

we present univariate correlations between the percentage premium on the one side and $\varphi_s - \varphi'_s$, $\varphi'_b - \varphi_b$ and ϕ on the other, after a brief description of our dataset.

3. Empirical Analysis

3.1 Data

Our sample consists of block transactions of listed companies which took place in Italy between 1987 and 1992. Most block prices, the name of the company, the number of shares in the block, the name of block traders come from Nomisma "Data on Mergers and Acquisitions".

The announcement date of the block transaction to the public and the missing data on block prices were retrieved through the business newspaper "Il Sole-24 Ore". Daily exchange prices were provided by Maurizio Murgia (Pavia University) for the time span which ranges from 120 days before to 120 days after the announcement. The distribution of shareholdings before and after the transaction is obtained primarily through "Taccuino dell'Azionista" directory, and complemented with "R&S" directory and the "Experimental Crossholdings Archive" edited by the Bank of Italy and CONSOB (the Italian SEC). In measuring voting shares we consolidated shareholdings which were controlled - through pyramidal groups - by the same shareholder. After merging these different datasets our original list of 545 transactions is reduced to 121 observations.

In order to identify outsiders' share of common stock, we adopted the following procedure. After the top shareholders - together with the size of their holdings - had been identified, we set the market share equal to the difference between the total number of voting shares and the sum of top shareholders' holdings of voting shares. The Shapley-Shubik indexes for buyers, sellers and for the market were calculated using Gambarelli (1996) algorithm.

Italian Law requires a 50% majority for most corporate decisions, and 66% for others. It also offers special rights to certain minority stakes (10%, 20%...), which may then have bargaining power vis à vis the controlling shareholders. Therefore, we used different majority percentages such as (50%, 66%, 80%, 90%) in computing Shapley