

IPO Market Comes Back To Life

By Rebecca Lipman, December 15, 2011

With less than 12 days to Christmas, shoppers aren't the only ones racing to the market – IPOs are feeling the pressure to get their offerings out the door before the holidays.

There are twelve deals ready to be made before the calendar year ends, making next week the busiest for US IPOs since November of 2007. If at least nine deals price next week, it will be the busiest week for IPOs all year.

Names to look forward to include the highly anticipated gaming site Zynga, luxury brand Michael Kors, and social-networking software maker Jive Software. Energy companies are also planning to make a splash on the energy scene. Those names include Sanchez Energy, Laredo Petroleum, Mid-Con Energy Partners and Inergy Midstream.

Meet The Newest Players

Zynga will be the main attraction of all IPOs – it is anticipated to raise more than \$1 billion and become the largest internet IPO since Google. Price ranges will likely be set between \$8.50 and \$10 per share. (via CNBC)

Michael Kors hopes to raise \$751 million and price shares between \$17 and \$19. The brand has been a growing success since Michael Kors took his company from a small nothing in 1981 to an internationally recognized luxury line.

“The global luxury brand booked \$803.3 million in revenue in Fiscal 2011 as compared to \$508.1 million in Fiscal 2010, a 58.1 percent year-over-year increase. Company's net income was \$72.5 million in Fiscal 2011 versus \$39.2 million a year ago, a 84.7 percent year-over-year,” reports CNBC

Meanwhile, Jive Software is capitalizing on the cloud computing trend. According to Mike Lubansky, senior financial analyst at Sagemworks, “it may draw additional interest because of recent multi-billion dollar acquisitions of cloud computing companies by Oracle (ORCL) and SAP AG (SAP).”

As for the energy companies, “Strong oil prices and recent ongoing investor demand for yield oriented stocks have been a contributing factor to the year-end spike in energy IPO activity,” according to Renaissance Capital. (via CNBC)

Investing Ideas

Interested in investing in the IPOs? Before you do, you may want to consider their market-beaten predecessors...

Due to adverse market conditions there have been 64 deals put on hold this year, and despite over 200 IPO-hopefuls in the pipeline not a single one hit the market in September. Five companies have already withdrawn or postponed their IPOs in December.

To understand what the market has been like for the IPOs that recently debuted (Pandora (P), LinkedIn (LNKD), and Groupon (GRPN)), we use Kapital's Turbo Chart to see how their performance compares to the S&P 500...

Do you think the new IPOs will fare any better?

For the full story featuring Sageworks' data and analysis, please visit [Business Insider - IPO Market Comes Back To Life.](#)