

Department of Economics  
and Management

# Discussion Paper

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## A Post M&A Innovation in Family Firms

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## POST M&A INNOVATION IN FAMILY FIRMS

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### ABSTRACT

**Purpose:** The paper empirically investigates how family firms appropriate acquired resources to become more innovative in the context of merger waves. It draws on resource-based view and the theory of first mover (dis)advantages to examine the implications of the timing of acquisitions on innovation in family firms. Using a panel dataset of manufacturing firms in the Standard & Poor's (S&P) 500 followed over a period of 31 years, the study finds empirical support for the predictions that targets acquired during the upswing of a merger wave are more valuable to family firms and associated with more innovation than for non-family firms.

**Key words:** Acquisitions; innovation; resource-based view; family firms; merger waves

Classification-JEL: G34, L10, L20, M20.