Alibaba Said to Target 2-Week Roadshow Starting Sept. 3 in Asia

By Zijing Wu and Leslie Picker - Aug 13, 2014

Two weeks, three continents, and 100 meetings. That -- and founder Jack Ma celebrating his 50th birthday on the road -- is what it will take for Alibaba Group Holding Ltd. to pull off the largest initial public offering in U.S. history.

The Chinese e-commerce company is weighing a plan to start marketing the share sale to investors on Sept. 3, with management traveling across Asia, Europe and the U.S. before an initial public offering in the middle of the month, people with knowledge of the matter said.

The schedule, put forth by banks managing the IPO, would have meetings begin in Hong Kong and Singapore before executives travel to London and eventually host their first U.S. event in New York on Sept. 8, the people said, asking not to be identified discussing private information. The timeline has Alibaba targeting a Sept. 16 trading debut, the people said.

The investor meetings -- called a roadshow -- will give Alibaba the opportunity to answer questions from the world’s biggest fund managers and build demand for its shares. With Alibaba and selling shareholders expected to raise as much as $20 billion, the IPO has the potential to be the largest in the U.S. The company’s official price range is expected to be revealed on Sept. 2.

For trading to start on Sept. 16, Alibaba would have to set a final price the day before -- a Monday. It is uncommon for companies in the U.S. to price IPOs on a Monday, in case news over the weekend negatively impacts market sentiment in the final day of the deal. The plan is tentative and could change, although Alibaba wants to avoid debuting near the Jewish holiday the following week, one of the people said.

Additional Banks

With six financial advisers already managing the sale, Alibaba plans to name additional banks that will have smaller roles on the deal, according to people familiar with the matter. The company will also update investors with earnings from the quarter through June, those people said.

Credit Suisse Group AG (CSGN), Deutsche Bank AG, Goldman Sachs Group Inc., JPMorgan Chase & Co., Morgan Stanley and Citigroup Inc. are the most senior banks on the IPO. Alibaba may end up using more than 20 financial advisers in total, one person said.

Florence Shih, a Hong Kong-based spokeswoman for Alibaba, declined to comment.
At $20 billion, Alibaba’s sale would edge past Visa Inc.’s $19.65 billion IPO in 2008 as the largest in U.S. history, data compiled by Bloomberg show.

Alibaba plans to divide executives into two separate teams, which will lead to about 100 meetings in total, according to the people. The teams will mostly be together for the larger group meetings, while separating to meet with individual investors, they said. The company hasn’t yet determined who from management will be attending each meeting, the people said.

In the U.S., Alibaba will also visit with investors in Boston, the Mid-Atlantic region, Kansas City, Chicago, Denver, Los Angeles and San Francisco, the people said.

On Sept. 10, when Ma celebrates his birthday, investor meetings will be held in New York, they said.

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