

# Twitter to Be Goldman Sachs's Top U.S. Technology IPO as Lead

By **Editorial Staff** · October 4, 2013

Twitter Inc.'s initial public offering will be the largest that Goldman Sachs Group Inc. has led for a U.S. technology or Internet company.

According to a Bloomberg report, Twitter, based in San Francisco, seeks to raise \$1 billion in an IPO, [according to a regulatory filing](#) yesterday, and lists Goldman Sachs as the lead bank. While that amount is a placeholder and may change, at that level it would top CompuServe Inc., which raised \$480 million in a 1996 IPO also led by Goldman, data compiled by Bloomberg show.

[\[Twitter Said to Be Leaning Toward NYSE Debut for IPO Listing\]](#)

Goldman Sachs is gaining ground in the lead-adviser ranking for U.S. technology and Internet IPOs, the data show, and Twitter's offering will put it in first place. While Morgan Stanley dominated the past two years, with the lead role on Facebook Inc.'s sale as well as offerings by Groupon Inc. and Zynga Inc. in 2011, all three companies' shares sank in the months that followed, providing Goldman Sachs the opportunity to sell its underwriting skills.

Bloomberg wrote that underwriters are poised to pocket as much as \$30 million in fees from Twitter's IPO, or about 1 percent to 3 percent of the offering size, according to researcher Freeman & Co. In comparison, Facebook paid 1.1 percent for its \$16 billion IPO and Zynga paid 3.25 percent for its \$1 billion IPO.

"I would imagine that Goldman will be the underwriter of choice for tech companies in the near future," said Jeff Sica, who helps oversee more than \$1 billion of assets as the president of Sica Wealth Management LLC in Morristown, New Jersey.

Andrew Williams, a spokesman for Goldman Sachs, declined to comment on the company's lead manager roles.

## Additional Banks

Morgan Stanley and JPMorgan Chase & Co. are listed as co-managers on Twitter's IPO.

Goldman Sachs ranks second so far this year for leading on technology and Internet offerings, managing 27 percent of priced deals to date, the data show, compared with less than 2 percent of such deals for all of 2012. Morgan Stanley is first, with 33 percent.

In addition to Twitter's IPO, Goldman Sachs led Tableau Software Inc. in raising more than \$250 million in May, the fourth-biggest U.S. technology IPO this year, according to data compiled by Bloomberg. The firm also played a lead role in Nextel Partners Inc.'s IPO in 2000 and led Barnesandnoble.com Inc. in its \$450 million offering in 1999, the data compiled by Bloomberg show.

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