FAQs on SPACs (Special Purpose Acquisition Companies)

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Over the last several months, we have seen a dramatic interest among successful venture-backed companies in pursuing an exit with SPACs (Special Purpose Acquisition Companies). An exit via a SPAC entity may be the right option for companies looking to raise capital and obtain access to the public markets in lieu of a traditional IPO.

This short set of FAQs draws on our team's experience with recent high profile SPAC deals – including a currently-pending announced SPAC transaction with a market value in excess of \$1.8 billion – as well as decades of experience working with venture-backed companies in M&A and IPOs.

While SPAC transactions are more relevant for later-stage companies and their investors, this alternative to the traditional IPO is of general interest to all clients.

If you have follow up questions or would like to discuss these topics in more depth, please reach out to any member of your Gunderson Dettmer team.

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