Tarcisio da Graça is a professor of economics and finance in the department of administrative sciences at the University of Quebec in Outaouais. He was awarded a PhD in economics by Cornell University (U.S.A) for his research in industrial organization. He is a Chartered Financial Analyst member of the CFA Institute. His current research interest is in corporate finance in topics such as mergers and acquisitions and corporate governance. On the methodological side, he has applied and improved event-study methodologies. Prior to his academic position, he served as a senior economist at the Competition Bureau. Earlier still, he worked as a senior economist in a private consulting firm in Washington DC that specializes in matters related to merger and acquisitions, among other business practices. His publication record includes papers in the Review of Accounting and Finance, the Review of Economics and Finance, the Journal of Empirical Finance, among others.

**Abstract:**

A structural event study methodology accounts for the interaction of two M&A effects: synergy (total value) and dominance (bargaining power). This interaction jointly (simultaneously) determines the parties abnormal returns. We propose an instrumental variable approach. An application in corporate governance illustrates of our methodology. We posit that M&A synergy effects correspond to changes in agency costs between target's management and target's shareholders; and the dominance effect corresponds to balance of power between acquirer and target during negotiations. Structural estimates indicate that more stable or entrenched directors generate higher value during normal operations but are softer negotiators when their firm becomes an acquisition target.

**DISTINGUISHED SPEAKER SERIES**

*Professor Tarcisio Barroso da Graça*

*University of Quebec in Outaouais*

**TIME:** 10.30 -12.00 noon, Wednesday , March 12, 2014  
**PLACE:** Desmarais, Room 6160

For more information, please, contact Ludmila Pauk at CGA - Canada AGRC room 7102 or pauk@telfer.uottawa.ca