

## Curriculum Vitae

# Ettore Croci

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## Personal Data

Date of Birth: 28 July 1976  
Citizenship: Italian  
Address: Institute of Finance  
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Languages: Italian, English, and French (basic knowledge).

## Education

- February 2004 - Ph.D. in Economics, University of Lugano, Switzerland. Dissertation title: “*The Market for Partial Corporate Control in Europe: The Evidence about Corporate Raiders*”. Thesis Advisor: Prof. François Degeorge.
- 2002 - Swiss Program for Beginning Doctoral Student in Economics at Studienzentrum Gerzensee (Microeconomics and Macroeconomics).
- October 1999 - Degree in Economics (with honors), Università Cattolica del Sacro Cuore, Milan (Italy). Thesis Advisor: Prof. Lorenzo Caprio.

## Employment History

- September 2005-August 2006: Teaching Assistant of Corporate Finance at University of Lugano. Researcher within the project on Corporate Finance of the National Center of Competence in Research Financial Valuation and Risk Management (NCCR FINRISK).

- Spring 2004: Teaching Assistant of Corporate Banking at University of Lugano.
- October 2000-August 2004: Teaching Assistant of Corporate Finance at University of Lugano.

## Other Academic Appointments

- September 2004 - August 2005 - Visiting Scholar at Owen Graduate School of Management, Vanderbilt University.

## Fellowships and Awards

- 2004 - One-year fellowship for young researcher awarded by the Swiss National Science Foundation.

## Publications

1. *Corporate Raiders, Performance, and Governance in Europe*. November 2005. European Financial Management, Forthcoming.

*Abstract:* I analyze 136 block purchases made by corporate raiders in Europe between 1990 and 2001. Contrary to the hypothesis that these investors expropriate the target companies, there is a positive market reaction to the first public announcement of these purchases. In the long-run, raiders earn an abnormal profit when they sell their stakes. When they still held their positions at the end of the sample period, abnormal returns were insignificant. Raiders' activities do not improve operating performance. The findings are consistent with superior stock picking ability among these investors, but do not support the hypothesis that raiders are governance champions.

## Working Papers

1. *Why Do Managers Make Serial Acquisitions? An Investigation of Performance Predictability in Serial Acquisitions*. September 2005.

*Abstract:* I evaluate why managers choose to make a series of acquisitions. To investigate this question, I study 591 bidding firms that completed at least five acquisitions within a five year interval during the sample period 1990-2002. I test four potential explanations for serial acquisitions: overconfidence, superior managerial acquisition skill, managerial empire building behavior, and that the acquisitions comprise a single plan. My tests focus on persistence in the sign of CARs around the announcements. As a group, serial bidders show no evidence of performance persistence or reversal, but successful acquirers show persistent success. My evidence is consistent with only one hypothesis: that some managers have superior acquisition skills.

2. *Stock Price Performance of Target Firms in Unsuccessful Acquisitions*. December 2005.

*Abstract:* I examine the stock price returns of 459 targets in unsuccessful M&A deals in the period 1990 to 2001. The evidence suggests that information hypothesis explains better than the synergy hypothesis the evidence for the failed acquisitions in the period from 1990 to 2001. Target firm's shareholders suffer when a deal is terminated. The average abnormal return from two days before the announcement to two days after the termination is a negative 10.61%. The permanent revaluation found in previous literature is only supported for firms that received a rival offer before the termination date. Abnormal returns vary greatly when the reason of termination is taken into account. When the target rejects a deal, the target stock price drops by 4.33%, a small decline compared to the loss of 14.49% when the bidder terminates the deal. In the long-run, abnormal returns are generally insignificant when a new acquisition proposal does not arrive.

3. *Voting Premia In Italy: The Evidence from 1974 to 2003* with Lorenzo Caprio, Università Cattolica, Milan. January 2005.

*Abstract:* We examine the voting premium in Italy since the introduction of non-voting stocks (1974). Throughout the period, the voting premium varies from 1% to almost 100%, peaking during the late 1980s. We find that the probability of a control contests alone cannot explain the voting premium. The identity of the largest shareholder is a key determinant of the voting premium. The voting premium is higher when the firm is family-owned or widely-held. The higher euro turnover of voting stock reduces the voting premium, while the voting ratio increases substantially the price difference. M&A and stock unifications are concentrated in the 1998-2003 period, after the change in the legal regime. Both M&A deals and unifications reduce the voting premium.

## Conference and Research Seminar Presentations

- Meeting of The French Finance Association, Paris, 20 December 2005
- Universität Bern, 13 April 2005
- Vrije Universiteit, Amsterdam, 11 April 2005
- Owen Graduate School of Management, Vanderbilt University, 21 January 2005
- EFA Meeting, Maastricht, 21 August 2004
- EEA/ESEM Meeting, Madrid, 20 August 2004
- EFMA Meeting, Basel, 1-2 July 2004
- 3<sup>rd</sup> Swiss Doctoral Workshop on Finance, Gerzensee, 7 June 2004

- European Doctoral Workshop in Finance, Paris, 28 May 2004
- Meeting of The French Finance Association, Paris, 18 December 2003
- Università Cattolica del Sacro Cuore, Milan, 2 December 2003
- University of Lugano, 25 September 2003
- Doctoral Tutorial EFA Meeting, Glasgow, 20 August 2003
- 2<sup>nd</sup> Swiss Doctoral Workshop on Finance, Gerzensee, 12 June 2003
- University of Bologna, 5 June 2003
- Free University of Bozen - Bolzano, 26 March 2003

## Referee

Acted as referee for the following journals: *Revue Finance*, *Journal of Empirical Finance*, and *European Financial Management*.

## Research Interest

Corporate finance, M&A, corporate governance, international corporate finance.

## References

- François Degeorge, Professor of Finance, University of Lugano, Via Giuseppe Buffi 13, CH-6904 Lugano, Switzerland, Tel. 00 41 58 666 4634, Fax 00 41 58 666 4647, e-mail: francois.degeorge@lu.unisi.ch
- Mara Faccio, Assistant Professor, Owen Graduate School of Management, Vanderbilt University, 401 21st Avenue South, Nashville, TN 37203, USA, Tel.: +1-615-322-4075, Fax: +1-615-343-7177, e-mail: mara.faccio@owen.vanderbilt.edu
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