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*Investors' choices between cash and voting rights:  
Evidence from dual-class equity crowdfunding*

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**Abstract**

This paper examines for the first time the value of dual-class equity crowdfunding as a digital governance model. Unique to this context, companies can set an investment threshold under which no voting rights are granted, making the issuance of class A vs. class B shares, depending on individual investors. Using a sample of 491 offerings on the UK platform Crowdcube in the period 2011-2015, we find that a higher separation between ownership and control rights lowers the probability of success of the offering, the likelihood of attracting professional investors, and the probability of long-run success. Our evidence also shows that, different from small investors, professional investors care about the implementation of a threshold for the attribution of voting rights and often bid the class A threshold exactly.

**Date:** 16 October, 2018 (Tuesday)  
**Time:** 19:00~20:30  
**Venue:** Faculty of Business Administration, E22-G013

**A Short Biography of Prof. Douglas CUMMING**

Professor Douglas Cumming is Professor of Finance and Entrepreneurship at the Schulich School of Business, York University, Ontario. He is the Editor-in-Chief of the *Journal of Corporate Finance*, the Founding Editor-in-Chief of the *Annals of Corporate Governance*, the Co-Editor-in-Chief of *Finance Research Letters*, and a Co-Editor of *Entrepreneurship Theory*

*and Practice*. He is also an Associate Editor of a number of top academic journals, including the *Journal of Banking and Finance*, *British Journal of Management*, *Corporate Governance: An International Review*, *European Journal of Finance*, *Eurasian Business Review*, and *Studies in Economics and Finance*.

Since completing his J.D. /Ph.D. in 1999, Professor Cumming has published over 150 articles in leading refereed academic journals that include the *Academy of Management Journal*, *Journal of Financial Economics*, *Journal Financial and Quantitative Analysis*, *Review of Financial Studies*, *Journal of Banking and Finance*, *Journal of International Business Studies*, *Journal of Business Venturing*, *Research Policy*, and the *Economic Journal*, among others. As well, he is the coauthor/editor of numerous books with Elsevier, Oxford, Springer, and Wiley. For example, the *Oxford Handbook of IPOs* (2018), the *Oxford Handbook of Sovereign Wealth Funds* (2017), the *Oxford Handbook of Entrepreneurial Finance* (2012), the *Oxford Handbook of Private Equity* (2012), and the *Oxford Handbook of Venture Capital* (2012).

Professor Cumming is a top ranked author at SSRN and RePEc based on downloads and citations, and has won numerous academic awards. He has consulted for a number of private and governmental organizations in North America, Europe and Australasia. His work has been reviewed in numerous media outlets, including *The Economist*, the *Wall Street Journal*, the *New York Times*, and *The New Yorker*.

**ALL ARE WELCOME!**