Online reviews site Yelp to go public

The Associated Press

Popular online reviews site Yelp is going public, the latest in a slew of Internet businesses to do so.

Yelp Inc. said in a regulatory filing Thursday that it plans to raise $100 million in an initial public offering. The amount of money Yelp is seeking in its IPO will likely change as its bankers determine how many shares should be sold and at what price. That process typically takes three to four months.

San Francisco-based Yelp, a website best known for reviews of restaurants, bars and other local merchants, generated $58.4 million in net revenue in the first nine months of this year. It booked a net loss of $7.6 million in the same period. The company makes the bulk of its money from advertising.

Yelp filed its initial IPO papers the same day that another reviews site, Angie's List Inc., began trading its stock. Unlike Yelp, Angie's List charges a monthly fee for access to its reviews of local services such as dentists, veterinarians, roofers and plumbers. Yelp, meanwhile, is free.

And Groupon Inc., the online deals site, filed for its IPO earlier this month. The offerings have been successful, but it'll take some time — and earnings reports — to see how well the companies can do over the long term.

Yelp's underwriters include Goldman Sachs, Citigroup and others.

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