Description of Takeover Bid Data

Jaggia and Thosar (1993) model the number of bids received by 126 U.S. firms that were targets of tender offers during the period from 1978 through 1985 and were actually taken over within 52 weeks of the initial offer. The dependent count variable is the number of bids after the initial bid (NUMBIDS) received by the target firm.

Regressors can be grouped into three categories: (1) defensive actions taken by management of the target firm: LEGLREST, REALREST, FINREST, WHITEKNT; (2) firm-specific characteristics: BIDPREM, INSTHOLD, SIZE, SIZESQ; and (3) intervention by federal regulators: REGULAT.

Variable	Definition
NUMBIDS	Number of takeover bids
LEGLREST	Equals 1 if legal defense by lawsuit
REALREST	Equals 1 if proposed changes in asset structure
FINREST	Equals 1 if proposed changes in ownership structure
WHITEKNT	Equals 1 if management invitation for friendly third-party bid
BIDPREM	Bid price divided by price 14 working days before bid
INSTHOLD	Percentage of stock held by institutions
SIZE	Total book value of assets in billion of dollars
SIZESQ	SIZE squared
REGULATN	Equals 1 if chronic condition limiting activity