Entrepreneurial Finance: *Venture Capital, Deal Structure & Valuation, Second Edition*

**Chapter** 13 Harvesting

***Learning Objectives***

After reading this chapter you should be able to:

* Understand how early-stage investors can harvest by going public
* Describe the investment banker’s role in the IPO process, including the due-diligence, certification, and marketing functions
* Explain how an underwriter values a new issue and how the valuation evolves as the offering date approaches
* Describe how private acquisition transactions can be structured and identify factors that affect the choice of structure
* Understand when and why an entrepreneur might decide to undertake a management buy-out
* Understand how an ESOP creates liquidity for owners of a non-public business and how a leveraged ESOP works
* Describe how roll-up IPOs enable small companies to go public
* Identify factors that affect the choice of harvesting alternatives