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Maybe Anyone Can Hop on the I.P.O. Bandwagon

By JOHN SCHWARTZ

IF you're like me, you read the business pages less as a way to get rich than as a form of entertainment. Who is the entertainingly excessive L. Dennis Kozlowski of Tyco, after all, but Paris Hilton for people who can read a 10-K?

Sometimes the spectacle is just watching how high these people can pile their money. It reminds me of playing with my first calculator, multiplying number upon number until the total grew so big that the gizmo couldn't display it, and all it said was "E." I didn't know what "E" meant, but I whiled away a lot of time finding different ways of getting to it.

Thinking back on it, maybe that "E" was for "excess." That's certainly what I'm seeing in the news. Consider Stephen A. Schwarzman, the chairman and co-founder of the Blackstone Group. The company, which does private equity and turnaround deals, among other ways of making enormous amounts of money, went public in June. Mr. Schwarzman, already one of the richest men in the world before the initial public offering, according to the bean counters at Forbes, owns a stake in the company worth some $7.7 billion.

That might seem like chump change to Bill Gates, but to the rest of us it's starting to sound like real money — to be specific, a sum that exceeds the gross domestic product of Brunei. Mr. Schwarzman could buy three new nuclear submarines, then pick up a few top-of-the-line Boeing 787 Dreamliners, and still have a ton of cash left over.

It's the essence of E. Now, I'm not the type to cavil at the outrageous fortune of others, as long as they come by it legally. But it does make me want to join the club. If Schwarzman can go public, why not Schwartz?

I first toyed with the idea of going public during my early years as a business writer, back in 1987. It was another time of surging markets and big names making big money. So I started noodling around on an article about my plans for an I.P.O. But I wasn't done with it by October 1987, when there was a bit of unpleasantness in the stock market. Joking about excess suddenly wasn't funny to my editors. So I filed it away.

Ten years later, David Bowie commoditized himself by issuing so-called Bowie Bonds, asset-backed securities based on the revenues of his albums; that brought him a $55 million payday. But I scoffed. Go and securitize "Ziggy Stardust," I said to him in the kind of debate that I often have in my mind with public figures, aloud, on the subway. (It used to be a problem, but now people just assume I'm talking on my cellphone.) My plan is bigger than that, I told my imaginary Bowie.

Now my moment has come; Mr. Schwarzman has shown me the way. So I called up Scott Sweet, the managing partner of IPO Boutique, a research firm in Lutz, Fla. Mr. Sweet was a little wary of besmirching his own fine reputation as a serious analyst by being associated with something as frivolous as a humor column, but did agree that the money that's being tossed around goes far beyond what any mortal needs. It even dwarfs those tuition bills that the rest of us find so onerous. Tuition at Harvard, Carnegie Mellon and other premier schools, he said, has "yet to hit a billion per year, and probably won't next semester."

As for my own I.P.O., he explained that I would have to do what all other companies do: tell my story in an S-1 filing. "Describe your mission. List your financials, what you would like to achieve, the risk factors, any competition, any legal judgments or legal cases against you."

Now there's the first sticking point. My financials are laughable, and I've never had a mission that I know of aside from keeping a roof over my head and macaroni and cheese on the table.

"You can make one up," he said. "You want to find the cure to all the world's ailments." Surely the '90s were not so long ago that I had forgotten those business plans of yore.

He said that I might have to cash in some of my frequent-flier miles because I would have to go on a road show to convince investors in New York, Chicago, San Francisco, Dallas, London, Paris, Zurich and even Rome that I'm worth investing in.

This all sounded good to me. I enjoy travel, and those are all nice places.

He said that I should hold out for prestigious underwriters like Goldman Sachs and Morgan Stanley.

"Well, I am a class operation," I responded.

"I know that," he said, and threw in Citi for good measure. These underwriters would set the price for the offering, say $14 to $15 a share, and prepare to issue 10 million shares. Even after their cut, he said, I could end up with $140 million.

I gulped. It's not Schwarzman money, but it would get me a Gulfstream and a lifestyle that needn't include macaroni and cheese. As the Barenaked Ladies put it, when they sang about how they would handle a sudden windfall:

We wouldn't have to eat Kraft dinner

But we would eat Kraft dinner.

Of course we would, we'd just eat more.

And buy really expensive ketchups with it.

That's right, all the fanciest Dijon ketchup!

Mmmm.

Warmed by the glow of my imagined millions, I dreamed of Dijon ketchup.