in the prospectus do not consistently follow generally accepted accounting principles—will more readily give other members of the team confidence in the document.

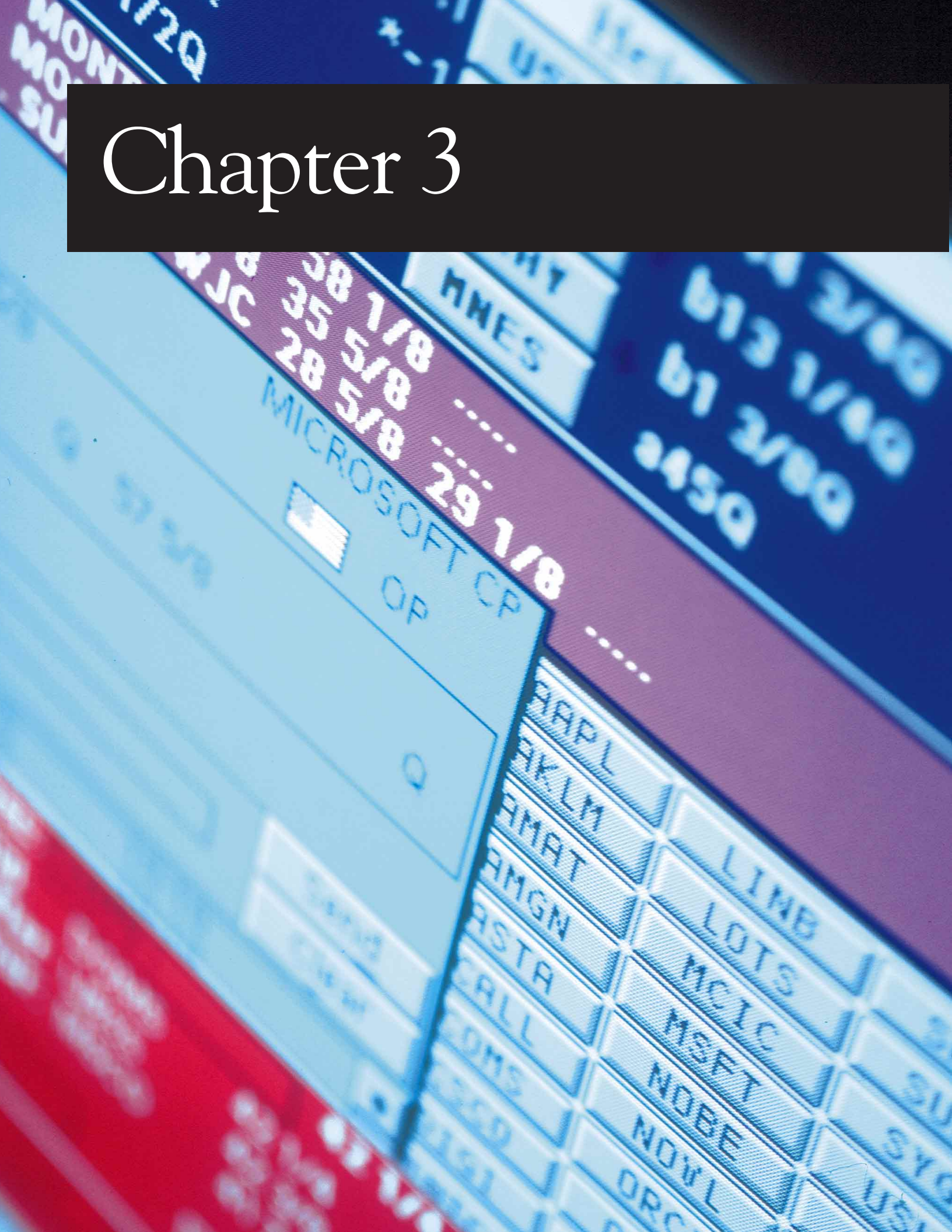
Industry experience. Your accountant should be familiar with Financial Accounting Standards Board (FASB) guidelines in general and any pertaining to your industry in particular. Your accountant should also be knowledgeable about how revenue is customarily recognized in your industry as well as acceptable reporting alternatives. Sales, for instance, are booked differently from one industry to another, and flexibility will be particularly advantageous in cases where the distinction between product and service is not clear. Also, your accountant should be able to guide you through the calendar of necessary SEC filing requirements.

Familiarity with emerging growth companies. Because emerging growth companies tend to employ such incentive compensation arrangements as stock options, your accountant should be familiar with the varying consequences of reporting them according to the different models in use and make a judicious selection based on experience. Also, accountants accustomed to working with companies in the early stages of their development can be particularly helpful in designing and implementing effective financial systems and controls. Accountants can assist with preparing strong financial disclosure statements, and can advise you on corporate and personal tax implications when going public.

Some Previous Teams

Appendix C lists IPOs brought to The Nasdaq Stock Market during 1995. Included is the company and its industry; the total number of shares, the dollar value of the offering, and the initial price per share; and the underwriter, attorney, and accountant. This list is intended simply to give you some idea of who handled what kinds of offerings on Nasdaq® during this time period. It is in no way exhaustive of firms active in this business: other firms not appearing may have been involved in bringing companies public on Nasdaq in previous years. Also, they may have brought companies public on other stock markets during these years. If you are considering a firm not appearing on these lists and wish to learn about their experience in this area, request from them a list of their previous IPO transactions. Also you can contact a Nasdaq representative for a more tailored list of recent IPOs in your industry.

Chapter 3



Working with the Team:

The Prospectus and Timeline

At the center of the IPO process is the prospectus. The prospectus is the first part of the registration



statement required by the Securities Act of 1933 for a company to issue new securities for public distribution. SEC regulations govern the contents of the prospectus as well as the supplemental financial information that comprises the second part of the

registration statement.

The SEC reviews the prospectus, as does the NASD in its capacity as the sole self-regulatory securities industry association registered with the SEC under the 1938 Maloney Act amendments to the Securities and Exchange Act of 1934. Also, state securities commissions review prospectuses for offerings to be sold within their respective jurisdictions.

Developing the Prospectus

The prospectus is both a disclosure document by law and a selling document by custom, since it is the only information that the law allows to be disseminated about the offering. Because the company, its corporate officers, and board of directors are absolutely liable for any misstatement or omission of material information—even if there was no intent to deceive—the narrative and accounting parts of the prospectus must be clear and complete. Usually corporate counsel is primarily responsible for drafting the narrative part of the

prospectus, while the accounting firm will prepare the financial statements and the investment banker will supply the underwriting details. Above all, it is important to be completely and fully truthful in responding to all information requested by these professionals. Your attorney will judge how to express positive information without exaggeration and negative information, while at the same time positioning the company as favorably as possible. The attorney cannot accomplish these objectives however, without first finding out what exactly must be described. All professionals involved will, in their turn, exercise “due diligence”—appropriate care and effort—in ascertaining the accuracy and adequacy of all statements contained in the prospectus. In the long run, by helping them you will help your company and yourself.

The prospectus is required to contain a detailed description of the business, a description of management structure, management compensation figures, and a description of any transactions between the corporation and management, as well as the names of principal shareholders and their amounts of ownership. The prospectus must also include audited financial statements and a management discussion and analysis of operations and financial condition, together with information on the use of proceeds, effect of dilution on existing shares, dividend policy, and capitalization. The prospectus also describes the underwriting agreement—including whether the underwriting will proceed on a firm commitment or best efforts basis, as well as all forms of compensation—and the selling syndicate.

In particular, a statement of all risk factors is essential, as is the careful and prudent characterization of the company’s operating condition and competitive position. Factual statements about the company and its historical performance should predominate; any statements about prospects should be carefully qualified. Within these constraints, the prospectus still functions as a sales brochure because all prospectuses observe the same kind of precision and cautionary tone.

SEC Review for Adequate Disclosure

The SEC’s role in the regulation of IPOs, as with corporations generally, is primarily in the area of disclosure. Within the SEC, the Division of Corporation Finance will review the registration statement when it is filed for the accuracy and adequacy of all “material facts”—information that would affect investment decisions. IPOs tend to be scrutinized more closely than secondary offerings because they have not been subject before to such careful analysis.

The SEC will respond formally to the registration statement with a comment letter specifying any deficiencies that need to be addressed. The company, in turn, may file a letter with the SEC responding to requests for information and describing proposed amendments to the prospectus. If the SEC is satisfied with the submission, it will indicate that it will declare the registration statement effective upon request. Because the prospectus must be circulated to potential investors at least two days before the investment decision, the SEC may at times determine that the preliminary prospectus contains a serious misstatement or omission that requires the company to recirculate an amended version of the

preliminary prospectus. Where an offering structure is particularly complex, the company can request a prefiling conference with SEC staff to assist in resolving significant issues.

While there is no way to predict what portions of the prospectus will receive the closest SEC scrutiny, the SEC does place great emphasis on the discussion of the company's operations and financial results (Management's Discussion and Analysis, the MD&A)—explaining the company's financial performance, liquidity, and resources. Since certain alternative accepted accounting procedures may exist for reporting particular revenue, the SEC may either object to or require further explanation why a particular method was employed. Certainly adequate disclosure of risk is a perpetual concern of the SEC as is sufficient support for positive statements about the company's competitive position. Management compensation is also closely scrutinized.

NASD Review for Fair Underwriting Compensation, Terms, and Arrangements

While the SEC's review focuses on disclosure, the NASD's review focuses on the fairness of underwriting compensation, terms, and arrangements. The NASD's review protects the issuer by monitoring the relationship between the company and the underwriter to ensure that the amount of compensation paid to underwriters and the terms and arrangements relating to the proposed distribution are fair and reasonable. The NASD's underwriting compensation guidelines prevent excessive compensation to the underwriters and ensure that the company receives a fair share of the purchase price paid by investors. Excessive underwriting compensation reduces the net proceeds of the offering that the company can use to carry out its business plan successfully.

The NASD's review is conducted by its Corporate Financing Department according to the NASD's Corporate Financing Rule and Code of Procedure. To ensure that investment bankers are fairly compensated for the risks that they assume in an underwriting while making sure that the company is not overcharged for these services, the Rule distinguishes between various kinds of risk according to types of underwritings. A "firm commitment" underwriting entails greater risk than a "best efforts" underwriting because the investment banker commits its capital by buying the securities outright and becomes the owner of all that are not resold to the public. In a best efforts underwriting, on the other hand, the investment banker agrees to make a good faith effort to sell the securities on behalf of the issuer but does not risk any capital by purchasing them beforehand. Likewise, an investment banker assumes greater risk and greater expense in an IPO than in a secondary offering because the investing public is not familiar with the company—readily disposed to purchase on the basis of established stock performance, disclosure, research, and publicity—and the firm must educate the market to a degree far beyond that required for a secondary offering.

While taking into account these risks, the NASD evaluates all forms of compensation, both cash and noncash items such as stock, stock options, warrants, and contractual post-offering investment

banking services, according to formulas specified in the Rule. A determination of fairness is then made on the total of cash and noncash items and on whether any arrangements are present that are presumed to be unfair and unreasonable under the Rule. If the NASD finds that the proposed compensation and arrangements are unfair or unreasonable, the company and its underwriter will need to renegotiate compensation, revise the unfair arrangement, and amend the prospectus. The SEC will not declare an underwriting effective until the NASD has concluded its review and issued a comment letter expressing an opinion of “no objections” to the proposed compensation and arrangements.

The actual NASD guidelines stipulating the maximum amount of compensation allowable in various sizes and types of offerings remains confidential in order to preserve a competitive environment among underwriters. Companies should interview several underwriters and negotiate the most favorable compensation arrangements, taking into account all cash, securities, rights, contractual services, and consulting agreements that may be part of the compensation package. Companies and underwriters may request pre-filing advice from the NASD regarding the fairness of prospective compensation packages.

Companies should keep in mind that the NASD’s compensation guidelines apply to both underwriters and “related persons” such as a “finder”—someone whose service to the company is to locate an underwriter and sometimes other members of the underwriting team—and a “financial consultant”—someone who advises on the financial statements, size and price of the offering, and other financial matters. Any compensation paid to a finder or to a financial consultant is counted under NASD rules as part of the total compensation package for the offering. Companies should exercise caution, therefore, in hiring finders and financial consultants since compensation paid to such persons will reduce the amount of compensation remaining under the guidelines.

Thus, a company may have difficulty attracting an investment bank to undertake the IPO after accounting for finder’s or consultant’s fees because there will be insufficient allowable funds remaining to pay the desired underwriter’s customary compensation amount. In certain cases, the company may have to settle for an underwriter who may be unable to provide all of the services that a successful underwriting requires. Sometimes the company may not even be able to engage an underwriter for the amount of compensation remaining.

State Securities Commissions Review of Merits of the Offering

Neither the SEC nor the NASD reviews an initial public offering for its soundness as an investment, that is, aspects of the company that may ultimately affect the future performance of its stock. The SEC ensures that all the facts that would influence an investment decision are clearly and accurately disclosed and the NASD ensures that underwriting compensation is fair to both the

company and the investment banker. A number of state securities commissions, on the other hand, do review the merits of a security. Typically, their “merit review” standards are indefinite, expressed in terms of offerings that are “fair, just, and equitable.” Thus, state administrators can exercise broad discretion over offerings that can be sold in their states.

Most states generally exempt from their registration requirements securities that will be traded on the Nasdaq National Market® or a national securities exchange. For other states or for IPOs to trade on other markets, the company, through its counsel, will also have to file with each state in which the securities will be sold. The offerings will be reviewed according to state laws that have come to be referred to as “blue-sky” laws, after the suspect investments that they are designed to prevent. Over two-thirds of these state securities laws stipulate merit as a qualification. Their reviews may focus on prospective shareholder value and control, such as share dilution and voting rights; the legitimacy and viability of the company, such as revenue stream, sales, potential products or services; or, insider privileges, such as options, loans, or other financial arrangements, or seats on the board.

If necessary, you and your IPO team will have to make adequate preparation to secure approval in those states where your securities will be sold at approximately the same time as you expect SEC and NASD approval so that the offering is not delayed and market-timing opportunities curtailed. State filing fees are usually based on the aggregate dollar value of shares sold in the state, and sales reports may have to be filed after the offering to verify previous figures submitted.

The IPO Process

The entire initial public offering process is at once fast-moving and highly structured, governed by an interlocking set of federal and state laws and regulations and self-regulatory organization rules. Each member of the IPO team has specific responsibilities to fulfill. Members of your team will advise you with regard to their specialty. However, you must decide what is best for your company. Ultimately, the company calls the plays for the team.

Present proposal to the board. The IPO process begins with management making a presentation to the board of directors, complete with business plan and financial projections, proposing that the company enter the public market. The board should consider the proposal carefully.

Restate financial statements and refocus the company. If the board approves the proposal to go public, your company’s books and records should be reviewed for the past five years and financial statements restated, if necessary, to adhere to Generally Accepted Accounting Principles (GAAP) in order to be certified. Any intracompany transactions, compensation arrangements, and relationships involving management or the board customary to a private enterprise but improper for a public company must be eliminated and the statements appropriately

restated. Also, you should consider whether the market will perceive negatively any exploratory affiliated operations tangential to your company's core business.

Find an underwriter and exchange a “letter of intent.” At this point, your company should select an underwriter if it has not already engaged one (see “Choosing an Investment Banker” in Chapter 2). Then formalize your relationship with the underwriter through a “letter of intent” between your company and the underwriter outlining fees, ranges for stock price and number of shares, and certain other conditions.

Draft prospectus. After the letter of intent is exchanged, your attorneys begin work on the prospectus. While the prospectus is being developed and revised, members of the team pursue a number of other activities.

Respond to “due diligence.” Now your investment banker and accountant will begin an elaborate investigation of your company. Your underwriter will examine management, operations, financial condition, performance, competitive position, and business plan as well as labor force, suppliers, customers, creditors, and any other factors or parties that have a bearing on the viability of the company as a public entity and the proper, truthful, adequate disclosure of its condition in the prospectus. The accounting firm will examine financial information and such specific documents as contracts, billings, and receipts to ensure the accuracy and adequacy of financial statements.

Select a financial printer. Your company selects an experienced financial printer who is familiar with SEC regulations governing the graphic presentation of a prospectus and that has facilities to print sufficient quantities quickly and accurately under severe time constraints.

Assemble the “syndicate.” After the preliminary prospectus has been filed with the SEC and is available for circulation among potential investors, your underwriter assembles the “syndicate,” consisting of additional investment bankers who will place portions of the offering to achieve the desired distribution. Your underwriter accumulates “indications of interest”—solicited through its efforts as well as the syndicate’s—from institutions and brokers that have approached their clients. These give assurance that the IPO is viable and help to determine the final number of shares to be offered and the allocations to investors.

Perform the “road show.” Your investment banker and your company design and perform the “road show,” a series of meetings with potential investors and analysts in key cities across the country and perhaps overseas. The road show consists of a fairly elaborate formal presentation on the company's operations, financial condition, performance, markets, and products and services delivered by the company's top executives, who are then available for questions. The “road show” has become increasingly important not only to communicate key information to investors but also to display the managerial talent and expertise that will be leading the company.

Prepare, revise, print the prospectus. In the meantime, the preliminary prospectus has been prepared and revised according to SEC and NASD comments. The NASD has issued a letter stating that it has no objections to the underwriting compensation, terms, and arrangements. The SEC has indicated its intent to declare the registration effective. The preliminary prospectus has been circulated to potential investors at least two days before the effective date. The final version of the prospectus can now be printed.

Price the offering. Just before the underwriting agreement is signed—on the day before the registration becomes effective and sales begin—the offering is priced. Your investment banker will recommend for your approval a price per share, taking into account your company’s financial performance and competitive prospects; the stock price of comparable companies; general stock market conditions; and the success of the road show and ensuing expressions of interest. While your company will want as high a price as possible, an offering that does not sell or sell completely will not be in your best interest, or the best interest of irate investors who find the share price declining in the market immediately after their initial purchase. In fact, investors look for at least a modest increase in the market price to reassure them about their investment decision.

Determine the offering size. Your investment banker will also consult with you regarding the offering size, considering how much capital your company needs to raise, the desired degree of corporate control, and investor demand. Often, the more shares outstanding, the greater the liquidity of the stock, which will increase institutional interest. On the other hand, too great a public float may lower the price-to-earnings ratio to an unattractive level.

In the following box is an “Initial Public Offering Schedule” that indicates the various tasks involved in taking a company public, which team member has primary responsibility for each task, and the general time frame according to which the tasks are usually completed.

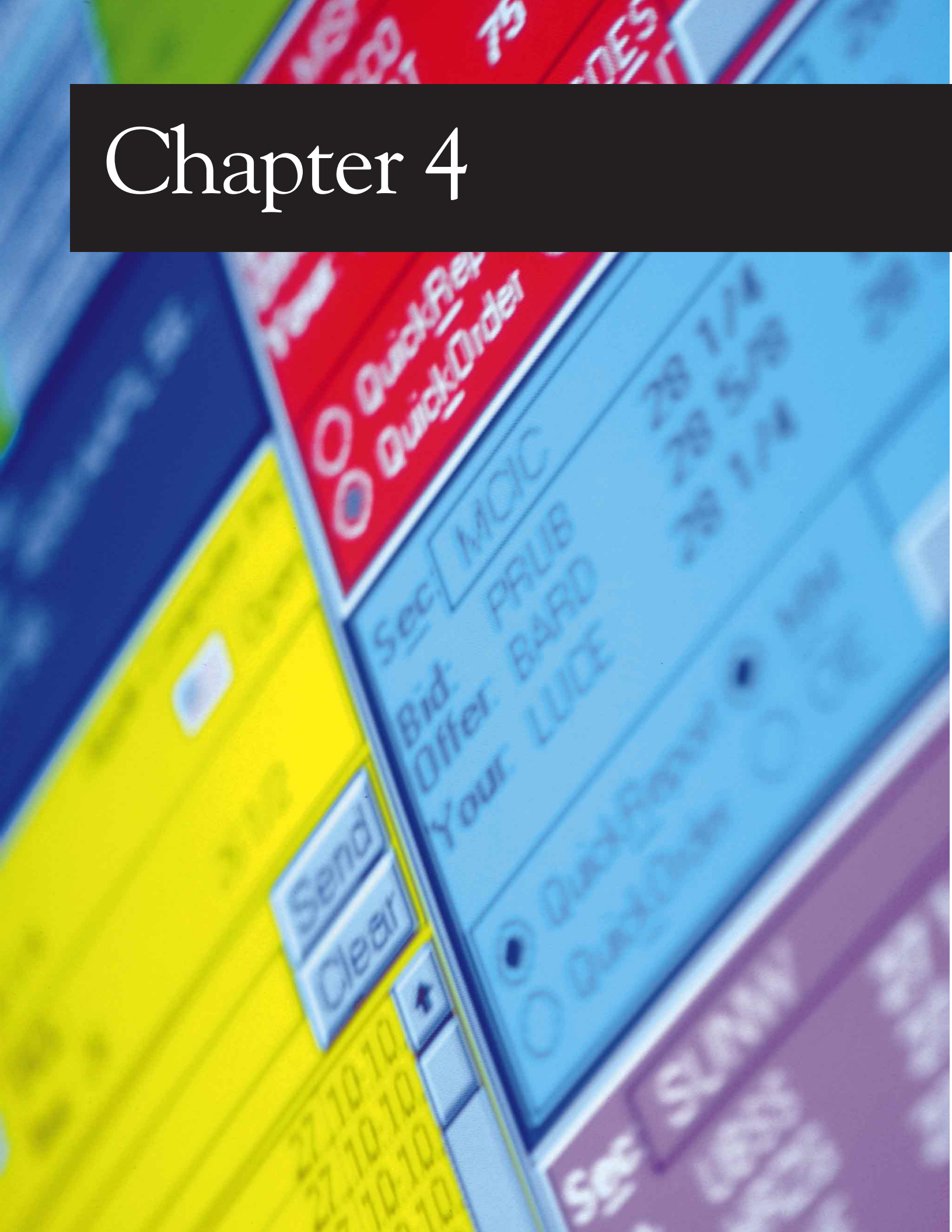
Initial Public Offering Schedule

This schedule applies to a fully syndicated, fixed-price offering. The time frames are merely illustrative.

	2 years	1-6 months	1-3 months	1-4 weeks
Company	Act like a public company	Select the team; Execute letter of intent	Select printer & transfer agent	Executives perform “road show”
Company Counsel		Perform “house-keeping” of company records; Draft S-1; File with the SEC	Prepare & file preliminary registration statement	Clear SEC comments
Company CPA		“Clean-up” and restate balance sheet; Prepare & review audited financial statements	Prepare draft “comfort letter”	Prepare updated audited statements, if necessary
Investment Banker		Assess market; Make presentation to board	Continue due diligence	Orchestrate “road show”; Solicit expressions of interest
Investment Banker’s Counsel		Begin due diligence	Prepare NASD filing; Undertake “blue-sky” filings	Clear NASD comments
Financial Printer		Print preliminary registration statement/prospectus	Produce SEC & NASD “filing packages”	
SEC		Confer regarding “problems,” if necessary	Review preliminary registration statement; Issue comment letter	
NASD		Request pre-filing advice, if necessary	Review preliminary registration statement; Issue comment letter	Resolve comments

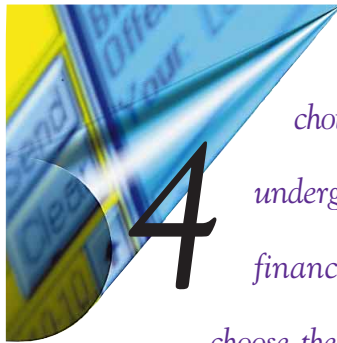
Before Effective Date ←		After Effective Date →	
1-10 days	1 day	5 days	0-30 days (optional)
Issue press release	Execute underwriting agreement	Provide certificates; Collect proceeds	Provide additional certificates; Collect additional proceeds
	Request acceleration; File final registration statement	Deliver documents/ opinions	Update closing documents
Deliver draft “comfort letter”	Deliver final “comfort letter”	Deliver “bring down comfort letter”	Second “bring down comfort letter”
Form syndicate; Place “tombstone”	Execute underwriting agreement	Provide net proceeds	Exercise overallotment option; Make determination about issuing research report
Continue due diligence		Assist in closing	Assist in second closing
	Print final registration statement/prospectus		
	Declare offering effective		
	Declare no objections		

Chapter 4



Selecting a Market: The Nasdaq Stock Market and the Exchanges

Not all stock markets are the same. They vary by listing requirements (to begin trading) and maintenance standards (to continue trading), as well as by their rules and regulations governing trading, reporting, and settlement. Stock markets also vary according to market structure and



trading mechanisms. The choice of market for a company undergoing its IPO is a strategic financial decision. It is wise to choose the best market for your company—one that enhances the attractiveness of your stock to investors and broker/dealers, minimizes your cost of capital, and aids you in fulfilling your responsibilities as a public company.

Types of Securities Markets

Screen-based versus floor-based. A screen-based market, like Nasdaq, enables participants to trade stocks with each other through a telecommunications network: they access the market on their desktop terminals anywhere they happen to be located while a mainframe computer processes trading information. A traditional floor-based securities market, like an exchange, on the other hand, operates in a specific building, where participants must be present to trade stocks. Thus, a screen-based market poses

no geographical obstacle to direct market participation, nor is participation restricted by the size limitations of the place where the market is located. In essence, floor-based markets wait for capital to come to the market, while screen-based markets bring the market to those in need of capital.

Multiple market maker versus specialist. Screen-based markets enable a large number of dealers to make markets in a company's stock, committing to the stock by taking a position in their proprietary accounts. Each of their respective bid and ask quotations are broadcast to all market participants and appear on the computer screen. By contrast, a floor-based exchange assigns all trading activity in a company's stock to one specialist who matches customer orders, trades for its own account, and formulates the public quote for the stock. Like dealers, specialists also make markets in a number of different companies' stocks. Unlike a dealer, however, a single specialist has the exclusive right to make a market in a specific company's stock.

Quotation-driven versus order-driven. Screen-based markets are usually quotation-driven: dealer bid and ask interest for a guaranteed minimum number of shares is constantly broadcast for other dealers to respond. Floor-based exchanges, on the other hand, are order-driven: specialists respond to incoming buy and sell orders, whose irregularity will influence their ability to make a market in a company's stock and may necessitate a halt in trading.

The Nasdaq Advantage

Increased visibility through market-maker sponsorship. Unlike the specialist, who does not promote a company's stock in any way, Nasdaq market makers commit to your company by taking sizable positions in their proprietary accounts, merchandising through their institutional contacts and their own or affiliated retail networks, and maintaining continuous research coverage. They have a strong incentive to keep your stock before the investing public and to see it realize its full valuation potential, not only because of their substantial investment in the security, but also because they wish to maintain their natural advantage to secure future business from your company. If you list on Nasdaq, your underwriter in effect is enrolling your future market makers by assembling the syndicate.

Greater market depth. Because Nasdaq encourages an unlimited number of market makers to trade your company's stock, their aggregate financial position represents greater available capital to support uninterrupted trading in your stock. Continuous trading capability reassures investors of your stock's marketability, particularly in periods of unusually heavy volume, and helps build shareholder loyalty. Over the past few years, Nasdaq National Market securities have averaged 11 market makers. Since an exchange allows only one specialist for each stock traded on its floor, available capital is limited solely to the financial resources of that firm. Moreover, since specialist firms average over 40 stocks to which they have an exclusive right to trade, a specialist's available capital to support trading must be allocated among some 40 stocks. When order imbal-

ances occur and the specialist's account cannot handle the overflow, the specialist declares a halt in the company's stock trading. No halts for order imbalances occur on Nasdaq.

Greater liquidity. Nasdaq's multiple market makers also provide your company's stock with greater liquidity: large blocks can be traded without considerable effect on share price. This reduction in volatility also gives your investors confidence in the ownership position they have taken in your company, as wide market swings can distract attention from solid company fundamentals or favorable prospects.

Price efficiency through competition. Investors are attracted to investments offering value and service. Only competition can create price efficiencies in securities trading and incentives for service quality. On Nasdaq, the competition for customer orders among multiple market makers ensures investors the best price for the stocks they purchase. Furthermore, Nasdaq makes strong efforts to service all investors, small and large.

Lower overall cost of capital. A recent study has demonstrated that a company's cost of capital, measured in terms of its price-to-earnings ratio, is lower for Nasdaq companies than for companies whose shares are traded on the New York Stock Exchange (NYSE). Over the past nine years, companies had higher price-to-earnings multiples on Nasdaq in practically all market-capitalization and industry categories studied.

Quality entry requirements. The Nasdaq National Market's stringent entry requirements and maintenance standards for prospective public companies—in terms of both financial guidelines and corporate governance standards—distinguish your company as a quality investment. See Appendix A for a detailed listing of entry requirements.

Low-priced service provider. Nasdaq's initial (entry) and annual (maintenance) fees for companies are lower than fees among the leading markets, reducing your company's cost in accessing the public markets for capital. See Appendix A for a detailed listing of Nasdaq fees.

Trading history and investor relations informational resources. Nasdaq provides its Nasdaq National Market companies a variety of information services to aid them in their corporate finance decision-making and investor relations programs.

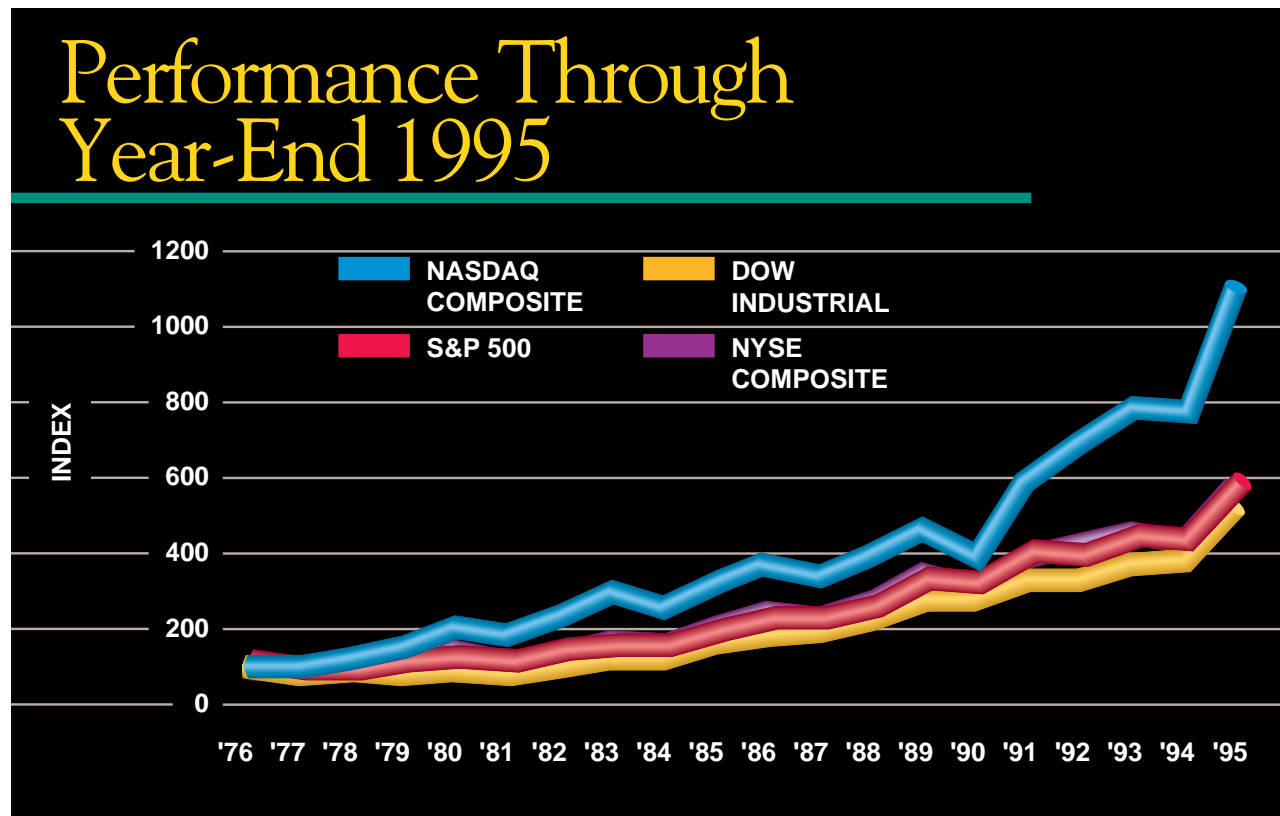
- Prior to listing, prospect companies are assigned a counterpart in business development who serves as a direct liaison between your business and The Nasdaq Stock Market. Your Business Development Director will consult with you on issues relating to going public in general and to a Nasdaq listing specifically; provide customized analysis of your peers on Nasdaq and the NYSE; and present to your executive management team and board of directors the benefits of The Nasdaq Stock Market.
- After listing on Nasdaq, each Nasdaq National Market company is provided with a primary contact, a Director of Nasdaq Company Services, who is qualified to answer questions on the

performance of the company's stock and to help the company develop a customized investor relations program. Your director can:

- consult with you on issues related to your company's stock, such as stock splits, secondary offerings, and increasing visibility in the investment community;
 - provide customized analysis of your security's performance;
 - offer recommendations of specific actions your company can take;
 - present a complete perspective on trading in your industry category;
 - notify you of rule changes that may affect your regulatory filings; and
 - make presentations to your executive management team and board of directors on any aspect of your status as a public company.
- For current and historical information on their stock's activity, Nasdaq National Market companies can access on their personal computers INFORMM[®], an on-line, screen-based data system that contains inside bid and ask quotes; high, low, and last-sale prices; current block trades; daily and monthly share volume; market-maker activity; and similar information on 80 portfolio stocks on Nasdaq or the exchanges.
 - As for hard-copy information, Nasdaq National Market companies are sent monthly a *Summary of Activity[™] Report* that charts daily price and trading volume of your stock so that you can trace the effects of company announcements, advertising campaigns, business and economic news, and other factors affecting the market for your stock.
 - Nasdaq National Market companies are sent quarterly *The Corporate Record[™]*—market performance statistical analyses on your stock and that of 10 company-selected peer stocks on Nasdaq and the exchanges over the previous quarter and the past four years. Such information, critical to financial management and investor relations planning—including stock price, share volume, price-to-earnings multiples, debt-to-equity ratios, institutional holdings, analyst earnings estimates—is presented in visual form suitable for presentations to your board or management.
 - Information about company market activity is currently available via The Nasdaq Stock Market website. At this site, users can access full stock quotes, Multi QuotesSM for a glance at five company stocks at once (all quotes are 15 minutes delayed), the Nasdaq 100[®] Index, the 10 most advanced and declined stocks, and the most active stocks by both share and dollar volume. The address is <http://www.Nasdaq.com>.
 - Nasdaq National Market company executives are routinely invited to Nasdaq-sponsored investor relations and capital formation programs. These programs are designed for a company at every stage of its lifecycle and are often held in conjunction with the nation's most prestigious universities. Topics include:
 - communicating to shareholders;
 - shareholder litigation;
 - managing expectations of the street;
 - executive compensation and corporate governance; and
 - reaching international investors.

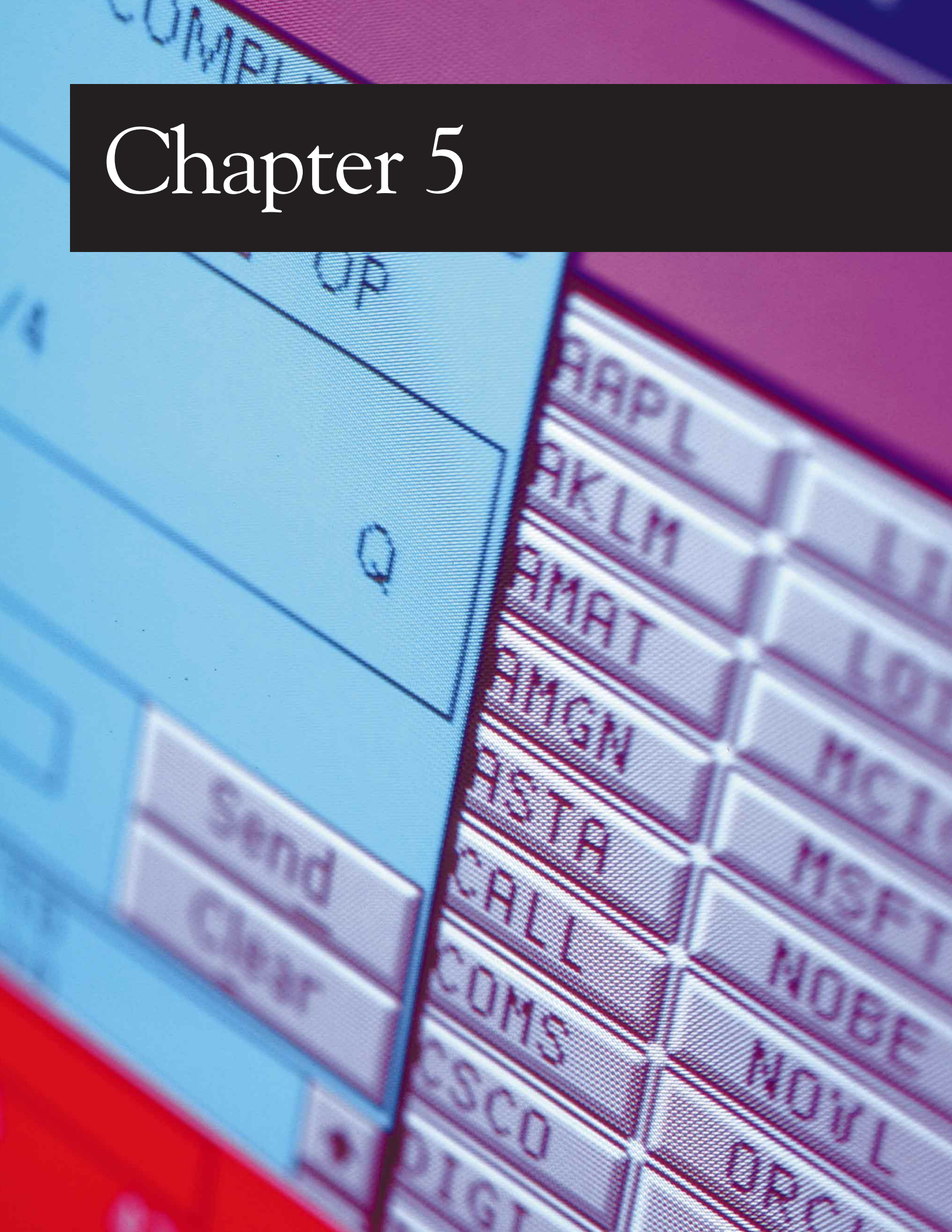
- Nasdaq National Market company executives regularly receive *Bulletins* reporting critical regulatory developments on market mechanisms, corporate governance, and reporting requirements, among other areas.

Join the best performing market. The Nasdaq Stock Market is known for its innovative, forward-looking growth companies. Investors anticipate attractive returns with such companies and routinely look to Nasdaq for these opportunities. By going public on Nasdaq, your company will not only join companies leading in their industry, but be associated with the best performing stock market.



In 1995, the Nasdaq CompositeSM index outperformed all major domestic and international indices.

Chapter 5



Being Public:

New Constituents and Investor Relations

Once your company has gone public, its capital raising ability will largely depend on



the investing public's valuation of its worth as reflected in its share price. Even the availability, magnitude, and terms of nonequity financing will be influenced by the stock market's assessment of your company's

prospects. Companies most successful in attaining optimum market valuation view their stock as another product or service that they provide customers, in this case, investors. They market this product—in essence, the company itself—through a well-conceived and well-executed investor relations program.

Objectives of an Investor Relations Program

Make the stock attractive as an investment product. Given that investors have a wide variety of alternatives in which to put their money, a public company must position its stock in the forefront of attractive investment opportunities. Such positioning will range from promoting the company to enhancing the investment vehicle itself through the institution of regular dividends, stock buy backs, or stock splits.

Attain and maintain the highest sustainable price for the stock. Share price must always be considered in relation to your industry, earnings history, growth, and growth potential.

Achieve a price-to-earnings ratio above the industry average. A price-to-earnings multiple commensurate with your company's performance but above the average for its industry sector will distinguish it as a superior equity investment.

Build a broad and diversified shareholder base. You will want as broad and diversified a shareholder base for your company as is appropriate for its size, age, customer base, and market position. Such a roster of shareholders increases the company's visibility before other investors as well as professions serving the company, its business associates, and customers. Smaller companies may prefer a regional shareholder population, while those doing business nationally and internationally may want investors across the country and overseas.

Attract an appropriate shareholder mix. Primarily for the purpose of corporate control, you will want a balance of individual and institutional shareholders. Although individual investors are usually expected to be more loyal than institutions, you should keep in mind that many individuals now invest in stocks through mutual funds. Conversely, in our age of shareholder activism, institutional investors now frequently view their sizable stock investments as long-term positions in a company, whose strategic policies they will attempt to influence.

Build a liquid but stable trading market for the stock. Although it may now be somewhat more difficult to identify investor predilections, you nevertheless will want to encourage an appropriate level of trading activity in your stock to keep it a liquid investment while avoiding volatility that will scare away potential investors. You can achieve suitable liquidity by attracting the desirable mix of shareholders: short-term investors who buy your stock looking to capture periodic trading profits, and long-term investors who hold the company's stock through periods of unusually weak or strong performance.

Preserve a ready market for the company's securities for future capital raising. Your company should be sufficiently known and appreciated by the investment community that secondary stock offerings or bond issues, however substantial, can be readily sold to retail investors or placed with institutions. In this way, strategic financial management depends directly on effective investor relations for its success.

Strategies for Audiences

Shareholders—retail. The individual shareholder still tends to be the most loyal to a company. While rewarding shareholders with good results is certainly most effective in securing that loyalty, the way your company routinely treats the individual investor will be decisive during periods of weak performance. Your public company needs to make the individual investor feel included among the company's priorities. Such concern can be demonstrated through clear, honest, timely communications. In addition to the printed materials sent by your company, these

shareholders will be influenced primarily by their brokers, next by media coverage and, to a lesser degree, securities analyst reports.

Shareholders—institutional. Increasingly, the sophisticated, skeptical institutional investor needs to be reassured of management’s capabilities and the wisdom of their strategic plan. While most investment managers are results oriented, the influence of shareholder activists has lengthened the traditional time horizon for many. In return for their patience, today’s institutional investors expect an audience on, if not influence over, strategic decisions. Your company can help to solidify its position with its institutional shareholders by initiating and maintaining a continual dialogue. Institutional managers supplement their own analyses of companies with sell-side securities analyst research as well as that of in-house buy-side analysts, and they do listen to investment bank sales representatives.

Securities analysts. The most probing and incisive of a public company’s audiences, securities analysts are particularly dependent on their reputation for the “correct call.” Your company can give them confidence in their assessments by mobilizing for them publicly available information on the company’s situation and direction. Inform them promptly and fully of all material developments; provide honest, focused, at times detailed replies to their questions; and send useful strategic, operational, market, and product information and statistical data. Your company should position itself with analysts by suggesting appropriate criteria by which it should be appraised—indexes, ratios, competitors, markets—lest the analyst judge the company by standards that are not entirely relevant. To facilitate communication, your company should offer analysts a daily contact—perhaps an investor relations officer—for routine inquiries, frequent access to the Chief Financial Officer or ranking financial executive for financial policy and condition, and periodically the Chief Executive Officer for discussions of strategic direction. Given the analyst’s considerable influence over institutional investors and brokers, your company should provide them with as much information as is commensurate with its business interests and the securities laws. Your company should present itself in the best possible light without making qualitative statements that are more properly the domain of the analyst, avoid revealing competitive information, and never make the analyst privy to material information that has not yet been publicly disclosed—which will have the effect of silencing that analyst until the announcement is made.

Stock brokers. Retail stock brokers have considerable influence over the individual investor, and the “big producers” command the attention of their peers. Because they must sell a variety of equity investment alternatives to numerous customers, time constraints prevent brokers from acquiring an analyst’s indepth knowledge on any one company and from imparting such detail to their customers. Consequently, they place their trust in analysts they respect, their sales managers, and their own judgment. Nevertheless, your company can adapt its communications strategy to brokers’ requirements by supplying them with a few succinct, compelling selling points about its stock, which will convince the brokers and, in turn, help them to convince their customers.

Business media. Journalists covering business news are concerned about truthfulness, incisiveness, exclusivity, novelty, originality, and independence. They want to report accurate news about your company, be the first or among the first to do so, and yet not appear to be an extension of your company's marketing program. Moreover, their deadlines are often a matter of hours, sometimes minutes. Your company always needs to be prepared to supply them with accurate information quickly and succinctly, preferably in quotable statements or phrases. At the same time, your company must endeavor to present itself in the most favorable terms. Finally, its spokespeople must be schooled in handling series of probing questions journalists tend to ask in order to ferret out what they feel is the "real story" or any weaknesses with which they can balance the strengths. Relationships should be developed with journalists covering your company's industry for the most prominent business publications. Build these relationships by trying to provide journalists with helpful information. Present spokespeople as sources of information on the industry as well as your company. Suggest cutting-edge story ideas that may or may not involve your company as well as additional sources of information outside your company. This approach will actually increase the frequency of your company's coverage as well as its fairness.

Market makers. For Nasdaq companies, how well their stock trades will depend, after investor interest, on the quality of the market that its market makers create for them. Are the bid and ask quotations competitive with other comparable stocks and with other market makers in your stock? Your company should generate continuing interest in its stock with market makers by alerting them to corporate developments or programs that may increase investor demand and trading volume. Acquiring additional market makers, through presentations, will draw further attention to the stock and create more activity.

Tactics

Corporate brochures. All of your company's written communications—the style of their language and graphic design as well as their content—are a major source of your company's image. The annual report is as much a marketing initiative as it is a required legal document. Your company can supplement its routine communications with an attractive corporate brochure that defines the company, articulates its strategy, presents its operations, and profiles its top executives. Send it to all audiences and revise it regularly.

News releases. News releases reporting material developments are required by law to satisfy disclosure requirements to the investing public. A company is customarily considered to have made a good faith effort at disclosure when it sends a release to the market on which its stock is traded, the major news wires (Dow Jones, Reuters), paid news wires (PR Newswire, Business Wire), and the major national newspapers (*The Wall Street Journal*, *The New York Times*), and the major newspaper of the city where it is headquartered. In addition, your company will want to send to its regular press list, which will include other wires such as the Associated Press and United Press

International, business information services such as Standard & Poor's and Bloomberg, business magazines, trade publications, and regional and local newspapers where your company does business or has investors. They can also be sent directly to your analysts. It is imperative for your company to inform the financial community regularly of its performance, reporting favorable and unfavorable material developments promptly. Not only does this build your company's credibility, but it also may help prevent shareholder class action lawsuits that tend to be precipitated by sharp declines in share price. Adequately preparing the market for bad news over time will help to effect a gradual, rather than precipitous, decline in stock valuation.

Backgrounders and fact sheets. One-page discussions of important corporate developments, operations, products, markets, industry, personnel, ecological and social programs, charitable contributions, sponsored community events, and corporate history, as well as one-page presentations of factual and statistical information on operations and performance with charts and graphs can serve as effective periodic direct mailings in themselves or may be used to customize an information package for particular occasions. Although usually intended for press distribution, backgrounders and fact sheets—succinct, well-organized, and easy to use—are effective communications tools with brokers and other audiences under severe time constraints.

Shareholder letters from corporate officers. Occasional letters from the Chairman of the Board or the Chief Executive Officer to shareholders on developments of strategic importance strengthen your company's relationship with them. These letters can be particularly effective in times of crisis and can reassure during periods of weak performance.

New shareholder welcome letters and telephone calls. An individual's new investment in your company provides the opportunity not only for a welcome that will help to engender loyalty but also to familiarize the investor with your company through accompanying materials. For institutional shareholders taking large positions, a telephone call offering any assistance in the future can be an appropriate beginning to a long-term relationship.

Institutional shareholder visits. Regular, periodic visits by your company's ranking financial officer or chief executive to institutional shareholders will indicate that the company values them and demonstrate that their advice on strategic direction will be taken into consideration. While these executives should be prepared for difficult questions, such meetings can diminish the possibility of more direct, public confrontations. Executives must be careful, however, not to reveal nonpublic material information.

Shareholder surveys. Occasional surveys of shareholders, individual and institutional, can give insight into the preoccupations and objectives of investors regarding strategic direction, operations, and investment goals and requirements, as well as such shareholder-oriented initiatives as dividends and stock splits. They are also persuasive evidence of the company's commitment to shareholder satisfaction.

Analyst group meetings. Your company can regularly schedule analyst group meetings in those financial centers containing large concentrations of its analysts. The frequency of these meetings depends on the size of your company and the strength of its following, though quarterly is recommended. If analyst coverage is modest, individual meetings may be more appropriate. Plan group presentations carefully and use slides, video, or other visual aids. Schedule time to field questions, and distribute a transcript of the presentation and hard copy of visuals, if possible, or substitute charts and graphs. Some of these techniques may also be appropriate for individual meetings. It is advisable not to have joint analyst/press meetings, because the questioning will often be at cross purposes and the company risks leaving a confused impression on both audiences. Be sure that all statements your company's representatives make at these meetings consist of public information.

Analyst trade association presentations. Analysts belong to national, regional, and local trade associations and specialty groups focusing on specific industry sectors. These associations regularly sponsor forums for company presentations or will cooperate with companies to arrange such meetings. Not only will such presentations keep your company's regular analysts up to date, they may also attract others to your company.

Analyst on-site company tours. Inviting analysts to well-planned visits to company headquarters or facilities can help build a positive company image, for instance, by reinforcing statements about modern plant and efficient operations; effective, well-trained personnel; or visible cost-reduction measures. While your company must make sure that nonpublic, material information or trade secrets are not on display, analysts can be introduced to a wide range of information firsthand. Such visits build good will and instill confidence as they serve to inform.

Analyst prospecting. Companies may wish to increase their analyst following through several initiatives. A direct mail campaign targeted at particular regions of the country where increased coverage is desired to attract investors is an inexpensive method. Indications of interest can be followed by regular informational mailings. Perhaps more effective, if more expensive and time-consuming, is a telephone survey eliciting degrees of interest and desired channels of communication. Most effective is to target particular key analysts for office visits and presentations by corporate officers.

Broker mailings. Although stock brokers generally seek their decision-making information from other sources, selective corporate mailings of the annual report and certain fact sheets will serve as a useful reminder of your company.

Broker sales manager meetings. Scheduling succinct, well-planned presentations to sales managers that direct large retail brokerage operations can result in an increase in the attention paid to your company by a substantial number of their sales force.

Media interviews. Scheduling interviews with journalists for information only, rather than for an article, may actually bring about a future article at the same time that it helps to strengthen the relationship. Be sure to inform the journalist what topics your company's spokesperson is prepared to discuss and obtain an understanding whether the interview is "on the record"—statements are quotable and for attribution to your spokesperson—or "off the record" and unquotable, even without attribution. Speaking off the record to a journalist can be risky: misunderstandings may arise regarding availability for quotation; you cannot control the use to which the information will be put nor to whom it will be communicated; and you sacrifice interview time that can be used to make statements that can be quoted. Corporate spokespeople do well to observe the following rule: if you don't want to see it in print, don't say it. Prepare the spokesperson by providing any necessary information on those topics and organizing their thoughts into succinct bullet points. Also, formulate a list of positive and negative questions on the topics and the company in general. Stage a mock interview for less experienced spokespeople. Caution spokespeople to stop talking when they have answered a question to their satisfaction: running on will run them into trouble.

Press briefings. Press briefings attract their best attendance when held in conjunction with a significant corporate event or announcement, but they can also be effective when organized around a topic of particular interest.

Your company can invite other companies from your industry or related industries or professions to participate. Brief presentations followed by a question and answer session are the norm. Breakfast or luncheon meetings are most time-efficient for journalists. Follow-up mail invitations and telephone calls with reminder calls the day before the event. Keep in mind that the drawback to press briefings from a journalist's point of view is that any question they ask and the resulting answer are available for all others attending to quote, whereas the same question and answer in an interview is their exclusive. Remember too that such an interview will probably be available to them by telephone. Attendance at press briefings may therefore seldom be what you might expect. The presence of ranking corporate officers at the same place at the same time, ones to whom most journalists would not have easy access, is a major draw.

Market-maker trading-room visits. For Nasdaq companies, periodic visits by one of your company's top executives to your market maker at the firm's trading room can give your stock a face and personality, as well as provide an opportunity to communicate valuable information, answer questions about the company, and acquire insight into traders' concerns. Be sure to go only at the end of the trading day, after 4 p.m., Eastern Time (ET). Before trading begins at 9:30 a.m., ET, traders are busy in briefing meetings, formulating strategy, and reviewing positions.

Market-maker mailings. To reinforce the relationship established by periodic visits, your company can mail an occasional backgrounder or fact sheet as well as news releases to market makers. This information will probably not be new to the trader, who will receive wire reports up to the minute that may affect the market, but they are a reminder of certain important facts or events in permanent form.

Market-maker solicitation. Your company should identify potential new market makers for its stock. At first, you may want to target those firms that already make a market in the stocks of companies in your industry. Arrange a presentation to the executive in charge of equity trading, the head trader, and any others interested. Sometimes traders can be included in presentations made to the firm's analysts. Follow up the presentation with a telephone call to see if the firm wants further meetings with other decision-making executives and begin timely mailings of corporate information.

Executive participation in industry trade associations and business-related organizations. Investors are attracted to companies that assume a leadership position in their industries, and exposure that top executives receive in trade associations and business groups can complement a company's climb in market share.

Measurements of Success

New shareholders. Is the number of individual and institutional shareholders increasing? Adjustments in your company's investor relations program can be made to increase either group, or both.

Total shareholders. Is this number increasing or decreasing? What is the rate of increase or decrease per year? While market conditions and corporate events will have an effect on this number, a decrease does have implications for corporate control and future securities sales. Your company may wish to broaden the target audiences of its investor relations program.

Number of analysts following the company. A modest annual increase in the number of analysts producing reports on your company is desirable. Just as important, your company should gradually be securing the following of the most well-known and well-respected analysts in its industry sector.

Number of stock brokers recommending the stock. A decrease in this number may call for increasing efforts to reacquaint brokers with the company if the decrease cannot be accounted for by your company's industry being temporarily out of favor or substantial problems at the company.

Price-to-earnings ratio. Is your company's price-to-earnings multiple maintaining a position above the industry average? Is it increasing or decreasing over time? In line with the rest of the industry or counter to it? More work focused on increasing the market's valuation of your company's stock may be needed.

Average trading volume. Your company needs to monitor trading volume daily, particularly block volume, as a barometer of market sentiment and for advance notice of threats to corporate control. Too little trading volume can be remedied by generating more interest in the stock, while unusually large volume may require that your company identify market rumors and perhaps issue information that—directly or indirectly, depending on the rumor—responds to them.

Number of market makers trading stock. This number will fluctuate in part as a result of general market conditions and internal business factors in individual market-making firms. If losses occur, your company may need to emphasize initiatives to strengthen and expand its market-maker relationships.

Number and quality of inquiries to the company. The number of inquiries to your company over time will indicate in itself the range and intensity of your investor relations program. These inquiries can be analyzed further according to audience and geographical region. The quality of these inquiries—how much knowledge of your company, its industry, and the stock market is evident—will indicate the degree to which your investor relations messages are being understood. To a certain extent, your company must educate its audiences—observing the appropriate level of sophistication and tact—not only about your company’s characteristics but also about its industry as well as the general business and economic environment, and even stock and bond investing.

Conclusion

The transition from a private company to a public company is a tremendous undertaking. However, once you have decided to take your company public, it is important to begin “acting like a public company” early on. As mentioned in this publication, there will be a lot of time, expense, and labor devoted to this effort and will continue to demand resources as you enter the public market, but once your company goes public, your team and your company will be prepared.

Appendix A

Listing Requirements Comparison

	Nasdaq National Market		New York Stock Exchange		American Stock Exchange	
	Alternative 1	Alternative 2	Alternatives 1 & 2	Alternative 3	Regular	Alternate
Net Tangible Assets	\$4 million	\$12 million	\$40 million	\$40 million		
Stockholders' Equity					\$4 million	\$4 million
Revenue				\$200 million		
Net Income	\$400,000 ¹			\$25 million ²		
Pre-Tax Income	\$750,000 ¹		\$2,500,000 ³		\$750,000 ¹	
Public Float (Shares)	500,000	1 million	1,100,000	1,100,000	500,000 or 1 million ⁴	500,000 or 1 million ⁴
Market Value of Public Float	\$3 million	\$15 million	\$40 million	\$40 million	\$3 million	\$15 million
Market Capitalization				\$500 million		
Operating History		3 years				3 years
Minimum Bid Price	\$5	\$3			\$3	\$3
Shareholders	800 or 400 ⁴	400	2,200 ⁵ or 2,000 round lot holders ⁶	500 ⁷	800 or 400 ⁴	800 or 400 ⁴
Market Makers	2	2				

1 In latest fiscal year or two of last three fiscal years.

2 Aggregate *adjusted* net income for the last three years, each year showing a positive amount. Adjustments would be allowable to eliminate the effects of all items whose cash effects are "investing" or "financing" cash flows as determined pursuant to FASB 95.

3 In addition to \$2 million in each of the two preceding years or an aggregate pre-tax income for the last three years of \$6,500,000 with minimum pre-tax earnings of \$4,500,000 in the most recent year (all three years must be profitable).

4 If public float is between 0.5 and 1 million shares, 800 shareholders are required. If public float is greater than 1 million shares or more than 0.5 million and average daily volume exceeds 2,000 shares, 400 shareholders are required.

5 In addition to average monthly trading volume (most recent six months) of 100,000 shares.

6 Round lot equals 100 shares or more.

7 In addition to average monthly trading volume (most recent 12 months) of 1 million shares.

Fee Comparison: Nasdaq National Market vs. Exchanges

Entry Fees

Number of Shares	Nasdaq National Market	NYSE	Amex
Up to 1 million	\$ 5,000 - 10,000	\$ 51,550	\$ 10,000
1+ to 2 million	10,000 - 15,000	51,550 - 66,300	15,000
2+ to 3 million	15,000 - 20,000	66,300 - 73,700	20,000
3+ to 4 million	20,000 - 25,000	73,700 - 81,100	22,500
4+ to 5 million	25,000 - 30,000	81,100 - 84,600	25,000
5+ to 6 million	30,000 - 32,500	84,600 - 88,100	27,500
6+ to 7 million	32,500 - 35,000	88,100 - 91,600	30,000
7+ to 8 million	35,000 - 37,500	91,600 - 95,100	32,500
8+ to 9 million	37,500 - 40,000	95,100 - 98,600	35,000
9+ to 10 million	40,000 - 42,500	98,600 - 102,100	37,500
10+ to 11 million	42,500 - 45,000	102,100 - 105,600	42,500
11+ to 12 million	45,000 - 47,500	105,600 - 109,100	42,500
12+ to 13 million	47,500 - 50,000	109,100 - 112,600	42,500
13+ to 14 million	50,000	112,600 - 116,100	42,500
14+ to 15 million	50,000	116,100 - 119,600	42,500
15+ to 16 million	50,000	119,600 - 123,100	50,000
16+ to 20 million	50,000	123,100 - 137,100	50,000
20+ to 25 million	50,000	137,100 - 154,600	50,000
25+ to 50 million	50,000	154,600 - 242,100	50,000
50+ to 75 million	50,000	242,100 - 329,600	50,000
75+ to 100 million	50,000	329,600 - 417,100	50,000
100+ to 200 million	50,000	417,100 - 767,100	50,000
Maximum	50,000	*	50,000

The original listing fee for Amex and NYSE is based on the total number of shares listed, including all shares issued and outstanding, as well as shares reserved by the Board of Directors for a specific future issuance. The original fee for Nasdaq National Market is based on total shares outstanding. Fees include one-time initial listing charges of \$5,000 for Amex, \$36,800 for NYSE, and \$5,000 for Nasdaq National Market.

* \$767,100 plus \$.0035 times shares from 200 million to 300 million, plus \$.0019 times shares above 300 million.
Source: American Stock Exchange, New York Stock Exchange, and The Nasdaq Stock Market.

Continuing Annual Fees

Number of Shares	Nasdaq National Market*	NYSE	Amex
Up to 1 million	\$ 5,250	\$ 16,170	\$ 6,500
1+ to 2 million	5,750	16,170	7,000
2+ to 3 million	6,250	16,170	7,500
3+ to 4 million	6,750	16,170	8,000
4+ to 5 million	7,250	16,170	8,500
5+ to 6 million	7,750	16,170	9,000
6+ to 7 million	8,250	16,170	9,500
7+ to 8 million	8,750	16,170	10,000
8+ to 9 million	9,250	16,170	10,500
9+ to 10 million	9,750	16,170	11,000
10+ to 11 million	10,250	24,260	11,500
11+ to 12 million	10,750	24,260	12,000
12+ to 13 million	11,250	24,260	12,500
13+ to 14 million	11,750	24,260	13,000
14+ to 15 million	12,250	24,260	13,500
15+ to 16 million	12,750	24,260	14,000
16+ to 20 million	13,250	24,260	14,500
20+ to 25 million	13,250	32,340	14,500
25+ to 50 million	13,250	32,340 - 43,140	14,500
50+ to 75 million	13,250	48,410 - 63,890	14,500
75+ to 100 million	13,250	63,890 - 84,640	14,500
100+ to 200 million	13,250	84,640 - 167,640	14,500
Maximum	20,000	500,000	14,500

Newly listed Amex and NYSE companies are billed the annual fee on a pro-rata basis at the end of the calendar year in which they listed. Nasdaq National Market companies are billed the pro-rata annual fee at the end of the month in which they are listed.

* For companies with a market capitalization greater than \$100 million, an additional fee of \$0.025 per \$1,000 of the market capitalizations above \$100 million is applied. Total fee maximums include: \$10,000 for companies with 10 million shares or less, \$15,000 for companies with 10+ to 20 million shares, and \$20,000 for companies with more than 20 million shares.

Source: American Stock Exchange, New York Stock Exchange, and The Nasdaq Stock Market.

Five-Year Fee Comparison

Five-year comparison for a company with 12.5 million shares outstanding and \$225 million in market capitalization.

	Nasdaq National Market	NYSE	Amex
Initial Entry Fee (One-Time Fee)	\$48,750	\$110,850	\$42,500
Annual Fee—Year 1 (12.5 Million Shares)	14,375	24,260	12,500
Annual Fee—Year 2 (12.5 Million Shares)	14,375	24,260	12,500
Declare 2:1 Stock Split	0	43,750	17,500
Annual Fee—Year 3 (25 Million Shares)	16,375	32,340	14,500
Acquisition Facilitated by 5,000,000 Share Issuance	17,500	17,500	17,500
Annual Fee—Year 4 (30 Million Shares)	16,375	32,340	14,500
Annual Fee—Year 5 (30 Million Shares)	16,375	32,340	14,500
Total	\$144,125	\$317,640	\$146,000

Appendix B

Initial Public Offering Contact List

The Nasdaq Stock Market

1735 K Street, NW
Washington, DC 20006-1500
(202) 496-2600

33 Whitehall Street, 10th Floor
New York, NY 10004
(212) 709-2422

2800 Sandhill Road
Suite 220
Menlo Park, CA 94025
(415) 233-2000

43 London Wall
London EC2M 5TB
United Kingdom
(011-44-71) 374-6969

Market Data Integrity
Market Operations Department
80 Merritt Boulevard
Trumbull, CT 06611
(203) 385-6381

Market Surveillance Department
9513 Key West Avenue
Rockville, MD 20850-3389
(301) 590-6410

StockWatch
9513 Key West Avenue
Rockville, MD 20850-3389
(301) 590-6411

National Association of Securities Dealers, Inc.

Corporate Financing
9513 Key West Avenue
Rockville, MD 20850-2700
(301) 208-2700

Securities and Exchange Commission

Division of Corporation Finance
450 5th Street, NW
Washington, DC 20549
(202) 272-2800

Division of Enforcement
450 5th Street, NW
Washington, DC 20549
(202) 272-2900

State Securities Commissions

Alabama Securities Commission
770 Washington Street, Suite 570
Montgomery, AL 36130-4700
(205) 242-2984

Alaska Department of Commerce
and Economic Development
Division of Banking, Securities, and
Corporations
333 Willoughby Avenue, 9th Floor
Juneau, AK 99811-0807
(907) 465-2521

Arizona Corporation Commission
Securities Division
1300 West Washington Street, 3rd Floor
Phoenix, AZ 85007
(602) 542-4242

Arkansas Securities Division
Heritage West Building
201 E. Markham, 3rd Floor
Little Rock, AR 72201
(501) 324-9260

California Department of Corporations
3700 Wilshire Boulevard, Suite 600
Los Angeles, CA 90010
(213) 736-2741

Colorado Division of Securities
1580 Lincoln Street, Suite 420
Denver, CO 80203
(303) 894-2320

Connecticut Department of Banking
Division of Securities
260 Constitution Plaza
Hartford, CT 06103
(203) 240-8299

Delaware Division of Securities
State Office Building
820 N. French Street, 8th Floor
Wilmington, DE 19801
(302) 577-2515

Securities Commission of the
District of Columbia
450 5th Street, NW, Suite 821
Washington, DC 20001
(202) 626-5105

Florida Office of Comptroller
Department of Banking and Finance
Plaza Level, The Capitol
Tallahassee, FL 32399-0350
(904) 488-9805

State of Georgia
Office of the Secretary of State
Division of Business Services & Regulation
Two Martin Luther King Jr. Drive
Suite 315, West Tower
Atlanta, GA 30334
(404) 656-2894

Hawaii Department of Commerce
and Consumer Affairs
1010 Richards Street
Honolulu, HI 96810
(808) 586-2744

Idaho Department of Finance
Securities Bureau
700 West State Street
Boise, ID 83720
(208) 334-3684

State of Illinois
Office of the Secretary of State
Securities Department
900 South Spring Street
Springfield, IL 62704
(217) 782-2256

Indiana Securities Division
302 West Washington, Room E-111
Indianapolis, IN 46204
(317) 232-6681

State Securities Commissions (continued)

Iowa Securities Bureau
Lucas State Office Building
Des Moines, IA 50319
(515) 281-4441

State of Kansas
Office of the Securities Commissioner
618 South Kansas Avenue, 2nd Floor
Topeka, KS 66603-3804
(913) 296-3307

Kentucky Department of Financial Institutions
477 Versailles Road
Frankfort, KY 40601
(502) 573-3390

Louisiana Securities Commission
Energy Centre
1100 Poydras Street, Suite 2250
New Orleans, LA 70163
(504) 568-5515

Maine Department of Professional and
Financial Regulation
Bureau of Banking
Securities Division
State House Station 121
Augusta, ME 04333
(207) 624-8551

State of Maryland
Office of the Attorney General
Division of Securities
200 St. Paul Place, 20th Floor
Baltimore, MD 21202-2020
(410) 576-6360

Massachusetts Securities Division
Secretary of the Commonwealth
John W. McCormack Building
One Ashburton Place, Room 1701
Boston, MA 02108
(617) 727-3548

Michigan Corporation and Securities Bureau
Department of Commerce
6546 Mercantile Way
Lansing, MI 48910
(517) 334-6213

Minnesota Department of Commerce
133 East 7th Street
St. Paul, MN 55101
(612) 296-4026

State of Mississippi
Office of the Secretary of State
Securities Division
202 North Congress Street, Suite 601
Jackson, MS 39205
(601) 359-6371

State of Missouri
Office of the Secretary of State
600 West Main Street
Jefferson City, MO 65101
(314) 751-4136

State of Montana
Office of the State Auditor
Securities Department
126 North Sanders, Room 270
Helena, MT 59604
(406) 444-2040

Nebraska Department of Banking and Finance
Bureau of Securities
1200 N Street, Suite 311
Lincoln, NE 68509-5006
(402) 471-3445

Nevada Securities Division
555 E. Washington Avenue, 5th Floor
Las Vegas, NV 89101
(702) 486-2440

New Hampshire Bureau of Securities
Regulation
Department of State
State House, Room 204
Concord, NH 03301-4989
(603) 271-1463

New Jersey Bureau of Securities
Department of Law & Public Safety
153 Halsey Street, 6th Floor
Newark, NJ 07101
(201) 504-3600

New Mexico Securities Division
Regulation & Licensing Department
725 St. Michaels Drive
Santa Fe, NM 87501
(505) 827-7140

New York Bureau of Investor Protection
& Securities
120 Broadway, 23rd Floor
New York, NY 10271
(212) 416-8200

State of North Carolina
Office of the Secretary of State
Securities Division
300 North Salisbury Street, Suite 100
Raleigh, NC 27603-5909
(919) 733-3924

State of North Dakota
Office of the Securities Commissioner
State Capitol Building, 5th Floor
600 East Boulevard
Bismarck, ND 58505
(701) 328-2910

Ohio Division of Securities
77 South High Street
Columbus, OH 43215
(614) 644-7381

Oklahoma Department of Securities
First National Centre
120 North Robinson, Suite 860
Oklahoma City, OK 73102
(405) 235-0230

Oregon Division of Finance
& Corporate Securities
21 Labor & Industries Building
Salem, OR 97310
(503) 378-4387 or 4140

Pennsylvania Securities Commission
Eastgate Office Building
1010 N. Seventh Street, 2nd Floor
Harrisburg, PA 17102-1410
(717) 787-8061

State Securities Commissions (continued)

Commonwealth of Puerto Rico
Office of the Commissioner
of Financial Institutions
Centro Europa Building
1492 Ponce de Leon Avenue, Suite 600
San Juan, PR 00909-1492
(809) 723-8403

Rhode Island Securities Division
Department of Business Regulation
233 Richmond Street
Suite 232
Providence, RI 02903-4232
(401) 277-3048

South Carolina Department of State
Securities Division
109 Wade Hampton Office Building
Capitol Complex
Columbia, SC 29201
(803) 734-1087

South Dakota Division of Securities
118 West Capitol Avenue
Pierre, SD 57501-2080
(605) 773-4823

Tennessee Department of Commerce
and Insurance
Securities Division
500 James Robertson Parkway
Nashville, TN 37243-0485
(615) 741-2947

State of Texas
State Securities Board
200 East 10th Street, 5th Floor
Austin, TX 78711
(512) 305-8300

Utah Department of Business Regulation
Securities Division
160 East 300 South
Salt Lake City, UT 84111
(801) 530-6600

Vermont Department of Banking,
Insurance, and Securities
89 Main Street, Drawer 20
Montpelier, VT 05620-3101
(802) 828-3420

State of Virginia Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, VA 23209
(804) 371-9051

Washington Department of Licensing
Securities Division
210 11th Street, SW, 3rd Floor West
Olympia, WA 98504
(360) 902-8760

State of West Virginia
Securities Division
State Capitol Building
1900 Kanawha Boulevard East, Room W-118
Charleston, WV 25305
(304) 558-2257

State of Wisconsin
Office of the Commissioner of Securities
101 East Wilson Street
Madison, WI 53702
(608) 266-3431

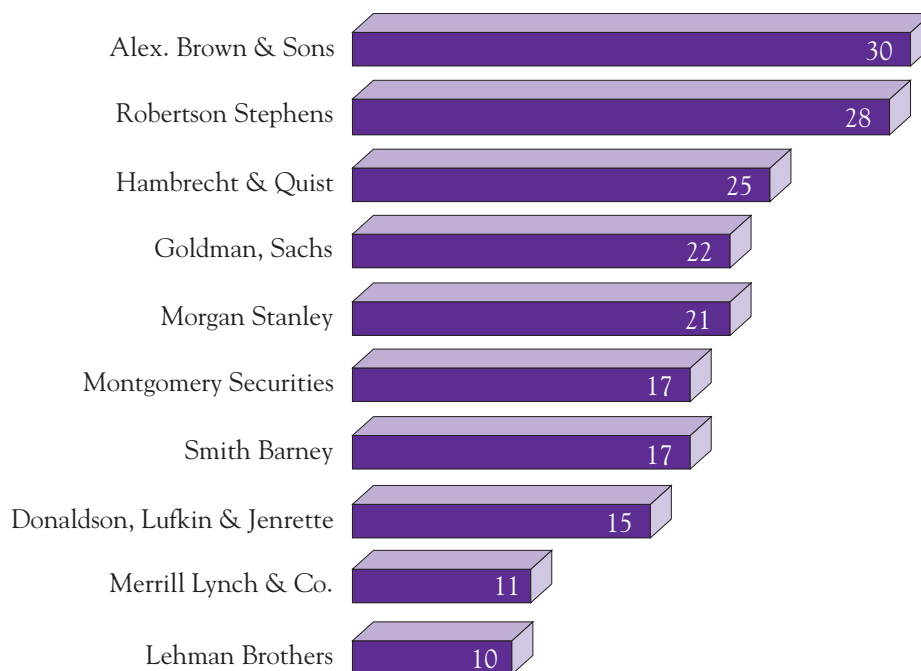
State of Wyoming
Securities Division
State Capitol Building, Room 109
Cheyenne, WY 82002
(307) 777-7370

Appendix C

1995 Nasdaq National Market Summary Graphs

Investment Banking Firms

Number of IPOs

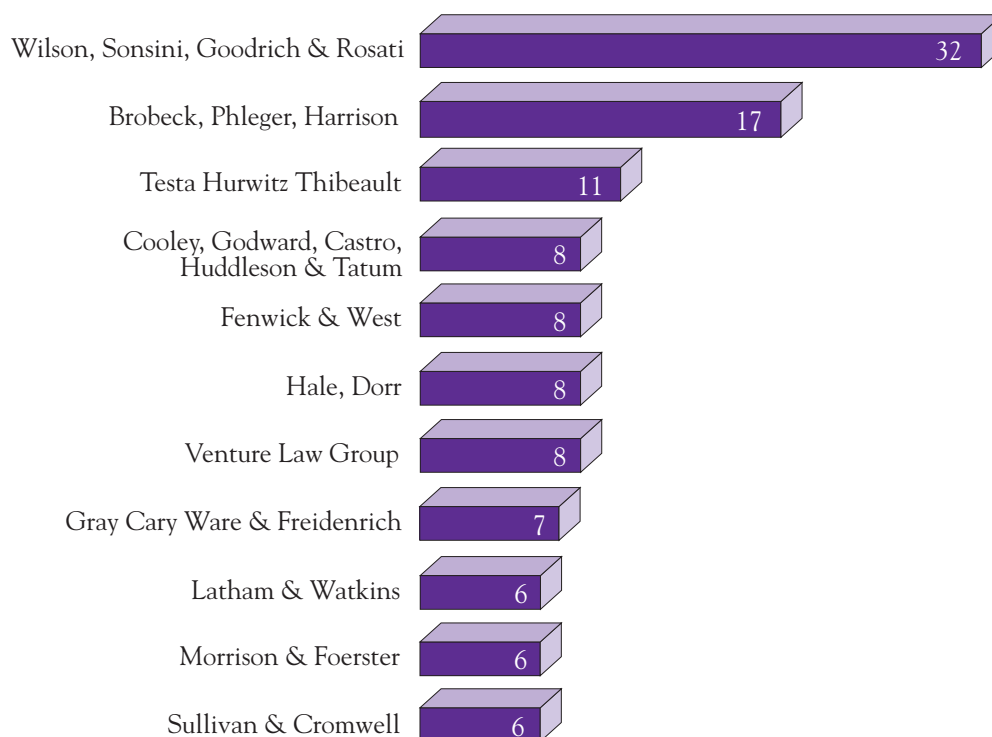


Total Offering Value for IPOs

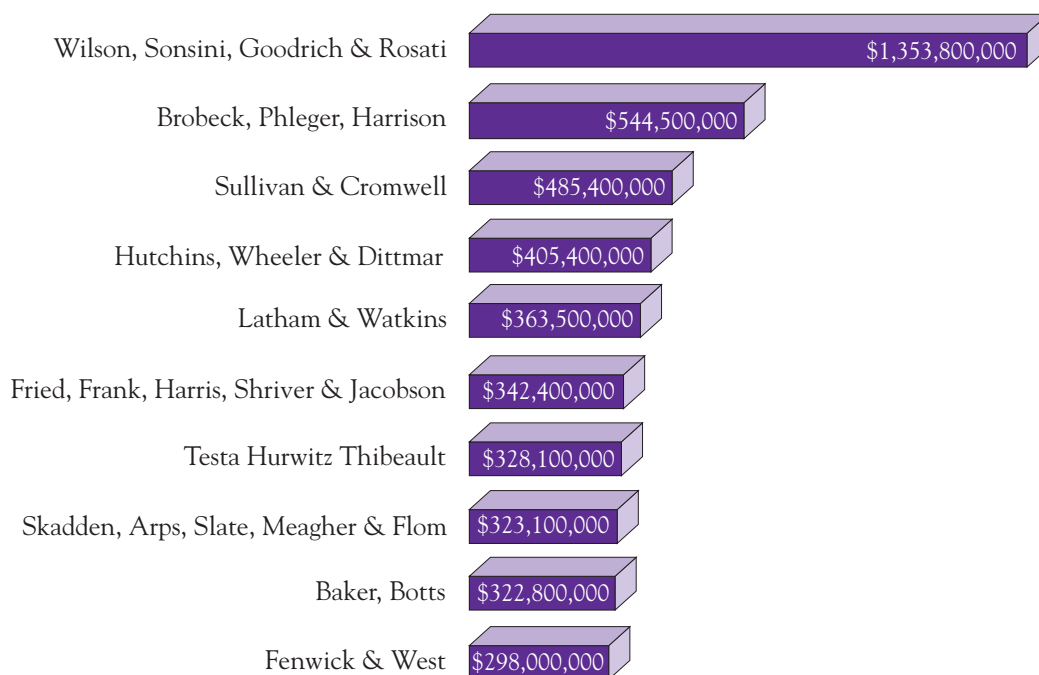


Legal Counsel

Number of IPOs

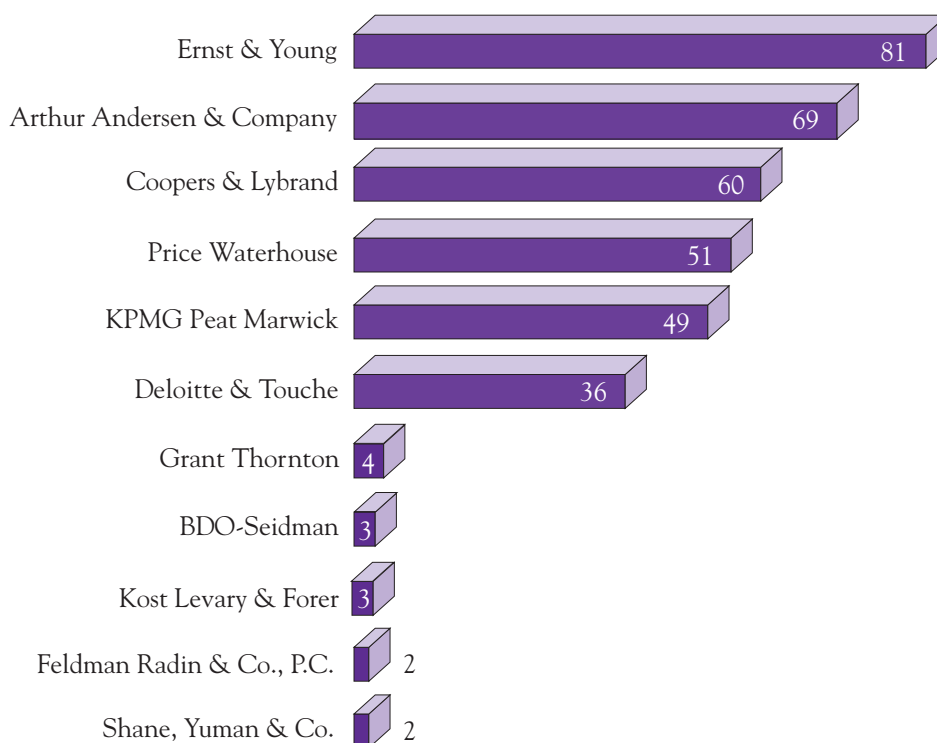


Total Offering Value for IPOs

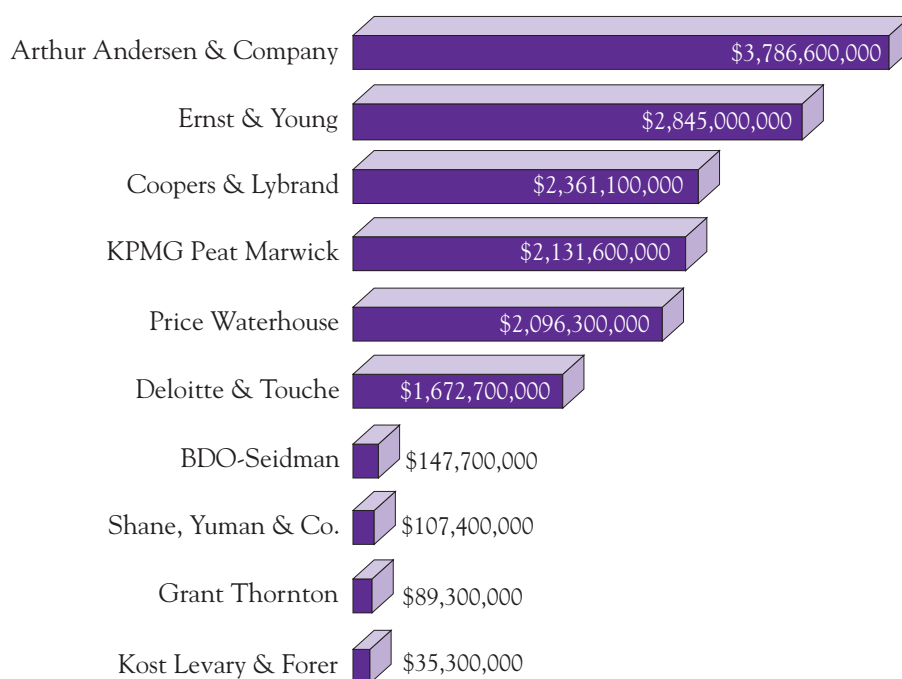


Accounting Firms

Number of IPOs



Total Offering Value for IPOs



Appendix C

Nasdaq National Market Initial Public Offerings, 1995

Firm Commitment Underwritings

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Agriculture	Pet Practice	\$15.00	\$47,200,000	\$125,400,000	07/31/95
Commercial Bank	BNCorp, Bismarck, ND	\$10.00	\$11,000,000	\$22,100,000	07/13/95
Construction	Meadow Valley Corporation	\$6.00	\$10,100,000	\$20,100,000	10/16/95
Construction	Ols Asia Holdings	\$6.25	\$12,500,000	\$87,500,000	12/15/95
Construction	US Bridge of NY	\$5.00	\$4,300,000	\$9,000,000	08/09/95
Construction	Weitzer Homebuilders	\$6.50	\$10,400,000	\$23,000,000	04/26/95
Credit Inst.	Aegis Consumer Funding Group	\$6.50	\$17,100,000	\$94,000,000	04/06/95
Credit Inst.	First Investors Financial	\$11.00	\$2,500,000	\$61,200,000	10/03/95
Credit Inst.	General Acceptance	\$17.00	\$26,400,000	\$98,000,000	04/06/95
Credit Inst.	Jayhawk Acceptance	\$10.00	\$22,500,000	\$172,800,000	07/31/95
Credit Inst.	MS Financial	\$12.00	\$30,000,000	\$129,600,000	07/21/95
Credit Inst.	Rockford Industries	\$7.75	\$13,200,000	\$29,900,000	07/20/95
Credit Inst.	Union Acceptance	\$16.00	\$60,000,000	\$275,200,000	08/01/95
Credit Inst.	WFS Financial	\$16.50	\$56,000,000	\$375,400,000	08/08/95
Healthcare	AHI Healthcare Systems	\$14.00	\$58,800,000	\$203,300,000	09/28/95
Healthcare	American Oncology Resources	\$21.00	\$92,600,000	\$273,400,000	06/12/95
Healthcare	APPS Dental	\$14.50	\$44,500,000	\$109,700,000	05/24/95
Healthcare	ARV Assisted Living	\$14.00	\$43,400,000	\$107,900,000	10/17/95
Healthcare	Community Care of America	\$9.50	\$33,000,000	\$61,800,000	08/09/95
Healthcare	Gynecare	\$10.00	\$27,600,000	\$81,500,000	11/22/95
Healthcare	Help At Home	\$6.30	\$4,500,000	\$11,100,000	12/05/95
Healthcare	Home Health Corp of America	\$7.50	\$35,900,000	\$55,600,000	11/08/95
Healthcare	KeraVision	\$13.50	\$40,300,000	\$174,700,000	07/28/95
Healthcare	MedPartners	\$13.00	\$40,800,000	\$185,100,000	02/21/95
Healthcare	Myriad Genetics	\$18.00	\$41,600,000	\$146,400,000	10/05/95
Healthcare	National Surgery Centers	\$18.00	\$32,000,000	\$95,500,000	11/09/95
Healthcare	Pediatric Medical Group	\$20.00	\$70,400,000	\$265,900,000	09/19/95
Healthcare	Raytel Medical	\$8.00	\$30,000,000	\$62,000,000	11/30/95
Healthcare	Regent Assisted Living	\$7.50	\$10,500,000	\$33,000,000	12/20/95
Healthcare	Serologicals	\$11.50	\$30,000,000	\$92,500,000	06/14/95
Healthcare	Sheridan Healthcare	\$13.00	\$53,600,000	\$68,700,000	10/30/95
Insurance	Amerin	\$16.00	\$134,600,000	\$388,000,000	11/21/95
Insurance	First Commonwealth	\$15.00	\$23,800,000	\$54,400,000	11/16/95
Insurance	GCR Holdings	\$18.50	\$119,300,000	\$474,800,000	12/18/95
Insurance	Guarantee Life Companies	\$13.00	\$31,300,000	\$124,400,000	12/19/95
Insurance	Lasalle Re Holdings	\$19.25	\$60,800,000	\$423,100,000	11/21/95
Insurance	RenaissanceRe Holdings	\$19.50	\$51,300,000	\$491,400,000	07/26/95
Insurance	Risk Capital Holdings	\$20.00	\$224,000,000	\$306,400,000	09/13/95
Insurance	United Dental Care	\$22.00	\$53,700,000	\$142,200,000	09/22/95
Investment Fund	Investors Financial Services	\$16.50	\$30,000,000	\$101,400,000	11/08/95

**Investment Banking Firms
(Managers)**

Smith Barney Inc.
Dain Bosworth
Neidiger, Tucker, Bruner Inc.
Barron Chase Securities
White Rock Partners & Co., Inc
Josephthal Lyon & Ross, Inc.
Royce Investments
Alex. Brown & Sons
William Blair
Montgomery Securities
Alex. Brown & Sons
Commonwealth Associates
Salomon Brothers
Donaldson, Lufkin & Jenrette
Smith Barney Inc.
Alex. Brown & Sons
Montgomery Securities
Salomon Brothers
Smith Barney Inc.
UBS Securities
Lew Lieberbaum & Co.

Hambrecht & Quist
Goldman, Sachs
Smith Barney Inc.
Cowen
Alex. Brown & Sons
Dean Witter Reynolds
Vector Securities Intl
Needham
Smith Barney Inc.
Smith Barney Inc.
Morgan Stanley

William Blair
Goldman, Sachs
Goldman, Sachs
Lazard Freres & Co.
Merrill Lynch & Co.
Smith Barney Inc.
Alex. Brown & Sons
Keefe, Bruyette & Woods

Co-Managers

HD Brous & Co., Inc.

Southeast Research Partners
AmeriCorp Securities Services
Prudential Securities
Raffensperger, Hughes
Alex. Brown & Sons
Natwest Securities
Cruttenden Roth Inc.
Prudential Securities, McDonald & Co. Securities
Montgomery Securities
PaineWebber, Volpe, Welty & Co.
Robertson Stephens, Volpe, Welty & Co.
Dean Witter Reynolds, J.C. Bradford & Co.
PaineWebber Int'l
Dean Witter Reynolds
Hambrecht & Quist, Volpe, Welty & Co.
Frederick

Volpe, Welty & Co.
Cowen
Montgomery Securities
UBS Securities
Furman Selz Mager Dietz Birney, J.P. Morgan Securities, Inc.
Montgomery Securities
Van Kasper
Black & Co.
Volpe, Welty & Co.
Montgomery Securities
CS First Boston, Donaldson, Lufkin & Jenrette, J.P. Morgan Securities, Inc.
Piper, Jaffray Inc.
Donaldson, Lufkin & Jenrette, J.P. Morgan Securities, Inc., SBI European Bank
Alex. Brown & Sons, A.G. Edwards & Sons, Dain Bosworth
Morgan Stanley, SBI European Bank
Alex. Brown & Sons, Lehman Brothers
Morgan Stanley
Cowen
A.G. Edwards & Sons

Legal Counsel (Company)

Haythe & Curley
Jones, Walker, Waechter, Poitevent
Individual Lawyer
Individual Lawyer
Lampert & Lampert
Steel Hector & Davis
Shereff Friedman Hoffman Goodman
Buck, Keenan & Owens, L.L.P.
Ice Miller Donadio & Ryan
Baker & McKenzie
Davis, Graham & Stubbs
Parker Chapin Flattau & Klimpl
Barnes & Thornburg
Mitchell, Silberberg & Knupp
Milbank, Tweed, Hadley & McCloy
Mayor, Day, Caldwell & Keaton
Goodwin, Procter & Hoar
Latham & Watkins
Parker Chapin Flattau & Klimpl
Wilson, Sonsini, Goodrich & Rosati
Gersten, Savage, Kaplowitz & Curtin

Blank, Rome, Comisky & Mccauley
Venture Law Group
Sirote & Permutt, P.C.
Mintz, Levin, Cohn, Ferris, Glovsky & Popeo
Bell, Boyd & Lloyd
Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel
Gray Cary Ware & Freidenrich
Stoel, Rives, Boley, Fraser & Wyse
Shereff Friedman Hoffman Goodman
Goodwin, Procter & Hoar
Jones Day Reavis & Pogue

Sidley & Austin
Sullivan & Cromwell

Debevoise & Plimpton
Mayer Brown & Platt
Willkie Farr & Gallagher
Cahill Gordon & Reindel
Strasburger & Price
Testa Hurwitz Thibeault

Auditor

Price Waterhouse
Arthur Andersen & Co.
BDO - Seidman
Moores Rowland
Scarano & Lipton, P.C.
Coopers & Lybrand
Ernst & Young
Arthur Andersen & Co.
Ernst & Young
Ernst & Young
KPMG Peat Marwick
Deloitte & Touche
Coopers & Lybrand
Ernst & Young
Ernst & Young
Price Waterhouse
Coopers & Lybrand
KPMG Peat Marwick
KPMG Peat Marwick
Coopers & Lybrand
Schwartz, Frumm & Millman
Coopers & Lybrand
Ernst & Young
Ernst & Young
KPMG Peat Marwick
Coopers & Lybrand
Arthur Andersen & Co.
Coopers & Lybrand
Arthur Andersen & Co.
Arthur Andersen & Co.
Ernst & Young

Arthur Andersen & Co.
Arthur Andersen & Co.

KPMG Peat Marwick
KPMG Peat Marwick
Ernst & Young
Price Waterhouse
Price Waterhouse
Deloitte & Touche

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Leisure	All American Communications	\$10.50	\$54,000,000	\$60,100,000	12/11/95
Leisure	Integrated Communication	\$5.00	\$6,000,000	\$12,500,000	06/28/95
Leisure	Moovies	\$12.00	\$34,700,000	\$86,100,000	08/03/95
Leisure	Quintel Entertainment	\$5.00	\$16,000,000	\$76,100,000	12/05/95
Manufacturing	Accom	\$9.00	\$19,500,000	\$57,500,000	09/26/95
Manufacturing	ACT Manufacturing	\$12.00	\$28,600,000	\$98,400,000	03/30/95
Manufacturing	ACT Networks	\$13.00	\$32,400,000	\$86,000,000	05/02/95
Manufacturing	ADCO Technologies	\$7.00	\$15,000,000	\$35,000,000	02/14/95
Manufacturing	ADE	\$14.00	\$33,000,000	\$112,500,000	10/18/95
Manufacturing	Adept Technology	\$9.50	\$22,200,000	\$71,300,000	12/15/95
Manufacturing	Advanced Energy Industries	\$10.00	\$40,300,000	\$213,100,000	11/17/95
Manufacturing	Advanced Lighting Technologies	\$10.00	\$31,900,000	\$107,200,000	12/11/95
Manufacturing	AG Associates	\$11.00	\$17,100,000	\$60,500,000	05/15/95
Manufacturing	Align-Rite International	\$13.25	\$23,400,000	\$60,100,000	07/21/95
Manufacturing	ANADIGICS	\$12.00	\$23,400,000	\$92,100,000	04/20/95
Manufacturing	ANSAN	\$5.00	\$6,500,000	\$12,900,000	08/08/95
Manufacturing	Applied Microsystems	\$10.00	\$23,800,000	\$64,700,000	11/14/95
Manufacturing	ASM Lithography Holding	\$18.00	\$102,300,000	\$594,000,000	03/15/95
Manufacturing	BE Semiconductor Industries	\$13.00	\$57,600,000	\$331,100,000	12/04/95
Manufacturing	Belmont Homes	\$9.00	\$19,000,000	\$46,800,000	06/01/95
Manufacturing	Benchmark Microelectronics	\$8.00	\$9,000,000	\$51,400,000	12/01/95
Manufacturing	Boston Beer	\$20.00	\$55,400,000	\$301,500,000	11/20/95
Manufacturing	Boyds Wheels	\$6.25	\$7,500,000	\$15,500,000	09/15/95
Manufacturing	Brockway Standard Holdings	\$14.50	\$47,300,000	\$86,900,000	06/20/95
Manufacturing	Brooks Automation	\$8.00	\$18,000,000	\$46,500,000	02/01/95
Manufacturing	Carbide/Graphite Group	\$15.00	\$60,200,000	\$37,500,000	09/13/95
Manufacturing	Cardiometrics	\$9.00	\$24,200,000	\$59,500,000	11/02/95
Manufacturing	Cardiovascular Diagnostics	\$11.00	\$25,500,000	\$70,900,000	12/11/95
Manufacturing	Castelle	\$7.00	\$7,500,000	\$7,000,000	12/20/95
Manufacturing	Celeritek	\$7.50	\$22,000,000	\$49,600,000	12/20/95
Manufacturing	CFC International	\$9.50	\$12,000,000	\$42,800,000	11/16/95
Manufacturing	Chicago Miniature Lamp	\$12.50	\$26,400,000	\$126,700,000	06/16/95
Manufacturing	Coin Bill Validator	\$11.00	\$8,300,000	\$30,200,000	02/07/95
Manufacturing	Commonwealth Aluminum	\$14.00	\$131,300,000	\$20,300,000	03/10/95
Manufacturing	Computational Systems	\$12.50	\$19,300,000	\$54,800,000	08/28/95
Manufacturing	CP Clare	\$16.00	\$40,800,000	\$85,600,000	06/20/95
Manufacturing	Cybex	\$17.00	\$30,000,000	\$89,200,000	07/27/95
Manufacturing	Data Documents	\$9.00	\$36,000,000	\$74,700,000	10/03/95
Manufacturing	Deswell Industries	\$8.63	\$9,300,000	\$38,000,000	07/19/95
Manufacturing	Diamond Multimedia Systems	\$17.00	\$78,000,000	\$458,000,000	04/12/95
Manufacturing	Easco	\$14.00	\$64,000,000	\$143,400,000	04/13/95
Manufacturing	Elantec Semiconductor	\$7.00	\$25,200,000	\$57,800,000	10/11/95
Manufacturing	Electrostar	\$9.00	\$40,200,000	\$66,400,000	12/20/95
Manufacturing	Ergo Science	\$9.00	\$27,500,000	\$87,900,000	12/14/95
Manufacturing	ESS Technology	\$15.00	\$84,000,000	\$522,500,000	10/05/95
Manufacturing	Etec Systems	\$10.00	\$39,900,000	\$168,700,000	10/24/95
Manufacturing	Euphonix	\$8.00	\$15,900,000	\$41,800,000	08/22/95
Manufacturing	Exogen	\$11.00	\$30,000,000	\$104,200,000	07/20/95

**Investment Banking Firms
(Managers)****Co-Managers**

Oppenheimer	Arnhold and S. Bleichroeder
Hampshire Securities	
Needham	Scott & Stringfellow
Whale Securities	
Hambrecht & Quist	Volpe, Welty & Co.
Alex. Brown & Sons	A.G. Edwards & Sons, Adams, Harkness & Hill
Hambrecht & Quist	Wessels, Arnold & Henderson
Janney Montgomery Scott	Kemper Securities, First of Michigan
Alex. Brown & Sons	Needham, Tucker Anthony
Robertson Stephens	Merrill Lynch & Co.
Lehman Brothers	UBS Securities
Prudential Securities	Raymond James & Assoc.
Oppenheimer	Needham
Kemper Securities	Cruttenden Roth Inc.
Goldman, Sachs	Needham
D. H. Blair	
Hambrecht & Quist	Needham
CS First Boston	Morgan Stanley
Morgan Stanley	Merrill Lynch & Co.
Rauscher Pierce Refsnes	Equitable Securities
Needham	
Goldman, Sachs	Alex. Brown & Sons, Hambrecht & Quist, Advest
Cruttenden Roth Inc.	Black & Co.
Bear, Stearns	BT Securities
Cowen	Needham
PaineWebber	Lazard Houses, Robinson-Humphrey
Dillon, Read	Needham
Bear, Stearns	Scott & Stringfellow
Unterberg Harris	RvR Securities Corp.
Oppenheimer	Needham
Everen Securities	Principal Financial Securities Inc.
Raymond James & Associates	McDonald & Co. Securities
Paulson Investment	
Merrill Lynch & Co.	Morgan Stanley
J.C. Bradford	McDonald & Co. Securities
Montgomery Securities	Cowen, First Albany
Morgan Keegan	J.C. Bradford & Co.
Jefferies & Co., Inc.	A.G. Edwards & Sons
Barington Capital Group LP	Joseph Charles & Associates, Inc.
Montgomery Securities	Alex. Brown & Sons, Donaldson, Lufkin & Jenrette
CS First Boston	Oppenheimer
Cowen	Hambrecht & Quist
Robertson Stephens	Alex. Brown & Sons
Cowen	Needham
Morgan Stanley	Hambrecht & Quist, Needham
Robertson Stephens	Needham
Unterberg Harris	Piper, Jaffray Inc.
Robertson Stephens	Cowen, Piper, Jaffray Inc.

Legal Counsel (Company)

Kaye, Scholer, Fierman, Hayes & Handler
Popham, Haik, Schnobrich & Kaufman, Ltd.
Arnall Golden & Gregory
Feder, Kaszovitz, Isaacson, Weber, Skala & Bass
Venture Law Group
Testa Hurwitz Thibault
Brobeck, Phleger, Harrison
Morgan, Lewis & Bockius
Warner Stackpole
Wilson, Sonsini, Goodrich & Rosati
Thelen, Marrin, Johnson & Bridge
Cowden, Humphrey & Sarlson Co
Fenwick & West
O'Melveny & Myers
Cahill Gordon & Reindel
Bachner, Tally, Polevoy & Misher
Riddell, Williams, Bullitt & Walkinshaw
Sullivan & Cromwell
Hale, Dorr
Waller, Lansden, Dortch & Davis
Winstead, Sechrest & Minick
Hutchins, Wheeler & Dittmar
Rutan & Tucker
Kirkland & Ellis
Brown Rudnick, Freed & Gesmer
Dechert Price Rhoads
Gunderson, Dettmer, Stough, Villeneuve, Franklin
Wyrick, Robbins, Yates & Ponton
Cooley, Godward, Castro, Huddleson
Wilson, Sonsini, Goodrich & Rosati
Bell, Boyd & Lloyd
Schifino & Fleischer, PA
Dreyer Traub
Sullivan & Cromwell
Bass, Berry & Sims
Goodwin, Procter & Hoar
Sirote & Permutt, P.C.
Gibson Dunn & Crutcher
Freshman, Marantz, Orlanski, Cooper & Klein
Wilson, Sonsini, Goodrich & Rosati
Latham & Watkins
Fenwick & West
Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel
Vinson, Elkins
Fenwick & West
Pillsbury, Madison & Sutro
Wilson, Sonsini, Goodrich & Rosati
Brobeck, Phleger, Harrison

Auditor

Ernst & Young
Grant Thornton
KPMG Peat Marwick
Coopers & Lybrand
Ernst & Young
Deloitte & Touche
Ernst & Young
Ernst & Young
Price Waterhouse
Ernst & Young
Arthur Andersen & Co.
Ernst & Young
Deloitte & Touche
Ernst & Young
Coopers & Lybrand
Ernst & Young
Deloitte & Touche
Ernst & Young
Ernst & Young
Deloitte & Touche
KPMG Peat Marwick
Ernst & Young
Coopers & Lybrand
Coopers & Lybrand
Deloitte & Touche
Price Waterhouse
Coopers & Lybrand
Ernst & Young
Coopers & Lybrand Int'l
Coopers & Lybrand
Ernst & Young
Price Waterhouse
Arthur Andersen & Co.
Arthur Andersen & Co.
Coopers & Lybrand
Coopers & Lybrand
Arthur Andersen & Co.
Coopers & Lybrand
Deloitte & Touche
Deloitte Touche
Coopers & Lybrand
Deloitte & Touche
Ernst & Young
Arthur Andersen & Co.
Coopers & Lybrand
Price Waterhouse
Price Waterhouse
Ernst & Young
Arthur Andersen & Co.

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Manufacturing	FEI	\$9.50	\$22,500,000	\$65,300,000	06/01/95
Manufacturing	Fort Howard	\$12.00	\$240,000,000	\$757,200,000	03/09/95
Manufacturing	GelTex Pharmaceuticals	\$10.00	\$32,500,000	\$101,300,000	11/08/95
Manufacturing	Gemstar International Group	\$12.00	\$42,000,000	\$360,100,000	10/11/95
Manufacturing	General Scanning	\$12.00	\$31,900,000	\$116,200,000	09/21/95
Manufacturing	GT Bicycles	\$14.00	\$61,100,000	\$136,700,000	10/12/95
Manufacturing	Hardinge Brothers	\$19.00	\$43,500,000	\$117,200,000	05/25/95
Manufacturing	Harmonic Lightwaves	\$13.50	\$28,600,000	\$130,900,000	05/22/95
Manufacturing	Hart Brewing	\$19.00	\$49,400,000	\$155,800,000	12/13/95
Manufacturing	IDX Systems	\$18.00	\$64,500,000	\$354,400,000	11/16/95
Manufacturing	InStent	\$13.00	\$39,000,000	\$125,900,000	06/28/95
Manufacturing	Integrated Silicon Solutions	\$13.00	\$40,300,000	\$93,100,000	02/02/95
Manufacturing	Intevac Industries	\$6.00	\$18,800,000	\$83,700,000	11/21/95
Manufacturing	Kensley Nash	\$12.00	\$32,400,000	\$81,100,000	12/13/95
Manufacturing	Kushi Macrobiotics	\$5.00	\$5,500,000	\$13,900,000	08/11/95
Manufacturing	LeCroy	\$12.00	\$27,600,000	\$63,100,000	10/05/95
Manufacturing	Lemout en Hauspie	\$11.00	\$32,900,000	\$151,800,000	11/30/95
Manufacturing	Lumisys	\$8.00	\$30,000,000	\$49,900,000	11/14/95
Manufacturing	Mackie Designs	\$12.00	\$27,500,000	\$150,000,000	08/18/95
Manufacturing	Mail-Well	\$14.00	\$80,000,000	\$174,600,000	09/21/95
Manufacturing	Martin Industries	\$9.50	\$22,000,000	\$89,800,000	07/13/95
Manufacturing	Microwave Power Devices	\$8.00	\$50,400,000	\$68,800,000	09/29/95
Manufacturing	MiniMed	\$13.00	\$42,300,000	\$147,400,000	07/24/95
Manufacturing	Mizar	\$8.50	\$13,800,000	\$41,400,000	09/28/95
Manufacturing	Molecular Devices	\$11.00	\$27,600,000	\$95,200,000	12/12/95
Manufacturing	Morrow Snowboards	\$11.00	\$25,600,000	\$55,700,000	12/13/95
Manufacturing	Nera	\$28.50	\$56,500,000	\$373,700,000	06/27/95
Manufacturing	NetStar	\$7.00	\$26,600,000	\$61,800,000	09/19/95
Manufacturing	NexGen Inc	\$15.00	\$34,400,000	\$478,900,000	05/24/95
Manufacturing	Nimbus CD International	\$7.00	\$38,400,000	\$144,600,000	10/26/95
Manufacturing	Northwest Pipe	\$9.00	\$15,100,000	\$51,300,000	11/30/95
Manufacturing	NUR Advanced Technologies	\$6.00	\$10,900,000	\$41,300,000	10/06/95
Manufacturing	Oak Technology	\$14.00	\$57,000,000	\$206,600,000	02/13/95
Manufacturing	OnTrak Systems	\$17.00	\$28,800,000	\$118,100,000	07/10/95
Manufacturing	Opal	\$13.00	\$26,700,000	\$107,500,000	05/18/95
Manufacturing	Oravax	\$10.00	\$31,200,000	\$75,500,000	06/08/95
Manufacturing	Orion Network Systems	\$14.00	\$60,000,000	\$151,100,000	08/01/95
Manufacturing	P-COM	\$15.00	\$18,700,000	\$110,600,000	03/02/95
Manufacturing	Paradigm Technology	\$14.00	\$24,600,000	\$92,100,000	06/28/95
Manufacturing	Pathogenesis	\$10.00	\$36,000,000	\$109,000,000	11/21/95
Manufacturing	Perclose	\$13.00	\$32,500,000	\$118,200,000	11/06/95
Manufacturing	Percon Acquisition	\$6.75	\$6,000,000	\$25,300,000	07/28/95
Manufacturing	Periphonics Corp	\$14.00	\$35,800,000	\$82,600,000	03/31/95
Manufacturing	Pete's Brewing	\$18.00	\$45,000,000	\$182,900,000	11/06/95
Manufacturing	Pharmacyclics	\$12.00	\$28,000,000	\$98,600,000	10/23/95
Manufacturing	Photon Dynamics Inc	\$9.00	\$20,400,000	\$60,200,000	11/15/95
Manufacturing	Physio-Control International	\$14.50	\$140,100,000	\$90,500,000	12/12/95
Manufacturing	PixTech	\$9.50	\$22,500,000	\$77,000,000	07/18/95

**Investment Banking Firms
(Managers)**

Pacific Growth Equities
Morgan Stanley
Cowen
Alex. Brown & Sons
Hambrecht & Quist
Montgomery Securities
Wertheim Schroder
Bear, Stearns
PaineWebber
Alex. Brown & Sons
UBS Securities
Donaldson, Lufkin & Jenrette
Robertson Stephens
Janney Montgomery Scott
Comprehensive Capital
Prudential Securities
Hambrecht & Quist

Hambrecht & Quist
Piper, Jaffray Inc
Merrill Lynch & Co.
J.C. Bradford
Robertson Stephens
Smith Barney Inc.
John G. Kinnard
UBS Securities
Smith Barney Inc.
Lehman Brothers
R. J. Steichen
PaineWebber
Bear, Stearns
Hanifen, Imhoff
Josephthal Lyon & Ross, Inc.
Hambrecht & Quist
Montgomery Securities
Hambrecht & Quist
Donaldson, Lufkin & Jenrette
Salomon Brothers
Robertson Stephens
PaineWebber
Prudential Securities
Alex. Brown & Sons
Cruttenden Roth Inc.
William Blair
Morgan Stanley
CS First Boston
Lehman Brothers
Morgan Stanley
Hambrecht & Quist

Co-Managers

Black & Co.
CS First Boston, Salomon Brothers
PaineWebber
Hambrecht & Quist, Lehman Brothers, Robert Fleming Inc.
Cowen
SBI European Bank, William Blair & Co.
Prudential Securities
Cowen
Dean Witter Reynolds
Volpe, Welty & Co.
Dillon Read, Volpe, Welty & Co.
CS First Boston, Soundview Financial Group Inc.
Hambrecht & Quist
Natwest Securities, Gerard, Klauer, Mattison & Co.
William Scott & Co.
Cowen, Needham
Cowen

UBS Securities, Volpe, Welty & Co.
Robertson Stephens
Bear, Stearns
Robinson-Humphrey
J.P. Morgan Securities, Inc.
Dillon Read, UBS Securities

Volpe, Welty & Co.
Pacific Crest Securities Inc.
Cowen

Alex. Brown & Sons, Robertson Stephens
Donaldson, Lufkin & Jenrette, Lazard Houses
Jensen Securities

Needham
Needham, UBS Securities
Oppenheimer
Cowen
Goldman, Sachs
PaineWebber
SBI European Bank
Needham, Pacific Growth Equities
Piper, Jaffray Inc.

Dain Bosworth
Dean Witter Reynolds
Invemed Associates
Hambrecht & Quist
Bear, Stearns, Alex. Brown & Sons, CS First Boston
Needham

Legal Counsel (Company)

Stoel, Rives, Boley, Jones & Grey
Shearman & Sterling
Palmer Dodge
O'Melveny & Myers
Bingham, Dana & Gould
Stradling, Yocca, Carlson & Rauth
Shearman & Sterling
Wilson, Sonsini, Goodrich & Rosati
Foster Pepper & Shefelman
General Counsel
Maslon Edelman Borman & Brand
Wilson, Sonsini, Goodrich & Rosati
Brobeck, Phleger, Harrison
Katten Muchin & Zavis
Heller, Horowitz, & Feit
Bingham, Dana & Gould
Brown Rudnick, Freed & Gesmer

Cooley, Godward, Castro, Huddleson & Tatum
Weiss, Jensen, Ellis & Botteri
Bracewell & Patterson
Bradley, Arant, Rose & White
Proskauer, Rose, Goetz & Mendelsohn
General Counsel
Crouch & Hallet, L.L.P.
Cooley, Godward, Castro, Huddleson & Tatum
Perkins Coie
Sullivan & Cromwell
Winthrop & Weinstine
Pillsbury, Madison & Sutro
White & Case
Ater Wynne Hewitt Dodson & Skerritt
Skadden, Arps, Slate, Meagher & Flom
Fenwick & West
Graham & James
Goodwin, Procter & Hoar
Hale, Dorr
Hogan & Hartson
Brobeck, Phleger, Harrison
Pillsbury, Madison & Sutro
Squadron, Ellenoff, Plesent & Sheinfeld LLP
Wilson, Sonsini, Goodrich & Rosati
Stoel, Rives, Boley, Jones & Grey
Ruskin, Moscou, Evans & Faltischek
Wilson, Sonsini, Goodrich & Rosati
Brobeck, Phleger, Harrison
Morrison & Foerster
Kirkland & Ellis
Palmer Dodge

Auditor

Deloitte & Touche
Arthur Andersen & Co.
Ernst & Young
KPMG Peat Marwick
Arthur Andersen & Co.
KPMG Peat Marwick
Ernst & Young
Price Waterhouse
Arthur Andersen & Co.
Ernst & Young
Price Waterhouse
Ernst & Young
Deloitte & Touche
Israeloff, Trattner & Co.
Ernst & Young
KPMG Klynveld
Kraagenhof
Price Waterhouse
Ernst & Young
Deloitte & Touche
Arthur Andersen & Co.
Arthur Andersen & Co.
Deloitte & Touche
Arthur Andersen & Co.
Ernst & Young
Arthur Andersen & Co.
Coopers & Lybrand
Deloitte & Touche
Price Waterhouse
Coopers & Lybrand
Coopers & Lybrand
Kost Levary & Forer
KPMG Peat Marwick
Price Waterhouse
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Coopers & Lybrand
Deloitte & Touche
Price Waterhouse
Ernst & Young
Price Waterhouse

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Manufacturing	Plasma & Materials Tech	\$14.00	\$37,700,000	\$114,100,000	08/23/95
Manufacturing	Play By Play Toys & Novelties	\$12.25	\$25,000,000	\$55,600,000	07/19/95
Manufacturing	Premisys Communications	\$16.00	\$24,000,000	\$180,100,000	04/05/95
Manufacturing	Redhook Ale Brewery	\$17.00	\$31,300,000	\$145,900,000	08/16/95
Manufacturing	Republic Engineered Steels	\$8.00	\$74,400,000	\$150,300,000	04/28/95
Manufacturing	Riviana Foods Inc	\$12.00	\$43,800,000	\$184,500,000	03/06/95
Manufacturing	Sandisk	\$10.00	\$26,900,000	\$213,600,000	11/07/95
Manufacturing	Sano	\$11.50	\$26,400,000	\$101,400,000	11/06/95
Manufacturing	SDL	\$16.00	\$31,200,000	\$100,900,000	03/15/95
Manufacturing	Semitool	\$13.00	\$36,000,000	\$106,400,000	02/02/95
Manufacturing	Silicon Storage Technology	\$9.00	\$40,000,000	\$197,300,000	11/21/95
Manufacturing	Smart Modular Technologies	\$12.00	\$45,500,000	\$211,800,000	11/17/95
Manufacturing	SMC	\$7.75	\$10,100,000	\$49,200,000	01/20/95
Manufacturing	Spacehab	\$12.00	\$61,900,000	\$128,800,000	12/20/95
Manufacturing	Spacetec IMC	\$10.00	\$22,500,000	\$70,200,000	12/06/95
Manufacturing	SpeedFam International	\$11.00	\$34,200,000	\$109,600,000	10/09/95
Manufacturing	Spine-Tech	\$9.00	\$35,000,000	\$80,700,000	06/22/95
Manufacturing	STB Systems	\$12.00	\$22,000,000	\$54,000,000	02/14/95
Manufacturing	StorMedia	\$16.00	\$32,500,000	\$143,300,000	05/04/95
Manufacturing	Synaptic Pharmaceutical	\$12.50	\$26,000,000	\$91,600,000	12/13/95
Manufacturing	Sync Research	\$20.00	\$36,700,000	\$261,500,000	11/09/95
Manufacturing	Tegal	\$12.00	\$45,100,000	\$43,800,000	10/18/95
Manufacturing	TelCom Semiconductor	\$8.50	\$23,400,000	\$145,800,000	07/27/95
Manufacturing	Teltrend	\$16.00	\$48,800,000	\$88,900,000	06/08/95
Manufacturing	ThrustMaster	\$6.50	\$7,500,000	\$23,000,000	02/24/95
Manufacturing	Tollgrade Communications	\$12.00	\$18,700,000	\$20,400,000	12/14/95
Manufacturing	TranSwitch	\$9.00	\$25,000,000	\$97,400,000	06/14/95
Manufacturing	TST/Impreso	\$6.00	\$6,600,000	\$30,600,000	10/05/95
Manufacturing	Tylan General	\$7.00	\$16,000,000	\$30,600,000	01/26/95
Manufacturing	Uniroyal Chemical	\$12.00	\$160,200,000	\$289,200,000	03/16/95
Manufacturing	USA Detergents	\$14.50	\$25,200,000	\$125,300,000	08/07/95
Manufacturing	VidaMed	\$6.50	\$20,200,000	\$56,300,000	06/21/95
Manufacturing	VideoServer	\$17.00	\$42,000,000	\$204,100,000	05/24/95
Manufacturing	Vodavi Technology	\$6.00	\$8,000,000	\$25,100,000	10/06/95
Manufacturing	Zoran	\$13.50	\$25,600,000	\$87,800,000	12/15/95
Manufacturing	Zycon	\$12.00	\$44,000,000	\$132,000,000	09/28/95
Mortgage Bank	Cityscape	\$18.00	\$45,000,000	\$260,100,000	12/20/95
Natural Resource	DLB Oil & Gas	\$10.00	\$48,100,000	\$130,000,000	07/25/95
Natural Resource	Falcon Drilling	\$9.00	\$50,000,000	\$257,500,000	07/28/95
Natural Resource	Forcenergy Gas Exploration	\$10.00	\$64,800,000	\$174,400,000	07/27/95
Natural Resource	Lihir Gold	\$23.86	\$38,600,000	\$420,000,000	10/06/95
Natural Resource	Phoenix Gold International	\$6.75	\$7,700,000	\$22,100,000	05/04/95
Other Finance	Ascent Entertainment Group	\$15.00	\$80,000,000	\$435,000,000	12/12/95
Other Finance	NuCo2	\$9.00	\$17,000,000	\$48,000,000	12/18/95
Other Finance	Sirrom Capital	\$11.00	\$25,300,000	\$80,700,000	02/06/95
Other Services	Computer Learning Centers	\$8.00	\$18,700,000	\$32,400,000	05/31/95
Other Services	Learning Tree International	\$12.00	\$36,000,000	\$166,500,000	12/06/95
Other Services	Natural Health Trends	\$3.25	\$3,300,000	\$16,700,000	06/21/95

**Investment Banking Firms
(Managers)****Co-Managers**

Salomon Brothers	Unterberg Harris
Rauscher Pierce Refsnes	Gerard, Klauer, Mattison & Co.
Goldman, Sachs	Alex. Brown & Sons
Smith Barney Inc.	Montgomery Securities, Piper, Jaffray Inc.
Salomon Brothers	Lazard Houses
Goldman, Sachs	Prudential Securities
Morgan Stanley	Goldman, Sachs
Raymond James & Associates	Vector Securities Int'l
Donaldson, Lufkin & Jenrette	Cowen
Cowen	Needham
Hambrecht & Quist	Donaldson, Lufkin & Jenrette
Donaldson, Lufkin & Jenrette	Cowen, Oppenheimer
Black & Company	Cruttenden & Co. Inc.
CS First Boston	Oppenheimer, Unterberg Harris
Advest	
Needham	Adams, Harkness & Hill
Robertson Stephens	Piper, Jaffray Inc.
Rauscher Pierce Refsnes	Sutro
Morgan Stanley	Montgomery Securities
Merrill Lynch & Co.	Vector Securities Int'l
Robertson Stephens	Alex. Brown & Sons, Wessels, Arnold & Henderson
Merrill Lynch & Co.	Robertson Stephens, Soundview Financial Group Inc.
Morgan Stanley	Montgomery Securities
Furman Selz Mager Dietz Birney	Oppenheimer, Robinson-Humphrey
Cruttenden & Co. Inc.	Black & Co.
Parker/Hunter	Baird, Patrick & Co., Inc.
Robertson Stephens	Hambrecht & Quist
AmeriCorp Securities	Hampshire Securities
Needham	Adams, Harkness & Hill
Smith Barney Inc.	Morgan Stanley, Wertheim Schroder
PaineWebber	Prudential Securities
Hambrecht & Quist	Volpe, Welty & Co.
Goldman, Sachs	Robertson Stephens
Paradise Valley Securities Inc	
Oppenheimer	Furman Selz Mager Dietz Birney, Unterberg Harris L.P.
Prudential Securities	Needham
Alex. Brown & Sons	Natwest Securities, WP-SEC
Merrill Lynch & Co.	Donaldson, Lufkin & Jenrette
Donaldson, Lufkin & Jenrette	PaineWebber, Simmons & Company
Goldman, Sachs	Donaldson, Lufkin & Jenrette, Howard, Weil, Labouisse
Goldman, Sachs	Merrill Lynch & Co., Salomon Brothers, Were
Black & Company	Jensen Securities
Allen & Co	SBI European Bank
Raymond James & Associates	First Analysis Securities
Robinson-Humphrey	J.C. Bradford & Co., Equitable Securities
Robertson Stephens	Piper, Jaffray Inc.
Robertson Stephens	Piper, Jaffray Inc., M Kane & Co.
Maidstone Financial, Inc.	Harriman Group

Legal Counsel (Company)**Auditor**

Riordan & Mckinzie	Ernst & Young
Klenda, Mitchell, Austerman & Zuercher	Coopers & Lybrand
Fenwick & West	Price Waterhouse
Riddell, Williams, Bullitt & Walkinshaw	Ernst & Young
Weil Gotshal & Manges	KPMG Peat Marwick
Monroe & Lemann	Arthur Andersen & Co.
Brobeck, Phleger, Harrison	Ernst & Young
Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel	Arthur Andersen & Co.
Morrison & Foerster	Ernst & Young
Morrison & Foerster	Coopers & Lybrand
Cooley, Godward, Castro, Huddleson & Tatum	Coopers & Lybrand
Wilson, Sonsini, Goodrich & Rosati	Arthur Andersen & Co.
Stoel, Rives, Boley, Jones & Grey	Deloitte & Touche
Mayer Brown & Platt	KPMG Peat Marwick
Palmer Dodge	Ernst & Young
Chapman & Cutler	KPMG Peat Marwick
Faegre & Benson	Ernst & Young
Locke, Purnell, Boren, Laney & Neely	Price Waterhouse
Wilson, Sonsini, Goodrich & Rosati	KPMG Peat Marwick
General Counsel	Ernst & Young
Venture Law Group	Ernst & Young
Latham & Watkins	KPMG Peat Marwick
Wilson, Sonsini, Goodrich & Rosati	Price Waterhouse
Jenner & Block	Ernst & Young
Bogle & Gates	Coopers & Lybrand
Reed Smith Shaw & McClay	Coopers & Lybrand
Testa Hurwitz Thibeault	KPMG Peat Marwick
Bachner, Tally, Polevoy & Misher	Arthur Andersen & Co.
Cooley, Godward, Castro, Huddleson & Tatum	Deloitte & Touche
Skadden, Arps, Slate, Meagher & Flom	Deloitte & Touche
Fulbright & Jaworski	Deloitte & Touche
Wilson, Sonsini, Goodrich & Rosati	Ernst & Young
Bingham, Dana & Gould	Ernst & Young
O'Connor & Associates, P.C.	Arthur Andersen & Co.
Gray Cary Ware & Freidenrich	Price Waterhouse
Leland, Parachini, Steinberg, Flinn, Matzger	KPMG Peat Marwick
Gibson Dunn & Crutcher	Shane, Yuman & Co.
Fellers, Snider, Blankenship, Bailey & Tippens	KPMG Peat Marwick
Parson & Brown	Arthur Andersen & Co.
Vinson, Elkins	Price Waterhouse
Sullivan & Cromwell	Coopers & Lybrand
Tonkon, Torp, Galen, Marmaduke	Deloitte & Touche
Latham & Watkins	Deloitte & Touche
Olshan Grundman Frome & Rosenzweig	KPMG Peat Marwick
Bass, Berry & Sims	Arthur Andersen & Co.
Hale, Dorr	Price Waterhouse
Irell & Manella	Arthur Andersen & Co.
Gallet Dreyer & Berkey	Feldman Radin & Co., P.C.

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Pers/Bus/Rep Svc	Across Data Systems	\$5.50	\$7,000,000	\$32,500,000	07/27/95
Pers/Bus/Rep Svc	ADAM Software	\$12.00	\$22,000,000	\$62,300,000	11/10/95
Pers/Bus/Rep Svc	Advent Software	\$18.00	\$28,000,000	\$119,100,000	11/15/95
Pers/Bus/Rep Svc	AMISYS Managed Care Systems	\$14.50	\$25,000,000	\$106,200,000	12/20/95
Pers/Bus/Rep Svc	APAC TeleServices	\$16.00	\$64,500,000	\$369,600,000	10/10/95
Pers/Bus/Rep Svc	Arbor Software	\$17.00	\$25,200,000	\$178,600,000	11/06/95
Pers/Bus/Rep Svc	ArcSys	\$13.00	\$21,600,000	\$116,800,000	06/06/95
Pers/Bus/Rep Svc	Ariely Advertising	\$5.00	\$5,000,000	\$14,000,000	09/20/95
Pers/Bus/Rep Svc	Astea International	\$15.00	\$30,800,000	\$156,000,000	07/27/95
Pers/Bus/Rep Svc	Baan	\$16.00	\$72,000,000	\$667,500,000	05/19/95
Pers/Bus/Rep Svc	BDM International	\$18.50	\$36,000,000	\$221,500,000	06/28/95
Pers/Bus/Rep Svc	Carnegie Group Inc	\$8.00	\$22,500,000	\$50,400,000	11/29/95
Pers/Bus/Rep Svc	Catalyst International	\$13.00	\$33,800,000	\$105,500,000	11/15/95
Pers/Bus/Rep Svc	CATS Software	\$12.00	\$20,000,000	\$65,200,000	03/20/95
Pers/Bus/Rep Svc	CBT Group	\$16.00	\$35,700,000	\$108,700,000	04/13/95
Pers/Bus/Rep Svc	CheckFree	\$18.00	\$72,000,000	\$575,200,000	09/28/95
Pers/Bus/Rep Svc	Citrix Systems	\$15.00	\$20,000,000	\$172,400,000	12/08/95
Pers/Bus/Rep Svc	CKS Group	\$17.00	\$40,000,000	\$1,776,500,000	12/14/95
Pers/Bus/Rep Svc	Clarify	\$13.00	\$26,000,000	\$120,300,000	11/03/95
Pers/Bus/Rep Svc	Complete Management	\$9.00	\$18,000,000	\$66,900,000	12/27/95
Pers/Bus/Rep Svc	Computer Management Sciences	\$14.00	\$18,700,000	\$65,100,000	09/27/95
Pers/Bus/Rep Svc	Computron Software	\$17.50	\$46,200,000	\$355,800,000	08/24/95
Pers/Bus/Rep Svc	Concentra	\$12.00	\$31,200,000	\$62,900,000	02/06/95
Pers/Bus/Rep Svc	Cooper & Chyan Technology	\$11.00	\$26,300,000	\$128,000,000	10/31/95
Pers/Bus/Rep Svc	Core Laboratories	\$12.00	\$30,000,000	\$41,600,000	09/20/95
Pers/Bus/Rep Svc	COREStaff	\$17.00	\$52,800,000	\$194,600,000	11/07/95
Pers/Bus/Rep Svc	CORT Business Services	\$12.00	\$40,000,000	\$120,100,000	11/17/95
Pers/Bus/Rep Svc	CRA Managed Care	\$16.00	\$350,000,000	\$110,200,000	05/03/95
Pers/Bus/Rep Svc	Cronos	\$10.00	\$37,400,000	\$86,200,000	12/07/95
Pers/Bus/Rep Svc	Datalogix International	\$17.00	\$46,200,000	\$174,800,000	06/15/95
Pers/Bus/Rep Svc	Datastream Systems	\$15.00	\$17,000,000	\$53,900,000	03/29/95
Pers/Bus/Rep Svc	DataWorks	\$13.00	\$32,500,000	\$73,300,000	10/26/95
Pers/Bus/Rep Svc	Dendrite International	\$14.50	\$33,800,000	\$153,800,000	06/30/95
Pers/Bus/Rep Svc	Desktop Data	\$15.00	\$24,000,000	\$122,900,000	08/11/95
Pers/Bus/Rep Svc	Discreet Logic	\$21.00	\$49,600,000	\$258,000,000	06/30/95
Pers/Bus/Rep Svc	DSP Communications	\$10.00	\$25,200,000	\$79,700,000	03/07/95
Pers/Bus/Rep Svc	Eagle Point Software	\$13.00	\$22,000,000	\$63,900,000	06/16/95
Pers/Bus/Rep Svc	Expert Software	\$12.00	\$45,000,000	\$84,200,000	04/11/95
Pers/Bus/Rep Svc	Firefox Communications	\$18.00	\$34,500,000	\$121,200,000	05/04/95
Pers/Bus/Rep Svc	Food Court Entertainment	\$5.00	\$14,000,000	\$22,500,000	10/11/95
Pers/Bus/Rep Svc	ForeFront Group	\$8.00	\$16,000,000	\$38,300,000	12/20/95
Pers/Bus/Rep Svc	Fractal Design	\$11.00	\$25,000,000	\$89,400,000	11/09/95
Pers/Bus/Rep Svc	Fuisz Technologies	\$12.00	\$30,300,000	\$144,300,000	12/14/95
Pers/Bus/Rep Svc	General Magic	\$14.00	\$55,700,000	\$335,200,000	02/09/95
Pers/Bus/Rep Svc	Gliatech	\$9.50	\$25,300,000	\$67,600,000	10/19/95
Pers/Bus/Rep Svc	GSE Systems	\$14.00	\$21,000,000	\$56,000,000	07/27/95
Pers/Bus/Rep Svc	GT Interactive Software	\$14.00	\$150,000,000	\$830,100,000	12/14/95

**Investment Banking Firms
(Managers)****Co-Managers****Legal Counsel (Company)****Auditor**

Hampshire Securities		Proskauer, Rose, Goetz & Mendelsohn	Lurie Besikof Lapidus & Co.
Robinson-Humphrey	Volpe, Welty & Co.	King Spalding	Price Waterhouse
Morgan Stanley	Hambrecht & Quist, PaineWebber	Wilson, Sonsini, Goodrich & Rosati	Coopers & Lybrand
Alex. Brown & Sons	Hambrecht & Quist, SBI European Bank	Hogan & Hartson	Coopers & Lybrand
Merrill Lynch & Co.	Lehman Brothers, SBI European Bank	McDermott, Will & Emery	Arthur Andersen & Co.
Morgan Stanley	Hambrecht & Quist, Robertson Stephens	Gunderson Dettmer Stough Villeneuve Franklin & Hachi	Price Waterhouse
Morgan Stanley	Alex. Brown & Sons, Wessels, Arnold & Henderson	Brobeck, Phleger, Harrison	Coopers & Lybrand
Hampshire Securities		Baer Marks & Upham	Almagor & Co.
Alex. Brown & Sons	Montgomery Securities	Testa Hurwitz Thibeault	Arthur Andersen & Co.
Goldman, Sachs	Morgan Stanley, Cowen, UBS Securities	Wilson, Sonsini, Goodrich & Rosati	Ernst & Young & Co.
Goldman, Sachs	Lehman Brothers	Willkie Farr & Gallagher	Coopers & Lybrand
Volpe, Welty & Company	Parker/Hunter	Kirkpatrick & Lockhart	Price Waterhouse
Robertson Stephens	Cowen, Furman Selz Mager Dietz Birney	Godfrey & Kahn	Ernst & Young
Hambrecht & Quist	Cowen	Wilson, Sonsini, Goodrich & Rosati	Arthur Andersen & Co.
Alex. Brown & Sons	Robertson Stephens	Wilson, Sonsini, Goodrich & Rosati	Ernst & Young
Lehman Brothers	Alex. Brown & Sons, Volpe, Welty & Co., Ohio Company	Porter, Wright, Morris & Arthur	Deloitte & Touche
Hambrecht & Quist	Robertson Stephens	Testa Hurwitz Thibeault	Ernst & Young
Goldman, Sachs	Dean Witter Reynolds	Wilson, Sonsini, Goodrich & Rosati	KPMG Peat Marwick
Alex. Brown & Sons	Wessels, Arnold & Henderson	Gunderson, Dettmer, Stough, Villeneuve, Franklin	Coopers & Lybrand
Paulson Investment	National Securities, Marion Bass Securities	Morse, Zelnick, Rose & Lander, L.L.P.	Arthur Andersen & Co.
Robinson-Humphrey	Raymond James & Associates	Holland & Knight	Individual
Donaldson, Lufkin & Jenrette	Cowen, First Albany	Brobeck, Phleger, Harrison	Arthur Andersen & Co.
Donaldson, Lufkin & Jenrette	Volpe, Welty & Co., Soundview Financial Group Inc.	Peabody & Arnold	Coopers & Lybrand
Alex. Brown & Sons	Wessels, Arnold & Henderson, Soundview Financial Group Inc.	Fenwick & West	Ernst & Young
Jefferies & Co., Inc.	Morgan Keegan	Baker, Botts	Arthur Andersen & Co.
Goldman, Sachs	Robinson-Humphrey	Akin, Gump, Strauss, Hauer & Feld	Ernst & Young
Smith Barney Inc.	Montgomery Securities	Dechert Price Rhoads	KPMG Peat Marwick
Alex. Brown & Sons	Dean Witter Reynolds, J.P. Morgan Securities, Inc.	Hutchins, Wheeler & Dittmar	Arthur Andersen & Co.
Morgan Stanley	Alex. Brown & Sons	Sullivan & Cromwell	Arthur Andersen & Co.
Robertson Stephens	Alex. Brown & Sons, UBS Securities	Wilson, Sonsini, Goodrich & Rosati	Price Waterhouse
Robinson-Humphrey	Raymond James & Assoc.	Powell, Goldstein, Frazer & Murphy	KPMG Peat Marwick
Furman Selz Inc	Soundview Financial Group Inc.	Cooley, Godward, Castro, Huddleson & Tatum	Ernst & Young
Goldman, Sachs	Hambrecht & Quist	Norris, McLaughlin & Marcus	Arthur Andersen & Co.
Alex. Brown & Sons	Volpe, Welty & Co.	Testa Hurwitz Thibeault	Arthur Andersen & Co.
Robertson Stephens	Volpe, Welty & Co.	Testa Hurwitz Thibeault	Arthur Andersen & Co.
Oppenheimer	Cowen, Unterberg Harris	Morrison & Foerster	Ernst & Young
William Blair	Piper, Jaffray Inc.	Sidley & Austin	Deloitte & Touche
Hambrecht & Quist	Piper, Jaffray Inc.	Goodwin, Procter & Hoar	Arthur Andersen & Co.
Robertson Stephens	Montgomery Securities, Cowen	Gray Cary Ware & Freidenrich	Deloitte & Touche
D. H. Blair		Blank, Rome, Comisky & Mccauley	Richard Eisner
William K. Woodruff	Capital West	Andrews & Kurth	Arthur Andersen & Co.
Unterberg Harris	Piper, Jaffray Inc., Van Kasper	Venture Law Group	Price Waterhouse
Smith Barney Inc.	Lehman Brothers	Hale, Dorr	Coopers & Lybrand
Goldman, Sachs	Alex. Brown & Sons, SBI European Bank	Gray Cary Ware & Freidenrich	KPMG Peat Marwick
Montgomery Securities	Vector Securities Int'l, McDonald & Co. Securities	Jones Day Reavis & Pogue	Ernst & Young
Prime Charter Ltd		Arnold & Porter	Coopers & Lybrand
Robertson Stephens	Hambrecht & Quist, UBS Securities	Kramer, Levin, Naftalis, Nessen, Kamin & Frankel	Arthur Andersen & Co.

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Pers/Bus/Rep Svc	Harbinger	\$12.00	\$27,000,000	\$112,900,000	08/22/95
Pers/Bus/Rep Svc	HCIA	\$14.00	\$19,300,000	\$100,600,000	02/22/95
Pers/Bus/Rep Svc	HNC Software	\$14.00	\$24,800,000	\$91,700,000	06/20/95
Pers/Bus/Rep Svc	HPR	\$16.00	\$26,500,000	\$109,200,000	08/10/95
Pers/Bus/Rep Svc	IMNET Systems	\$12.00	\$37,500,000	\$93,300,000	07/20/95
Pers/Bus/Rep Svc	Inference	\$11.00	\$24,200,000	\$75,400,000	06/29/95
Pers/Bus/Rep Svc	Insignia Solutions	\$12.00	\$39,600,000	\$133,400,000	11/14/95
Pers/Bus/Rep Svc	Interactive Group	\$6.50	\$8,500,000	\$28,200,000	05/23/95
Pers/Bus/Rep Svc	Learmonth & Burchett Mgmt	\$10.00	\$26,700,000	\$239,400,000	11/16/95
Pers/Bus/Rep Svc	Legato Systems	\$19.00	\$32,000,000	\$145,300,000	07/06/95
Pers/Bus/Rep Svc	Logic Works	\$11.00	\$32,000,000	\$117,300,000	10/16/95
Pers/Bus/Rep Svc	MAID	\$15.10	\$87,500,000	\$1,267,100,000	11/22/95
Pers/Bus/Rep Svc	Maxis	\$16.00	\$48,000,000	\$166,400,000	05/24/95
Pers/Bus/Rep Svc	Mecon	\$13.00	\$30,600,000	\$71,900,000	12/06/95
Pers/Bus/Rep Svc	META Group	\$18.00	\$36,000,000	\$91,700,000	12/01/95
Pers/Bus/Rep Svc	Meta Software Inc	\$12.00	\$22,000,000	\$114,000,000	11/08/95
Pers/Bus/Rep Svc	MetaTools	\$18.00	\$45,000,000	\$191,200,000	12/12/95
Pers/Bus/Rep Svc	Metra Biosystems	\$10.00	\$33,000,000	\$91,800,000	06/30/95
Pers/Bus/Rep Svc	Mustang Software	\$6.50	\$5,500,000	\$21,800,000	04/05/95
Pers/Bus/Rep Svc	MySoftware	\$11.00	\$20,000,000	\$46,400,000	06/15/95
Pers/Bus/Rep Svc	Neopath	\$11.00	\$34,500,000	\$99,200,000	01/26/95
Pers/Bus/Rep Svc	Netscape Communications	\$28.00	\$95,600,000	\$1,068,500,000	08/08/95
Pers/Bus/Rep Svc	Network Appliance	\$13.50	\$25,500,000	\$214,500,000	11/21/95
Pers/Bus/Rep Svc	Neuromedical Technologies Inc	\$15.00	\$62,400,000	\$408,300,000	12/07/95
Pers/Bus/Rep Svc	Novadigm	\$15.00	\$35,000,000	\$252,400,000	07/14/95
Pers/Bus/Rep Svc	Objective Systems Integrators	\$19.00	\$61,100,000	\$578,300,000	11/30/95
Pers/Bus/Rep Svc	OccuSystems	\$14.00	\$63,000,000	\$222,900,000	05/08/95
Pers/Bus/Rep Svc	ON Technology	\$15.00	\$36,400,000	\$145,700,000	08/01/95
Pers/Bus/Rep Svc	Open Environment	\$15.00	\$38,500,000	\$103,300,000	04/13/95
Pers/Bus/Rep Svc	Ostex International	\$9.50	\$31,500,000	\$114,100,000	01/25/95
Pers/Bus/Rep Svc	Parexel International	\$15.00	\$30,500,000	\$103,800,000	11/22/95
Pers/Bus/Rep Svc	Performance Systems	\$12.00	\$41,800,000	\$361,500,000	05/01/95
Pers/Bus/Rep Svc	Pharmacopeia	\$16.00	\$33,800,000	\$154,400,000	12/05/95
Pers/Bus/Rep Svc	Pixar	\$22.00	\$114,000,000	\$822,500,000	11/29/95
Pers/Bus/Rep Svc	Premenos Technology	\$18.00	\$46,800,000	\$176,700,000	09/20/95
Pers/Bus/Rep Svc	Pure Software	\$17.00	\$30,300,000	\$263,000,000	08/01/95
Pers/Bus/Rep Svc	RadiSys	\$12.00	\$27,500,000	\$67,200,000	10/20/95
Pers/Bus/Rep Svc	Remedy	\$23.00	\$36,000,000	\$178,400,000	03/17/95
Pers/Bus/Rep Svc	Renaissance Solutions	\$13.00	\$28,600,000	\$77,600,000	04/03/95
Pers/Bus/Rep Svc	Renters Choice	\$10.00	\$24,800,000	\$65,500,000	01/25/95
Pers/Bus/Rep Svc	Romac International	\$12.50	\$19,200,000	\$57,100,000	08/14/95
Pers/Bus/Rep Svc	ROSS Technology	\$14.00	\$35,800,000	\$49,000,000	11/06/95
Pers/Bus/Rep Svc	RTW	\$13.00	\$24,000,000	\$96,800,000	04/18/95
Pers/Bus/Rep Svc	Saville Systems Ireland	\$10.00	\$60,000,000	\$175,000,000	11/16/95
Pers/Bus/Rep Svc	ScanVec Co. (1990)	\$7.00	\$10,900,000	\$30,800,000	10/18/95
Pers/Bus/Rep Svc	Scopus Technology	\$12.00	\$26,400,000	\$135,200,000	11/16/95
Pers/Bus/Rep Svc	Secure Computing	\$16.00	\$25,200,000	\$97,100,000	11/17/95
Pers/Bus/Rep Svc	Seer Technologies	\$18.00	\$39,800,000	\$197,100,000	06/30/95

**Investment Banking Firms
(Managers)**

Alex. Brown & Sons
 Alex. Brown & Sons
 Morgan Stanley
 Hambrecht & Quist
 Volpe, Welty & Company
 Prudential Securities
 Robertson Stephens
 Cruttenden Roth Inc.
 Lehman Brothers
 Robertson Stephens
 Morgan Stanley
 Hambrecht & Quist
 Morgan Stanley
 Montgomery Securities
 Robertson Stephens
 Wessels, Arnold & Henderson
 Alex. Brown & Sons
 Robertson Stephens
 Cruttenden Roth Inc.
 Volpe, Welty & Company
 Invemed Associates
 Morgan Stanley
 Lehman Brothers
 Goldman, Sachs
 Alex. Brown & Sons
 Morgan Stanley
 Donaldson, Lufkin & Jenrette
 Robertson Stephens
 Donaldson, Lufkin & Jenrette
 CS First Boston
 William Blair
 Montgomery Securities
 Alex. Brown & Sons
 Robertson Stephens
 Volpe, Welty & Company
 Morgan Stanley
 Cowen
 Alex. Brown & Sons
 Hambrecht & Quist
 Rauscher Pierce Refsnes
 Prudential Securities
 Robertson Stephens
 Montgomery Securities
 Alex. Brown & Sons
 Unterberg Harris
 Morgan Stanley
 Piper, Jaffray Inc
 Hambrecht & Quist

Co-Managers

Robinson-Humphrey
 Hambrecht & Quist
 Robertson Stephens
 Alex. Brown & Sons, Volpe, Welty & Co.
 Punk, Ziegel & Knoell
 J.P. Morgan Securities, Inc., Soundview Financial Group Inc.
 Cowen, UBS Securities

 J.P. Morgan Securities, Inc., Wessels, Arnold & Henderson
 Hambrecht & Quist, Punk, Ziegel & Knoell
 Hambrecht & Quist, Robertson Stephens
 Bear, Stearns
 Alex. Brown & Sons, Piper, Jaffray Inc.
 Cowen, Wessels, Arnold & Henderson
 Donaldson, Lufkin & Jenrette
 Needham, Soundview Financial Group Inc.
 Cowen, Hambrecht & Quist
 Cowen, Furman Selz Inc.

 Punk, Ziegel & Knoell

 Hambrecht & Quist
 Alex. Brown & Sons
 Merrill Lynch & Co., SBI European Bank
 Prudential Securities, Soundview Financial Group Inc.
 Bear, Stearns, Punk, Ziegel & Knoell
 Alex. Brown & Sons, SBI European Bank
 Wessels, Arnold & Henderson
 Cowen
 Invemed Associates
 SBI European Bank, Adams, Harkness & Hill
 Cowen, Punk, Ziegel & Knoell
 Cowen, UBS Securities
 Hambrecht & Quist, Cowen
 Furman Selz Inc.
 Wessels, Arnold & Henderson
 J.P. Morgan Securities, Inc.
 Hambrecht & Quist, Montgomery Securities
 Cowen
 Equitable Securities, George K. Baum
 Baird, Patrick & Co., Inc.
 PaineWebber
 Piper, Jaffray Inc.
 Hambrecht & Quist, Columbia Group
 Oscar Gruss & Son Inc.
 Montgomery Securities, UBS Securities
 Robertson Stephens
 CS First Boston, Merrill Lynch & Co.

Legal Counsel (Company)

Morris, Manning & Martin
 Whiteford, Taylor & Preston L.L.P.
 Fenwick & West
 Hill & Barlow
 Arnall Golden & Gregory
 O'Melveny & Myers
 Fenwick & West
 Cooley, Godward, Castro, Huddleson & Tatum
 Ropes & Gray
 Brobeck, Phleger, Harrison
 Brobeck, Phleger, Harrison
 Wilson, Sonsini, Goodrich & Rosati
 Wilson, Sonsini, Goodrich & Rosati
 Wilson, Sonsini, Goodrich & Rosati
 Testa Hurwitz Thibault
 Venture Law Group
 Wilson, Sonsini, Goodrich & Rosati
 Venture Law Group
 Freshman, Marantz, Orlanski, Cooper
 Cooley, Godward, Castro, Huddleson
 Perkins Coie
 Wilson, Sonsini, Goodrich & Rosati
 Brobeck, Phleger, Harrison
 Fried, Frank, Harris, Shriver & Jacobson
 Wilson, Sonsini, Goodrich & Rosati
 Wilson, Sonsini, Goodrich & Rosati
 Vinson, Elkins
 Epstein Becker & Green
 Hale, Dorr
 Cairncross & Hempelmann
 Testa Hurwitz Thibault
 Nixon, Hargrave, Devan & Doyle
 Brobeck, Phleger, Harrison
 Wilson, Sonsini, Goodrich & Rosati
 Bryan, Cave, McPheeters & McRoberts
 Brobeck, Phleger, Harrison
 Stoel, Rives, Boley, Fraser & Wyse
 Brobeck, Phleger, Harrison
 Hale, Dorr
 Baker, Botts
 Holland & Knight
 Irell & Manella
 Lindquist & Vennum
 Hale, Dorr
 Kaye, Scholer, Fierman, Hayes & Handler
 Wilson, Sonsini, Goodrich & Rosati
 Faegre & Benson
 Powell, Goldstein, Frazer & Murphy

Auditor

Arthur Andersen & Co.
 KPMG Peat Marwick
 Price Waterhouse
 Coopers & Lybrand
 KPMG Peat Marwick
 Ernst & Young
 Price Waterhouse
 Ernst & Young
 Price Waterhouse
 Coopers & Lybrand
 Ernst & Young
 Price Waterhouse
 Ernst & Young
 KPMG Peat Marwick
 Deloitte & Touche
 KPMG Peat Marwick
 Coopers & Lybrand
 KPMG Peat Marwick
 Arthur Andersen & Co.
 KPMG Peat Marwick
 Ernst & Young
 Ernst & Young
 Deloitte & Touche
 Shane, Yuman & Co.
 Arthur Andersen & Co.
 Deloitte & Touche
 Arthur Andersen & Co.
 Arthur Andersen & Co.
 Ernst & Young
 Arthur Andersen & Co.
 Price Waterhouse
 Price Waterhouse
 Ernst & Young
 Peat Marwick & Mitchell
 Coopers & Lybrand
 KPMG Peat Marwick
 Price Waterhouse
 Ernst & Young
 Deloitte & Touche
 Grant Thornton
 Price Waterhouse
 KPMG Peat Marwick
 Deloitte & Touche
 Ernst & Young
 Kost Levary & Forer
 Coopers & Lybrand
 Ernst & Young
 Coopers & Lybrand

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Pers/Bus/Rep Svc	Sequana Therapeutics	\$9.00	\$39,000,000	\$69,500,000	07/31/95
Pers/Bus/Rep Svc	Simware	\$10.00	\$21,600,000	\$14,000,000	09/29/95
Pers/Bus/Rep Svc	Sitel	\$13.50	\$34,400,000	\$90,100,000	06/08/95
Pers/Bus/Rep Svc	Smartflex Systems	\$12.00	\$30,800,000	\$74,500,000	07/31/95
Pers/Bus/Rep Svc	Smith Micro Software	\$12.00	\$37,400,000	\$164,400,000	09/18/95
Pers/Bus/Rep Svc	Software 2000	\$11.00	\$27,600,000	\$120,200,000	11/17/95
Pers/Bus/Rep Svc	Software Artistry	\$14.00	\$20,100,000	\$54,000,000	03/02/95
Pers/Bus/Rep Svc	Sonus Pharmaceuticals	\$7.00	\$27,500,000	\$57,000,000	10/12/95
Pers/Bus/Rep Svc	SOS Staffing Services	\$6.50	\$17,800,000	\$43,600,000	06/28/95
Pers/Bus/Rep Svc	Spyglass	\$17.00	\$31,000,000	\$85,100,000	06/27/95
Pers/Bus/Rep Svc	Summit Medical Systems	\$9.00	\$20,000,000	\$58,700,000	08/04/95
Pers/Bus/Rep Svc	TechForce	\$11.00	\$37,200,000	\$87,000,000	12/14/95
Pers/Bus/Rep Svc	TGV Software	\$16.00	\$30,000,000	\$83,500,000	02/28/95
Pers/Bus/Rep Svc	Tivoli Systems	\$14.00	\$32,800,000	\$193,800,000	03/10/95
Pers/Bus/Rep Svc	Transaction Systems	\$15.00	\$38,500,000	\$167,500,000	02/23/95
Pers/Bus/Rep Svc	Triple P	\$10.00	\$60,500,000	\$231,200,000	12/14/95
Pers/Bus/Rep Svc	Unison Software	\$9.00	\$19,000,000	\$66,500,000	07/20/95
Pers/Bus/Rep Svc	UUNet Technologies	\$14.00	\$61,400,000	\$386,300,000	05/25/95
Pers/Bus/Rep Svc	Vacation Break USA	\$5.00	\$15,000,000	\$41,500,000	12/21/95
Pers/Bus/Rep Svc	Vantive	\$12.00	\$20,000,000	\$54,200,000	08/14/95
Pers/Bus/Rep Svc	Veritas Music Entertainment	\$5.00	\$6,900,000	\$23,000,000	07/20/95
Pers/Bus/Rep Svc	Verity	\$12.00	\$30,000,000	\$114,000,000	10/06/95
Pers/Bus/Rep Svc	VIASOFT	\$8.00	\$20,000,000	\$63,200,000	03/01/95
Pers/Bus/Rep Svc	Visio	\$16.00	\$34,600,000	\$206,000,000	11/09/95
Pers/Bus/Rep Svc	Visioneer	\$12.00	\$44,000,000	\$217,600,000	12/11/95
Radio/TV/Telecom	American Radio Systems	\$16.50	\$66,500,000	\$229,000,000	06/08/95
Radio/TV/Telecom	Argyle Television Holding	\$17.00	\$65,300,000	\$187,500,000	10/23/95
Radio/TV/Telecom	EchoStar Communications	\$17.00	\$66,000,000	\$638,200,000	06/20/95
Radio/TV/Telecom	Globalstar Telecommunications	\$20.00	\$180,000,000	\$200,200,000	02/14/95
Radio/TV/Telecom	HighwayMaster Communications	\$19.75	\$78,000,000	\$441,100,000	06/22/95
Radio/TV/Telecom	MobileMedia	\$18.50	\$112,000,000	\$580,200,000	06/29/95
Radio/TV/Telecom	NYNEX CableComms Group	\$21.81	\$270,200,000	\$15,517,800,000	06/08/95
Radio/TV/Telecom	Palmer Wireless	\$14.25	\$80,000,000	\$327,800,000	03/14/95
Radio/TV/Telecom	PanAmSat	\$17.00	\$280,000,000	\$1,700,000,000	09/21/95
Radio/TV/Telecom	Sinclair Broadcast Group	\$21.00	\$80,000,000	\$714,000,000	06/06/95
Radio/TV/Telecom	Tele-Communications Intl	\$16.00	\$238,000,000	\$1,880,000,000	07/12/95
Radio/TV/Telecom	US Order	\$14.75	\$53,900,000	\$211,700,000	06/01/95
Radio/TV/Telecom	Videotron Holdings	\$17.50	\$107,300,000	\$4,774,600,000	03/30/95
Radio/TV/Telecom	Wireless One	\$10.50	\$30,000,000	\$136,500,000	10/18/95
Real Estate	NHP	\$13.00	\$60,200,000	\$159,300,000	08/14/95
REIT	Redwood Trust	\$15.50	\$50,000,000	\$77,500,000	08/04/95
REIT	Sunstone Hotel Investors	\$9.50	\$62,100,000	\$56,200,000	08/10/95
Restaurant/Hotel	Extended Stay America	\$13.00	\$44,000,000	\$236,000,000	12/13/95
Restaurant/Hotel	Garden Fresh Restaurant	\$9.00	\$15,000,000	\$35,600,000	05/17/95
Restaurant/Hotel	Italian Oven	\$8.00	\$24,300,000	\$34,800,000	11/20/95
Restaurant/Hotel	Jerry's Famous Deli	\$6.00	\$12,600,000	\$60,800,000	10/20/95
Restaurant/Hotel	Logans Roadhouse	\$13.50	\$20,400,000	\$42,500,000	07/26/95

**Investment Banking Firms
(Managers)****Co-Managers****Legal Counsel (Company)****Auditor**

Lehman Brothers	Hambrecht & Quist	Wilson, Sonsini, Goodrich & Rosati	Ernst & Young
Oppenheimer	Punk, Ziegel & Knoell, Nesbitt Burns	Fulbright & Jaworski	Deloitte & Touche
Alex. Brown & Sons	Dain Bosworth	Parsinen Bowman & Levy PA	Coopers & Lybrand
Montgomery Securities	Needham	Stradling, Yocca, Carlson & Rauth	Ernst & Young
Hambrecht & Quist	Oppenheimer	Brobeck, Phleger, Harrison	Deloitte & Touche
Needham	Robinson-Humphrey, Soundview Financial Group Inc.	Testa Hurwitz Thibeault	Price Waterhouse
Robertson Stephens	Cowen	Henderson Daily Withrow & Devoe	Ernst & Young
Hambrecht & Quist	UBS Securities, Montgomery Securities	Stradling, Yocca, Carlson & Rauth	Ernst & Young
Unterberg Harris	George K. Baum	Kimball, Parr, Waddoups, Brown & Gee	Arthur Andersen & Co.
Alex. Brown & Sons	Cowen	Hale, Dorr	Price Waterhouse
Wessels, Arnold & Henderson	Volpe, Welty & Co.	Dorsey Whitney	Ernst & Young
Alex. Brown & Sons	Montgomery Securities	Powell, Goldstein, Frazer & Murphy	Arthur Andersen & Co.
Smith Barney Inc.	Wessels, Arnold & Henderson	Morrison & Foerster	Price Waterhouse
Goldman, Sachs	Robertson Stephens	Brobeck, Phleger, Harrison	Price Waterhouse
Goldman, Sachs	Alex. Brown & Sons	Erickson & Sederstrom	Arthur Andersen & Co.
Hambrecht & Quist	Cowen	Wilson, Sonsini, Goodrich & Rosati	Arthur Andersen & Co.
Hambrecht & Quist	Cowen	Wilson, Sonsini, Goodrich & Rosati	Coopers & Lybrand
Goldman, Sachs	Hambrecht & Quist, Bear, Stearns	Heller, Ehrman, White & McAuliffe	Arthur Andersen & Co.
Josephthal Lyon & Ross, Inc.	Cruttenden Roth Inc.	Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel	Coopers & Lybrand
Hambrecht & Quist	Robertson Stephens	Gray Cary Ware & Freidenrich	Arthur Andersen & Co.
A.S. Goldmen & Company		Loeb and Loeb	Drucke, Math & Whitman
Hambrecht & Quist	Alex. Brown & Sons, Wessels, Arnold & Henderson	Gray Cary Ware & Freidenrich	Coopers & Lybrand
Volpe, Welty & Company	Wessels, Arnold & Henderson	Meyer Hendricks Victor Osborn & Maledon	Arthur Andersen & Co.
Alex. Brown & Sons	Bear, Stearns	Perkins Coie	Ernst & Young
Robertson Stephens	Montgomery Securities, PaineWebber	Venture Law Group	Price Waterhouse
CS First Boston	Alex. Brown & Sons, SBI European Bank	Sullivan Worcester	Deloitte & Touche
CS First Boston	Bear, Stearns, Donaldson, Lufkin & Jenrette, Chase Securities	Locke, Purnell, Boren, Laney & Neely	Ernst & Young
Donaldson, Lufkin & Jenrette		Baker & Hostetler	Arthur Andersen & Co.
Lehman Brothers	Bear, Stearns, J.P. Morgan Securities, Inc., Salomon Brothers	Willkie Farr & Gallagher	Deloitte & Touche
Merrill Lynch & Co.	CS First Boston, SBI European Bank	Akin, Gump, Strauss, Hauer & Feld	Price Waterhouse
Lehman Brothers	Goldman, Sachs, SBI European Bank	Latham & Watkins	KPMG Peat Marwick
Salomon Brothers	S.G. Warburg & Co., Inc., Donaldson, Lufkin & Jenrette, Morgan Stanley	Chadbourne, Parke, Whiteside & Wolff	Coopers & Lybrand
Goldman, Sachs	Salomon Brothers, Wheat First Butcher & Singer	Hogan & Hartson	KPMG Peat Marwick
Morgan Stanley	Bear, Stearns, Donaldson, Lufkin & Jenrette	Fried, Frank, Harris, Shriver & Jacobson	Arthur Andersen & Co.
Smith Barney Inc.	Alex. Brown & Sons, Chase Securities	Piper & Marbury	Arthur Andersen & Co.
Merrill Lynch & Co.	CS First Boston, Donaldson, Lufkin & Jenrette, Morgan Stanley	Baker, Botts	KPMG Peat Marwick
Salomon Brothers	First Albany, Friend, Weinress, Frankson & Presson, Inc.	Hunton & Williams	KPMG Peat Marwick
Merrill Lynch & Co.	Natwest Securities, Goldman, Sachs	Kronish, Lieb, Weiner & Hellman	Touche Ross & Co.
Gerard, Klauer, Mattison & Co.	Prudential Securities	Kirkland & Ellis	KPMG Peat Marwick
Montgomery Securities	Donaldson, Lufkin & Jenrette, J.P. Morgan Securities, Inc.	Wilmer, Cutler & Pickering	Arthur Andersen & Co.
Montgomery Securities	Stifel, Nicolaus	General Counsel	Coopers & Lybrand
Montgomery Securities	Bear, Stearns	Brobeck, Phleger, Harrison	Coopers & Lybrand
Donaldson, Lufkin & Jenrette	SBI European Bank	Bell, Boyd & Lloyd	Coopers & Lybrand
Wedbush Morgan Securities	Morgan Keegan	Gray Cary Ware & Freidenrich	Price Waterhouse
Wheat First Butcher & Singer		Doepken Keevican & Weiss	Arthur Andersen & Co.
Boston Group		Jeffer, Mangels, Butler & Marmaro	Coopers & Lybrand Intl
J.C. Bradford	Equitable Securities	Waller, Lansden, Dortch & Davis	KPMG Peat Marwick

Industry	Company	Offering Price	Total \$ Value Of Offering	Market Value At Time Of Offering	Offering Date
Restaurant/Hotel	Schlotsky's	\$11.00	\$22,000,000	\$60,700,000	12/15/95
Restaurant/Hotel	Studio Plus of America	\$15.00	\$43,400,000	\$69,800,000	06/20/95
Retail	American Coin Merchandising	\$7.00	\$15,300,000	\$35,600,000	10/13/95
Retail	Creative Computers	\$17.00	\$31,000,000	\$153,000,000	04/04/95
Retail	Cutter & Buck	\$7.00	\$12,200,000	\$24,200,000	08/14/95
Retail	Dollar Tree Stores	\$15.00	\$37,500,000	\$248,200,000	03/06/95
Retail	Eastbay	\$15.00	\$26,000,000	\$86,600,000	09/28/95
Retail	Elcom International	\$11.00	\$66,000,000	\$244,900,000	12/19/95
Retail	Finlay Enterprises	\$14.00	\$44,500,000	\$105,200,000	04/06/95
Retail	Gadzooks	\$14.00	\$22,400,000	\$69,200,000	10/05/95
Retail	Garden Ridge	\$15.00	\$33,800,000	\$103,500,000	05/09/95
Retail	Hello Direct	\$11.50	\$16,500,000	\$54,100,000	04/07/95
Retail	Home Centers (DIY)	\$7.00	\$13,500,000	\$33,000,000	12/21/95
Retail	Owen Healthcare Inc	\$12.00	\$93,200,000	\$191,200,000	08/02/95
Retail	Star Gas Partners	\$22.00	\$56,600,000	\$57,200,000	12/14/95
Retail	Sterling Vision	\$7.50	\$20,000,000	\$92,300,000	12/20/95
S&L/Thrift	Imperial Thrift & Loan	\$10.00	\$52,000,000	\$52,000,000	10/23/95
S&L/Thrift	Oak Hill Financial	\$9.75	\$6,500,000	\$27,100,000	10/12/95
Sanitation	ERD Waste	\$6.50	\$13,000,000	\$37,900,000	05/17/95
Telephone Commun	EqualNet Holdings	\$11.00	\$24,200,000	\$63,900,000	03/08/95
Telephone Commun	General Cable	\$15.39	\$152,000,000	\$1,056,900,000	04/20/95
Telephone Commun	MIDCOM Communications	\$11.00	\$64,500,000	\$148,700,000	07/06/95
Telephone Commun	Tel-Save Holdings	\$13.75	\$39,000,000	\$172,600,000	09/20/95
Transportation	Ambassadors International	\$9.00	\$19,000,000	\$56,100,000	08/03/95
Transportation	Ampace	\$7.00	\$9,000,000	\$18,600,000	02/16/95
Transportation	Atlas Air	\$16.00	\$58,000,000	\$304,000,000	08/10/95
Transportation	Consolidated Delivery	\$13.00	\$44,800,000	\$86,200,000	11/20/95
Transportation	Eagle USA Airfreight	\$16.50	\$30,000,000	\$135,700,000	11/30/95
Transportation	Intrav	\$10.50	\$22,800,000	\$55,900,000	05/18/95
Transportation	Simon Transportation Services	\$9.00	\$24,200,000	\$41,400,000	11/17/95
Transportation	Western Pacific Airlines	\$19.00	\$48,000,000	\$248,300,000	12/05/95
Transportation	World Airways	\$12.50	\$37,700,000	\$150,000,000	10/05/95
Wholesale	AmeriSource Health Corp	\$21.00	\$100,300,000	\$514,400,000	04/04/95
Wholesale	Business Resource Group	\$7.00	\$12,000,000	\$32,100,000	06/27/95
Wholesale	Daisytek International	\$15.00	\$22,800,000	\$91,000,000	01/26/95
Wholesale	Henry Schein	\$16.00	\$98,600,000	\$293,100,000	11/03/95
Wholesale	Insight Enterprises	\$9.00	\$13,500,000	\$48,100,000	01/24/95
Wholesale	Ostech	\$10.50	\$19,000,000	\$42,000,000	08/02/95
Wholesale	Programmer's Paradise	\$10.00	\$19,600,000	\$43,800,000	07/18/95
Wholesale	SCP Pool	\$10.50	\$23,400,000	\$64,900,000	10/12/95
Wholesale	SQA	\$16.00	\$26,000,000	\$122,400,000	12/13/95
Wholesale	Taitron Components	\$5.25	\$11,000,000	\$34,600,000	04/19/95
Wholesale	Tarrant Apparel Group	\$9.00	\$30,000,000	\$58,500,000	07/24/95
Wholesale	US Office Products	\$10.00	\$32,500,000	\$71,300,000	02/14/95
Wholesale	Western Power & Equipment	\$6.50	\$8,500,000	\$21,700,000	06/13/95

Source: Securities Data Company (201) 622-3100

The Nasdaq Stock Market and the NASD do not guarantee the accuracy or completeness of these lists and will not be liable for any error they may contain.

Investment Banking Firms (Managers)	Co-Managers	Legal Counsel (Company)	Auditor
Raymond James & Associates	Morgan Keegan	Jenkins Gilchrist	Coopers & Lybrand
Smith Barney Inc.	Montgomery Securities	Hunton & Williams	Coopers & Lybrand
Seidler Companies		Huddleson & Tatum	KPMG Peat Marwick
William Blair	Dillon Read	Morrison & Foerster	Price Waterhouse
Needham	Wedbush Morgan Securities	Lane, Powell, Spears, & Lubersky	Ernst & Young
Montgomery Securities	SBI European Bank	Davis Polk & Wardwell	KPMG Peat Marwick
Robert W. Baird	Piper, Jaffray Inc.	Reinhart, Boerner, Van Deuren, Norris	Wipfli, Ullrich & Bertelson
Robertson Stephens	Volpe, Welty & Co.	Calfee, Halter & Griswold	Arthur Andersen & Co.
Goldman, Sachs	Donaldson, Lufkin & Jenrette, Robertson Stephens	Paul, Weiss, Rifkind, Wharton & Garrison	Arthur Andersen & Co.
Montgomery Securities	Robinson-Humphrey	Akin, Gump, Strauss, Hauer & Feld	Price Waterhouse
Dillon, Read	Robinson-Humphrey	Liddell, Sapp, Zivley Hill & La Boon	Arthur Andersen & Co.
Alex. Brown & Sons		Wilson, Sonsini, Goodrich & Rosati	KPMG Peat Marwick
Pennsylvania Merchant Group	Sands Brothers & Co., Ltd	Carter, Ledyard & Milburn	Kost, Levary & Forere
Smith Barney Inc.	Rauscher Pierce Refsnes	Vinson, Elkins	Price Waterhouse
Lehman Brothers	Donaldson, Lufkin & Jenrette, PaineWebber	Andrews & Kurth	KPMG Peat Marwick
Fechtner, Detwiler	Burnham Securities Inc.	Mcdermott Will & Emery	Janover Rubinoit, LLC
Friedman, Billings, Ramsey & Co		Manatt, Phelps, Rothenberg & Phillips	Grant Thornton
McDonald & Company Securities		Porter, Wright, Morris & Arthur	Grant Thornton
Hampshire Securities		Squadron, Ellenoff, Plesent, Sheinfeld & Sorkin	Feldman Radin & Co., P.C.
J.C. Bradford	Johnson Rice & Company	Fulbright & Jaworski	Ernst & Young
Lazard Freres & Co.	Donaldson, Lufkin & Jenrette, Morgan Stanley, Natwest Securities	Skadden, Arps, Slate, Meagher & Flom	Coopers & Lybrand
Donaldson, Lufkin & Jenrette	Robinson-Humphrey	Heller, Ehrman, White & Mcauliffe	Ernst & Young
Gerard, Klauer, Mattison & Co.		Blank, Rome, Comisky & Mccauley	BDO - Seidman
Montgomery Securities	Piper, Jaffray Inc.	Latham & Watkins	Coopers & Lybrand
Lexington Securities	J W Charles Securities, Corporate Securites Group, Inc.	Siegan Barbakoff Gomborg & Kane, Ltd	KPMG Peat Marwick
Merrill Lynch & Co.	SBI European Bank	Cahill Gordon & Reindel	Arthur Andersen & Co.
PaineWebber	A.G. Edwards & Sons, Furman Selz Inc.	Lowenstein, Sandler, Kohl, Fisher & Boylan	Arthur Andersen & Co.
Donaldson, Lufkin & Jenrette	Robinson-Humphrey	Baker, Botts	Price Waterhouse
Kemper Securities		Peper, Martin, Jensen Maichel & Hetlege	Ernst & Young
Morgan Keegan	Wheat First Butcher & Singer	Scudder Law Firm	Arthur Andersen & Co.
Salomon Brothers	Alex. Brown & Sons, Hanifen, Imhoff	Winthrop, Stimson, Putnam & Roberts	Arthur Andersen & Co.
PaineWebber	J.P. Morgan Securities, Inc., Salomon Brothers, Friend, Weinress, Frankson & Presson, Inc.	Hunton & Williams	KPMG Peat Marwick
Donaldson, Lufkin & Jenrette	SBI European Bank, BT Securities	Dechert Price Rhoads	Ernst & Young
Needham	Van Kasper	Venture Law Group	Deloitte & Touche
Dillon, Read	Robinson-Humphrey	Wolff & Samson	Arthur Andersen & Co.
William Blair	Alex. Brown & Sons, Montgomery Securities	Proskauer, Rose, Goetz & Mendelsohn	BDO - Seidman
Principal Financial Securities	Pennsylvania Merchant Group	Quarles & Brady	KPMG Peat Marwick
Pacific Growth Equities		Morgan, Lewis & Bockius	Coopers & Lybrand
Unterberg Harris	Janney Montgomery Scott	Golenbock, Eiseman, Assor & Bell	Ernst & Young
Robinson-Humphrey	Morgan Keegan	Kirkland & Ellis	Ernst & Young
Robertson Stephens	Wessels, Arnold & Henderson	Testa Hurwitz Thibeault	Arthur Andersen & Co.
D. H. Blair Investment Banking		Hill Wynne Troop & Meisinger	KPMG Peat Marwick
Prudential Securities		Irell & Manella	Coopers & Lybrand
Mabon Securities Corp	Furman Selz Inc.	Morgan, Lewis & Bockius	Price Waterhouse
J W Charles/CSG		Solomon, Weiss & Moskowitz PC	Price Waterhouse

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