

Shaking, Not Stirring, Up the Stock Market

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When I was a kid, I loved watching the James Bond movies. While I liked Roger Moore, Sean Connery will always be 007 to me. The villains always had flair and grandiose plans to take over the world, but in the end, they were always foiled by Bond.

To help him defeat evil, Bond had an endless array of cool gadgets, usually tucked into everyday items like watches, pens or rings. But his signature item was his Aston Martin sports car. Loaded with cool spy features, such as oil slicks, smokescreens, guns, an eject button and even a submarine conversion, Bond's Aston Martin allowed the spy to either capture or elude bad guys.

While most of us could never dream of affording the car, we soon might be able to have the ability to own a little Aston Martin.

Last month the British automaker announced that it is considering going public. The move is a significant one, given the company's troubled past. Over the course of its century-old history, the manufacturer has filed for bankruptcy seven times and has passed from owner to owner, including Ford Motor Company. But like its most famous driver, Aston Martin has survived against the odds.

As its native Great Britain is likely to split from the European Union, Aston Martin believes its luxury sports cars and sedans would appeal to wealthy consumers worldwide. The company indicated in a regulatory filing that it would benefit from a growth in "high net worth individuals" across the globe, particularly in Asia. Accordingly, Aston Martin plans to expand its product range by reintroducing its Lagonda brand, a line of luxury electric S.U.V.s, and even offer submarines.

The company will make a final decision on proceeding later this month. If they do, there are tons of securities laws that the car manufacturer must comply with. The first step is for the company's management to make a proposal to the board of directors for an initial public offering, or IPO. The proposal details the company's past performance, objectives, business plan, and financial projections along with the recommendation to offer its stock to the public.

If the board agrees, a prospectus is then prepared and filed with the London Stock Exchange (or with the Securities and Exchange Commission in the U.S.). The prospectus provides greater detail about the company, including: a description of its business; its management structure; its management compensation; the names and holdings of principal shareholders; and audited financial statements.

Once all governing bodies approve the prospectus, a price per share is established and investors can start buying the stock. Aston Martin anticipates offering about 25% of its stock to be publicly traded. The shares would come from two of its owners, Invest Industrial of Italy and Investment Dar of Kuwait, while another major investor, Daimler of Germany, would retain its 4.9 percent stake.

Aston Martin seems to be following Ferrari's lead. The Italian luxury carmaker went public in 2015 and currently commands a premium valuation among investors. Ferrari used the stock ticker RACE, causing insiders to speculate that Aston Martin will choose 007.

I think that my love for puns and cheeky humor in part comes from James Bond, so having 007 as the stock ticker for Aston Martin would be perfect.