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# Market Trends 2019/20: Follow-On Offerings

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This practice note discusses the market trends for follow-on offerings in 2019 as well as deal structure, process, and outlook for 2020. Initial public offerings (IPOs) have long been viewed as the most significant event for a business. An IPO marks the first time a company offers shares of its equity securities to the general public. Entrepreneurs and investors typically use their IPO to gain access to broad capital markets needed to expand the business and to obtain liquidity for entrepreneurs and investors. With that said, although IPOs represent the ultimate goal for entrepreneurs, for many companies, getting to the IPO is only the beginning. Following an IPO, many companies decide to offer additional equity securities to the public. These offerings are referred to as follow-on offerings because they follow the IPO.

Like IPOs, follow-on offerings are governed by the federal securities laws and require registration with the U.S. Securities and Exchange Commission (SEC) by filing Form S-1 or Form S-3 for U.S. companies, or Form F-1 or Form F-3 for foreign private issuers.

Read more about 2019 market trends for follow-on offerings and the 2020 outlook here.

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