

CIRANO Seminar

Organized jointly with the Desjardins Centre for Business Finance Innovation (Concordia University)

Sponsors: TMX Group and Québec Bourse Inc.

Corporate Financing on Capital Markets: Evolution or Revolution?

Capital markets are experiencing changes that are fundamentally affecting the nature of corporate financing. While many of these trends are felt worldwide, they have their echo in Quebec and Canada. For instance, the market for initial public offerings (IPO), which used the premier financing mean for fast growth enterprises and the preferred exit strategy for private equity holders, has been in the doldrums for several years. Hence, investment opportunities for public capital markets' investors are shrinking. In contrast, private capital markets are experiencing growth as many firms tap into private equity funds or the exempt market to raise capital. Ample liquidities, the governance and management approaches put forward by funds in the firms in which they invest, a long-term value creation perspective and the inconveniences, perceived or real, attributed to public markets underlie such trends. Moreover, in the case of Quebec, the presence of large labour or cooperative funds further enhances private capital markets. Within that context, several questions can be put forward:

- What are the issues arising from the migration from public to private capital markets for corporate financing?
- What are the implications for long-term value and wealth creation as firms increasingly resort to private capital markets over public capital markets?
- What are the other trends underlying the evolution of capital markets and what impact will they have on firms, their owners, investors at large and governments?
- Do stock markets still have a role to play in financing new businesses? Under what conditions?
- Toward what kind of corporate financing model are we moving toward?

This CIRANO seminar aims to discuss these questions. The first half will provide a state of the art overview of current trends in Canadian capital markets, using an academic perspective. A roundtable discussion between academics, entrepreneurs and investors will take place in the second half.

When : October 25, 2016, 2:00PM – 5:00PM

Where : CIRANO 14th Floor, 1130 Sherbrooke West, Montréal

A cocktail will be served following the seminar.

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PROGRAM

2:00PM	Opening remarks – Nathalie de Marcellis-Warin, PDG, CIRANO
2:05PM	Capital Markets and Corporate Financing : Trends and Innovations Douglas Cumming, Schulich School of Business, York University <ul style="list-style-type: none"> • Tensions between private and public capital markets • Private capital markets: challenges for governments and regulators Ari Pandes, Haskayne School of Business, University of Calgary <ul style="list-style-type: none"> • Ventures exchanges : opportunities for entrepreneurs • Innovations in public capital markets • Do IPOs have a future? Denis Schweizer, John Molson School of Business, Concordia University <ul style="list-style-type: none"> • Private equity funds and value creation : mirage or real? • Innovations in public capital markets Michel Magnan, John Molson School of Business, Concordia University <ul style="list-style-type: none"> • Future challenges for the Québec financial ecosystem
3:20PM	Break
3:35PM	Roundtable – Capital Raising by Corporations: Toward a New Model? Michel Magnan, chair Douglas Cumming, Schulich School of Business, York University Ari Pandes, Haskayne School of Business, University of Calgary François-Xavier Souvay, CEO, Lumenpulse (TSX : LMP) Ghislain Lemire, CEO, Urbanimmersive (TSX.V : UI.V) Nicolas G. Chevalier, Chief Risk Officer and Partner, Pembroke Management Pierre Blaising, directeur principal, Fonds de solidarité FTQ
4:55PM	Closing remarks – Bryan Campbell, Vice-President Finance Group, CIRANO
5:00PM	Cocktail

*Winner of the 2016 CFA Society of Toronto Best Research Award