

German Venture Capital Investors Differ from their International Counterparts

Compared with their international competitors, most German venture capital firms are younger and less experienced. This in turn impacts their investment and exit strategies, which differ significantly from those of foreign venture capitalists. These differences are the subject of a recent ZEW study.

Differences between IPOs with German and non-German lead VC firms

Lead VC firm	German	International
Pre-IPO financing (in months)	14,05	23,28
Number of pre-IPO financing rounds	1,45	2,02
Syndication (= Co-investment)	32 %	75 %
Issue size (millions of euros)	40,83	63,61
Pre-IPO holding (VC firms as group)	20,7 %	32,6 %
Post-IPO holding (VC firms as group)	10,4 %	19,2 %
Fraction of retained shares	72 %	79 %
Start of the VC financing (0-2)*	1,46	1,04
Additional lock-up period	49 %	24 %

* 0=Start-up/Seed phase; 1=Development phase; 2=Bridge financing

Source: ZEW

■ The study is based on a database of all initial public offerings (IPOs) on Germany's Neuer Markt from its opening through to its closure. 139 of the 327 IPOs on the Neuer Markt were identified as receiving venture capital (VC). The analysis concentrated on the process of VC financing of innovative companies prior to going public, the timing of the IPO, and the behaviour of the lead venture capitalist (in other words that venture capital firm holding the lion's share of the equity at the time the company went public) as well as the entire group of VC firms at the time of the IPO. The study focused in particular on the differences between German and foreign VC firms.

The differences in the behaviour of German and foreign VC firms may be explained by the interest German VC firms have – due to the relative youth of these companies – in quick successes in order to build reputation on the strength of successful IPOs. The ZEW study (ZEW Discussion Paper No. 03-44) reveals that German VC firms, which on average are younger and smaller than foreign venture capitalists, also have shorter average pre-IPO financing periods (14 compared with 23 months). Lead VC firms from Germany on average made with just 1.5 financing rounds compared with two rounds for lead VC firms from abroad. This also explains the lower share of syn-

dicated investments (=co-investments) among German VC firms. Syndication typically increases over time as new investors join the financing consortium with each new financing round. In the case of lead VC firms from abroad, syndication took place for three quarters of all companies. On average 3.1 VC funds were engaged per company. In contrast, in companies with a lead VC from Germany only 32 percent of investments were syndicated and the average number of VC funds engaged in a company was 1.6.

Average issue size and the share of equity held by German VC firms were lower as well. The issue size on the Neuer Markt averaged at 41 million euros under a lead VC firm from Germany and 64 million euros under a lead venture

Content

German Venture Capital Investors Differ from their International Counterparts	1
Temporary Work Agencies Fear that New Law Will Increase Labour Costs	2
Fighting the Incomplete Single Market for Investment Funds	3
ZEW Conference	4; 5; 6
ZEW Financial Market Test	7
ZEW Publications	8

Research Findings

capitalist from abroad. Investing VC firms held around 21 percent of equity between them prior to the IPO and 10 percent subsequently if the lead VC was from Germany. In contrast, shareholdings in companies with a lead VC from abroad were 33 percent prior to and just over 19 percent after the IPO.

VC firms are involved in strategic decision-making, provide consultative expertise, and supply their portfolio companies with connections which boost the value of the company. This support can have a decisive impact on a start-up's

chances of survival, particularly in the very earliest phases of a company's existence. Over the course of time, the significance of this support declines and the advantages provided by the VC firm compared with other, more recent investors, are reduced. The fact that German VC firms tend to get involved during the later development phases may reflect their relative lack of experience.

The "Neuer Markt Rules and Regulations" prevented the original investors from disposing of their shareholdings for a period of six months following the

IPO (lock-up period). There were differences in this area too between German and foreign VC firms. Almost half of companies with a lead VC firm from Germany had an additional, longer lock-up obligation, whereby this was only true of around one quarter of those with foreign VC firms. Established foreign VC firms are able to underline the quality of their portfolio companies simply on the basis of their reputation, whereby German VC firms endeavour to signal this by means of a longer lock-up period. ◀

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Temporary Work Agencies Fear that New Law Will Increase Labour Costs

The majority of German temporary work agencies (TWAs) do not expect a positive impulse from new labour legislation in Germany adopted following the proposals from the so-called Hartz commission. On the contrary, they expect rising costs of employment and declining revenues. Only a small number of TWAs plan to become active as a personnel service agency (PSA) under the new regulations. These results are the upshot of a survey conducted by the ZEW in April to June, 2003. With a participation of 471 TWAs, the survey is the largest of its kind outside the official statistics published by the Federal Employment Office.

■ The "First law for modern services on the labour market", adopted in December 2002, provides for equal working conditions and equal pay of temporary work agencies' (TWA) employees and regular employees working in the same company. However, the law gives precedence to regulations fixed in collective agreements between trade unions and employer associations in the temporary work industry. Furthermore, the law lays down the legal framework for the operation of personnel service agencies (PSAs), which hire unemployed persons as contract workers to private user companies. More than 85 per cent of TWAs expect a rise in employment costs as a consequence of the new law. More than half of the establishments even expect substantially higher labour costs.

The picture is somewhat less clear-cut if TWAs are asked about their expecta-

tions concerning future revenues. More than 70 per cent expect declining revenues as a consequence of the new legislation. However, 30 per cent do not share this pessimistic view. TWAs anticipating lower revenues are often companies stating to be in intense competition with other suppliers.

TWAs not interested in the operation of a PSA

Only a minority of about ten per cent of all TWAs is interested in the operation of a PSA. By contrast, more than 40 per cent of all establishments categorically rule this out as a field of future activity. Larger TWAs with more than 75 TWA employees are found to be more interested in running a PSA than smaller agencies, which form the majority of enterprises in the German TWA industry.

For the first time, the survey also provides systematic evidence concerning the rates at which TWA workers are hired to user companies. Since the Hartz legislation on equal pay has not yet come into force, the responses to the ZEW survey reflect the situation before the taking effect of the new regulations. At present, most of the TWAs charge rates that are slightly lower than the labour costs for a comparable worker in regular employment. However, there are differences in the relative costs of TWA employees between workers with different qualifications. Relative labour costs are lowest for blue-collar workers without vocational qualifications. Therefore, one would expect equal pay regulations to have the largest effects on labour costs and employment in this segment of the labour market. ◀

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Research Findings

Fighting the Incomplete Single Market for Investment Funds

Ten years after the so called “completion” of the single market national borders continue to be of economic relevance even within the Euro area. This is also true for the asset management market, as a ZEW study on behalf of the British Investment Management Association shows. A truly integrated single market would be associated with substantial micro- and macroeconomic benefits ranging from cost savings on the side of consumers to higher economic growth due to a faster and more efficient capital accumulation.

■ While there is some progress in the size of cross-border trade in investment funds a number of European national markets are still heavily dominated by domestic suppliers. In most European countries asset value based market shares of foreign products even today hardly exceed 20 percent.

Among all obstacles to cross-border business, tax related issues are the most severe. There is hardly any doubt that this assessment is in line with empirical findings: Countries with a particularly radical discrimination against foreign UCITS (Undertakings for Collective Investment in Transferable Securities, the term stands for the official definition of an investment fund in European law) are practically closed since only few foreign funds are available to the end consumer.

The fragmentation of the European markets results in a sub-optimum average fund size, and consumers pay the bill for tiny funds in form of high cost ratios. According to the ZEW study these additional costs might add up to five billion Euros every year. Therefore it is necessary to eliminate fund duplicates and to restructure the fund range towards less and bigger funds. However, a number of problems related to regulation and taxation in merging funds exist. Some national regulatory systems are restrictive with regard to moving funds out of the country. On the tax side mergers are often treated as a taxable event with regard to capital gains or other taxation.

Problems with the infrastructure are another obstacle. Future growth in cross-border trade of investment funds should be reached without massive interventions from the legislator. In this process the European Commission should have



the task of removing legal and regulatory barriers that restrict the market from finding this solution.

Furthermore, the fund registration procedure is being regarded as an important barrier to entry. While the direct costs in terms of fees for the registration and maintenance charged by domestic authorities are non-negligible, other costs are more substantial: High amounts of costly internal and external (mainly local lawyers) manpower have to be devoted to the registration procedure.

What needs to be done

The tax discrimination issue must be regarded as a top priority. Today's passivity has a number of reasons: The industry is reluctant to bring cases to the ECJ, and the Commission sometimes appears to have misbalanced priorities. The Commission's priorities in fighting tax discrimination should be readjusted towards a more aggressive judicial approach.

With regard to fund mergers, two problems need to be addressed: the hardly justifiable treatment of a merger as a tax-

able event, and protectionist regulation of outward cross-border mergers in some countries. While the former is a member state responsibility the latter is a responsibility of the EU legislator. The ZEW's recommendation for future UCITS amendments is to simplify and harmonise the rules for relocation investment funds within the single market.

Although it is controversial whether a market-led process in fighting infrastructure fragmentation will be fast enough there hardly are any viable alternatives. Therefore the ZEW study recommends to leave the development to market forces and the competition among leading infrastructure service providers. However, the European Commission should remove any legal and regulatory barriers in order to speed up the process.

A straightforward solution with regard to the UCITS registration practice would be to take the European passport literally. In this case, a fund accepted as UCITS in its domicile would be immediately marketable all over the EU. This would be a far reaching breakthrough. ◀

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ZEW Conference

Innovation, Location and European Integration

■ The fifth ZEW Summer Workshop was held from 23 to 26 June 2003, organised by the ZEW research department “Industrial Economics and International Management” in cooperation with the Centre for Economic Policy Research (CEPR) in the framework of the Research and Training Network “The Economic Geography of Europe”. The event was supported financially by the Fritz Thyssen Foundation. Under the general heading of “Innovation, Location and European Integration”, distinguished speakers surveyed the current status of research in this field and discussed their own research work with young talented researchers from Germany and abroad.

Renowned lecturers

The lectures given by Prof. Richard Baldwin (Graduate Institute for International Studies, Geneva), Dr. Henry Overman (London School of Economics) and Prof. Konrad Stahl (University of Mannheim) addressed the current theoretical underpinnings of the new economic geography and its econometric practice. The speakers concentrated in particular

on current research trends, unresolved issues, and promising approaches for further research work. Richard Baldwin focused on the new economic geography which is based on trade and growth models which apply to the economy as a whole. Konrad Stahl provided an overview of microeconomic agglomeration theories and the explanatory approaches these generate which either complement or contradict approaches arising from the new economic geography. He rounded off his presentation by outlin-

ing his own thoughts on the empirical verification of these explanatory approaches. Henry Overman explored these issues in more depth by presenting the results of recent empirical studies and elucidating the pros and cons of various econometric approaches to the implementation of this family of theories.

Conference presentations with relevant bibliographic references are available on the internet at:
www.zew.de/summerworkshop2003 . ◀

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The participants of the fifth ZEW Summer Workshop.

Conference participants and papers

Luisito Bertinelli (Université Catholique de Louvain, CORE): *Coagglomeration and Growth*
 Christoph Alsleben (University of Dortmund): *New Empirical Evidence on the Geographic Concentration of German Industries: Do Clusters Really Matter?*

Holger Graf (University of Jena): *Cooperation, Specialization and Patenting in German Technology Regions*

Vincent Dupont (Université Lille I): *Regional Policies and Inequalities: Are Subsidies Good for You?*

Stefanie Haller (European University Institute, Florenz): *More Intra-Region Direct Investment Through Economic Integration? Modelling the Experience of the EU's Single Market*

Giordano Mion (Université Catholique de

Louvain, CORE): *Spatial Externalities and Empirical Analysis: The Case of Italy*

Antonella Nocco (University Lecce): *The Rise and Fall of Regional Inequalities with Technological Differences and Knowledge Spillovers*

Volker Nitsch (Bankgesellschaft Berlin): *Trade Openness and Urban Concentration: New Evidence*

Giovanni Peri (University of California at Davis): *Knowledge Flows and Innovation*

Maria Luz Garcia Vega (Universidad Carlos III de Madrid): *Technological Diversification and Innovation in EU Firms*

Pascal Mossay (Universidad Alicante): *Economic Geography and Rational Expectations*

Kristina Nyström (Jönköping International Business School): *The Dual Role of Innova-*

tion for Entry and Exit Behaviour

Luis Peres Lopes (Universidade de Coimbra): *Border Effects and Effective Transport Cost*

Lucas Vogel (University of Bayreuth): *Economic Integration and Regional Development: Are European Regions Converging?*

Susanna Thede (University Lund): *Endogenous Trade Policies, the Location of Production and Inter-Industry Input-Output Linkages*

Farid Toubal (University of Kiel): *Foreign Direct Investment in Central and Eastern European Countries: A Dynamic Panel Analysis*

Christian Volpe Martincus (Center for European Integration Studies, University of Bonn): *Do Mercosur and Fiscal Competition Help to Explain Recent Locational Patterns in Brazil?*

ZEW Conference

The Future of Financial Market Supervision in the European Union

■ An international conference entitled “Regulation and Supervision of Financial Markets and Institutions in the EU” was hosted by ZEW and the Arbeitskreis Europäische Integration (AEI) on 10 and 11 July 2003. The conference was supported by the German Science Foundation (DFG).

The boundaries between sectors and national states are becoming increasingly porous as European financial markets become progressively more integrated. Since the regulation and supervision of financial markets must, in the final analysis, reflect market developments, this process clearly calls for a reform of the supervisory and regulatory system. Reform is taking place at two levels: At the national level, countries such as the United Kingdom, Germany, and Austria have recently replaced the specialised supervisory agencies hitherto responsible for banking, insurance and securities with integrated supervisory authorities. However, at the European level too supervisory structures will need to adapt in response to the growing integration of national financial markets.

Is there a need for a European supervisory framework?

This raises a host of questions: Is a supervisory structure required at the European level? If so, what form should this structure take? What role should the European Central Bank play? Is an integrated supervisory structure necessary? These topics were discussed at the conference by academics, policy makers, central bankers and practitioners from the financial industry.

The conference kicked off with a series of lectures on “systemic risks and stability in the banking market”. Matthieu Bussiere and Marcel Fratzscher (European Central Bank) presented a paper in which they have developed an econometric model for forecasting financial crises. Elena Carletti (University of Mannheim) addressed the conference on the interaction between competition and stability in the banking market and

concluded that the conflicts of objectives which are so frequently evoked do not invariably apply. Martin Schüler



Edgar Meister (Deutsche Bundesbank)

(ZEW) presented a paper in which he estimates the development of the systemic risk potential in Europe in recent years. Martin Hellwig (University of Mannheim) adopted a macroeconomic perspective which sheds light on the risks prevailing in the banking market and which confront bank regulation. From the point of view of regulators it is important to concentrate on the incentives which banks have to participate in systemic and macroeconomic risks. The presentation given by Daniel E. Nolle (Office of the Comptroller of the Currency, Washington) focused on the relationships between the structure, scope, and independence of banking supervisors as well as their influence on bank performance.

Glenn Hoggarth (Bank of England) presented a paper on solutions to banking crises in which he particularly emphasised the significance of private sector solutions in avoiding moral hazard behaviour. The lecture given by Clive Briault (Financial Services Authority) examined the costs of financial market regulation. Edgar Meister (Deutsche Bundesbank) stressed the need for and importance of the involvement of central banks in banking supervision.

In his presentation Friedrich Heineemann (ZEW) outlined the view that regulation is not always geared solely to-

wards maximising the public welfare, but frequently serves the interests of the regulated industry. Andreas Busch (University of Oxford) used his presentation to emphasise the persistent divergence between national regulatory systems.

One conference session was also dedicated to the topic of the “Implementation and consequences of Basel II” with presentations by Gregor Taistra (Kreditanstalt für Wiederaufbau) and Katja Pluto (Deutsche Bundesbank). Referring to the EU’s eastward enlarge-



Norbert Walter (Deutsche Bank)

ment, Krzysztof Markowski (Polish National Bank) elucidated the implementation of the EU banking standard in Poland, and Neven Borak (Securities Market Agency of Slovenia) discussed Slovenia’s experiences with financial market regulation. The session on cross-sector supervision, to which contributions were made by Karl-Olof Hammarqvist (Stockholm School of Economics) and Andreas Grünbichler (Austrian Financial Supervisory Authority), focused on the experiences with and background to integrated financial services supervision. The final session looked at the so-called “Lamfalussy framework” in financial market legislation and included presentations by Norbert Walter (Deutsche Bank) and Konrad Schwaiger (Member of the European Parliament).

The conference presentations can be downloaded on the Internet at www.zew.de/supervision. ◀

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ZEW Conference

Research and Technology Policy: Assessment of Governmental Support

■ The European research and technology policy is striving to transform to the “most competitive and dynamic knowledge-based economic block worldwide” until the year 2010. Governmental incentives by financial support or tax reliefs are supposed to contribute to strengthen research and innovation in science and practice. The first international conference “Evaluation of Government Funded R&D Activities”, which was held under the auspices of the ZEW, Joanneum Research and the Plattform GesbR in Vienna on May, 15th and 16th, 2003 dealt with questions on the analysis and the impact of governmental support schemes.

In all highly industrialised economies sustainable growth crucially depends on the ability of science and the economy to develop innovative products and processes. In this context, the European Council agreed in 2002 to increase the share of investment expenditures in GDP across Europe allocated to research and development (R&D) from 1.9 percent in 2000 to 3 percent in 2010. Furthermore, the contribution of the private sector to overall R&D expenditures is to increase from currently about 56 percent to two thirds of overall R&D investment. As first calculations reflect, the above mentioned 3-percent-target set by the European Commission can only be achieved if governmental investment in research, development, and innovation expands. Against this background, the question of impact of governmental R&D support arises.

Theory and Practice

The two-day conference, which more than 200 participants from across the world attended, was subdivided into one day of science and one day of practice. Prof. em. Irwin Feller (Penn State University, USA) opened the Conference, by tracing the evolution from older to more recent questions in evaluative research. For example, he emphasised the scientific difficulties, to find measures for an assessment of “progress”. Moreover, he suggested discussing

whether the old questions of identifying innovative fields of technology are not actually the current questions as well. According to Feller, especially the increasing linkages of traditionally independent disciplines, as for example biology and computer-science joined in bio-technology, would require new concepts of evaluation and support.



Prof. em. Irwin Feller

At the conference recent results in evaluative research were presented in simultaneous panels. Prof. Pierre Mohnen (MERIT, Netherlands) discussed the effects of public support schemes on innovation activities of firms. The lecture given by Prof. Nicholas S. Vonortas (George Washington University, USA) dealt with cooperative research, networks and their regional consequences. Prof. Saul Lach (Hebrew University, Israel) dedicated his lecture to recent methodologies of analysis and the justification of governmental interventions in the area of R&D. Prof. Stefan Kuhlmann (Fraunhofer Institut, Germany) led the discussion on the evaluation of infrastructure and institutions.

The second day of the conference began with a presentation by the American delegation on the content of legally regulated evaluation procedures in the USA as well as their experiences. Prof. Susan Cozzens (Georgia Institute of Technology, USA) explained key aspects of the American law on evaluation (GPRA) and commented on the consequences of this law. Dr. Charles Wessner

(US Academy of Sciences, USA), Prof. Philip A. Auerswald (Harvard University, USA), Dr. Mark Stanley (Advanced Technology Program, USA) and Prof. David Audretsch (Indiana University, USA) reported on their research on the financing of young technology-based enterprises. The subsequent European panel debated the question to what extent evaluations are able to influence political decisions in R&D-policy. Experienced policymakers like Dr. John Barber (Department of Trade and Industry, Great Britain), Dr. Rainer Jäkel (Bundesministerium für Wirtschaft und Arbeit, Germany) as well as representatives of the OECD and the European Commis-



Prof. David Audretsch

sion discussed controversial views on research support and their evaluation with the audience.

A workshop in which scientists as well as practitioners summed up their expectations concerning evaluation concepts, the implementation of evaluation results and measures for efficient research and technology policy, marked the end of the conference. As concluded in the conference, public support schemes depend on regular evaluation, to allow the effective objective-driven allocation of expected additional EU expenditures for research activities over the next years.

Information about the conference can be found at www.fteval.at/conference ◀

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ZEW Financial Market Test

Results of the Survey in October 2003

■ The Financial Market Test conducted by the ZEW is a monthly business survey of German financial market experts which started in December 1991. The survey asks for the predominant expectations about the development in six international financial markets.

As a whole around 350 experts take part in the survey. 280 of them work in banks, 50 in insurance companies and investment companies and 20 in other industries. Participants in the survey are

financial experts of the finance departments, the research departments and the economic departments as well as the investment and securities departments of the firms. In detail, the financial experts are questioned on their medium term expectations about the development of important international financial markets with respect to the business cycle, the inflation rate, short term and long term interest rates, the exchange rate and share prices.

To construct forecasted figures, the qualitative response categories (increasing, unchanged, declining) are transformed into quantitative figures by the Carlson/Parkin procedure. Additional information to the applied procedure is available as an abridged version published by the ZEW. The present survey was conducted between September 29, 2003 and October 13, 2003. All calculations are termed to October 17, 2003. ◀

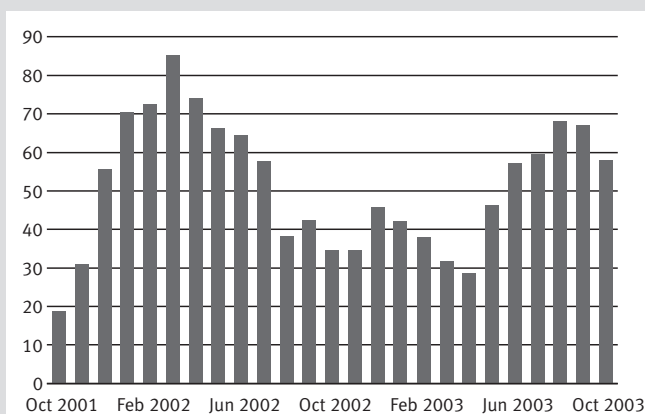
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USA: Confidence falters in the dynamism of the upswing

■ Many analysts are hoping for positive impulses for the global economy to come from the USA where strong economic growth is anticipated in the second half of 2003. Germany's export industry would profit most from a revival in trade with American firms. However, recent indicators present a mixed picture of the state of the US economy. While the news from the labour market was surprisingly positive, consumer confidence fell in September to its lowest level since March. As consumer expenditure in the USA accounts for around two thirds of gross domestic product, some experts are concerned that a renewed decline in consumer sentiment could impact economic growth. Analysts are consequently more sceptical about the future prospects of the US economy. The index of positive and negative assessments of the economic situation in six months dropped by 9.2 to its current level of 58 points. ◀

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Economic sentiment for the USA



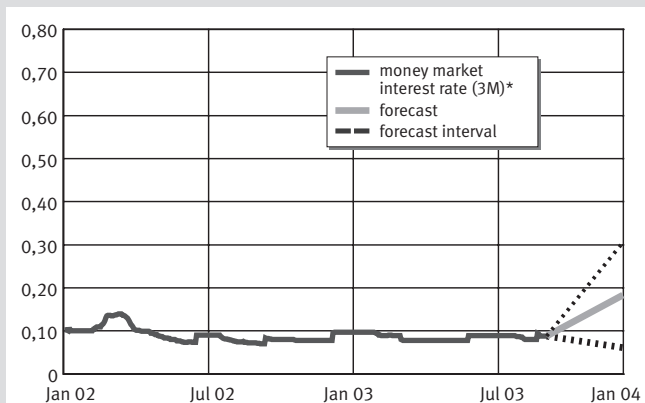
Source: ZEW

Japan: Yen revaluation poses threat to economic recovery

■ Financial market experts remain optimistic about the prospects for economic recovery in Japan. While the index of positive and negative assessments of the economic situation in six months time fell by 4.2 points, the index still registers a high 64.8 points. Fears focus primarily on the yen rising in value against the dollar, a development which could endanger nascent economic recovery. However, the Bank of Japan appears determined to take action to prevent a slide in the dollar. On October 10 the Bank decided to ease its monetary policy still further. The impact was modest, however, and the Bank of Japan's room for manoeuvre is being continually curtailed. It is still an open question as to how long the Bank of Japan will be able to prevent a further rise in the value of the yen. In October 2003, 83 percent of financial market experts did not expect interest rates to increase in the next six months. ◀

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Money market: development and forecast



Source: * Thomson Financial Datastream; ZEW

ZEW Publications

■ ZEW Economic Studies

Christoph Böhringer and Andreas Lange (Eds.)

Empirical Modeling of the Economy and the Environment

The papers presented address a wide range of policy themes in the context of environmental regulation. Investigated issues include the interaction between environmental regulation and economic growth, international competitiveness, structural change, pollution leakage, technological innovation, tax systems, as well as implications for intergenerational and intragenerational burden sharing. The contributors mostly employ econometric approaches or computable general equilibrium analysis.

Physica Verlag, Vol. 20, Heidelberg/New York, 2003.

Klaus Rennings and Thomas Zwick (Eds.)

Employment Impacts of Cleaner Production

An empirical analysis of the factors that determine the employment impact of environmental innovations. The multivariate estimations are based on a methodology taking direct and indirect employment effects on the firm level into account. The data are derived from interviews with more than 1500 firms in Germany, Italy, the Netherlands, Switzerland, and the UK specifically conducted for this analysis. In addition to the empirical study based on interviews, case studies from five selected business sectors are used to provide profound insight in the environmental innovation behaviour of the firms.

Physica Verlag, Vol. 21, Heidelberg/New York, 2003.

Oliver Bürgel, Andreas Fier, Georg Licht and Gordon Murray

The Internationalisation of Young High-Tech Firms – An Empirical Analysis in Germany and the United Kingdom

Government policies encouraging the creation of new technology-based firms have become a priority in virtually all advanced economies. One factor underpinning the performance and growth of high-tech start-ups is presumably international activity of such firms. This study addresses the issues concerning the critical decision to internationalise. The findings confirm the extent and importance of internationalisation to young high-tech firms in the UK and Germany. Thus, if governments or venture capitalists are interested in the promotion of successful new technology-based firms they must, per force, be also interested in encouraging the processes of internationalisation.

Physica Verlag, Vol. 22, Heidelberg/New York, 2003.

■ ZEW Discussion Papers

Download the Discussion Papers at our web site: www.zew.de/en/publikationen

Tereza Tykvová: *Is the Behavior of German Venture Capitalists Different? – Evidence from the Neuer Markt*, No. 03-44.

Ulrich Kaiser: *Strategic Complementarities Between Different Types of ICT-expenditures*, No. 03-46.

Thomas Zwick: *Works Councils and the Productivity Impact of Direct Employee Participation*, No. 03-47.

David Lahl, Felix Hüfner: *What Determines the ZEW Indicator?*, No. 03-48.

Tobias Hagen: *Do Fixed-Term Contracts*

Increase the Long-Term Employment Opportunities of the Unemployed?, No. 03-49.

Charlotte Lauer, Andrea Maria Weber: *Employment of Mothers After Childbirth: A French-German Comparison*, No. 03-50.

Marian Beise, Christian Rammer: *Local User-Producer Interaction in Innovation and Export Performance of Firms*, No. 03-51.

Anne Schäfer, Christoph Spengel: *The Impact of ICT on Profit Allocation within Multinational Groups: Arm's Length Pricing or Formula Apportionment?*, No. 03-53.

Stefan Lutz, Oleksandr Talavera, Sang-Min Park: *The Effects of Regional and Industry – Wide FDI Spillovers on Export of Ukrainian Firms*, No. 03-54.

Sandra Gottschalk: *Microdata Disclosure by Resampling – Empirical Findings for Business Survey Data*, No. 03-55.

Anja Kuckulenz, Thomas Zwick: *The Impact of Training on Earnings – Differences Between Participant Groups and Training Forms*, No. 03-57.

Frauke Eckermann, Alistair Hunt, Marcus Stronzik, Tim Taylor: *The Role of Transaction Costs and Risk Premia in the Determination of Climate Change Policy Responses*, No. 03-59.

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