transactions do not transfer any voting power. For larger blocks, the seller's voting power index before the transaction is always close to the buyer's power index after the transaction. On the contrary, smaller blocks flow from relatively powerful sellers to buyers who are relatively powerless both before and after the purchase.

3.3   Correlation Analysis

Table 8 portrays the correlation between the premium at various dates and the size of the block. When attention is focused on the full sample (first column) or on larger blocks (middle column) the correlation is positive and statistically significant. For smaller blocks, it turns insignificant. This is consistent with the idea that block premia have two component, one (non-negative) related to voting power being transferred, the other one (non-positive) related to compensation for liquidity provision by the block buyer. In larger blocks the first component, which grows with the size of the block[4], dominates. In smaller blocks the second component, which also increases in absolute value in the size of the block but is negative, offsets the positive impact of the voting power component.

We now come to the predictions of our pricing framework (7):

(i)   a positive relation between φ_S - φ'_S and/or φ'_b - φ_b on the one side and the block premium on the other;

(ii)   a negative relation between ϕ (ϕ') and pre-transaction (post-transaction) premium.

Furthermore, even if it does not derive directly from our pricing model, it is reasonable to assume that:

(iii)   (i) and (ii) are more likely to hold when larger block are traded.

Tables 9 (full sample) and 10 (subsample for larger blocks) show simple correlations between percentage block premia at various dates, and shareholders' Shapley values. Both φ_S - φ'_S and φ'_b - φ_b are positively correlated with the premium,

---

[4]   In Burkart et al. (1996) block premium associated to control rents is decreasing in the size of the block. However, this behaviour applies to premia on controlling blocks which represent less than 50% of voting equity. These represent too small a share of our sample to be relevant in our correlation analysis.