



2012 Advice: Entrepreneurship

By Elizabeth Harris, December/January 2012

Steer Clear Of The IPO Market

5. Whipsaw markets and stultifying regulation are just two reasons to stay away from the IPO market, according to Brian Hamilton, co-founder and CEO of Raleigh, N.C. –based Sageworks. Besides, IPOS aren't cheap. Thanks to Sarbanes-Oxley, it now costs an estimated \$3 million to \$5 million to take a company public

* If you need capital, Hamilton advocates selling shares through an auction and foregoing steep investment banking fees.

* He also encourages what he now sees as more judicious, so-called low float sums, raising the money that you need for expansion with a likely return on equity and not just diluting “the existing shareholders into kingdom come.”

For the full story featuring Sageworks, please pick up the December/January 2012 issue of Worth – 2012 Advice: Entrepreneurship.