

What Do Private Firms Look like? * †

Data Appendix to “Does the Stock Market Distort Investment Incentives?”

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Abstract

Private firms in the U.S. are not subject to public reporting requirements, so relatively little is known about their characteristics and behavior – until now. This Data Appendix describes a new database on private U.S. firms, created by Sageworks Inc. in cooperation with hundreds of accounting firms. The contents of the Sageworks database mirror Compustat, the standard database for public U.S. firms. It contains balance sheet and income statement data for 95,297 private firms covering 250,507 firms-years over the period 2002 to 2007. We compare this database to the joint Compustat-CRSP database of public firms and to the Federal Reserve’s 2003 National Survey of Small Business Finances.

A1. Overview

Private firms in the U.S. are not subject to public reporting requirements, so relatively little is known about their characteristics and behavior – until now. This Data Appendix describes a new database on private U.S. firms, created by Sageworks Inc. in 2000 in cooperation with hundreds of accounting firms. The contents of the Sageworks database mirror Compustat, the standard database for public U.S. firms. It contains balance sheet and income statement data for 95,297 private firms over the period 2002 to 2007.

Like Compustat, Sageworks contains accounting data from income statements and balance sheets and basic demographic information such as NAICS industry codes and geographic location. There are three main differences to Compustat: 1) Sageworks covers almost exclusively private firms,¹ while Compustat covers stock-market listed firms as well as firms traded over-the-counter (along with some backfilled, pre-IPO data for firms that went public on a U.S. stock exchange); 2) Sageworks contains no data from the cash flow statement or from the footnotes to the financial statements; and 3) and unlike in Compustat, all data in Sageworks are held anonymously so that no individual firm can be identified by name.

Sageworks obtains data not from the private firms themselves, which could raise selection concerns, but from a large number of accounting firms which input data for *all* their corporate clients directly into Sageworks' database in an anonymous fashion. Selection thus operates at the level of the accounting firm and not of the private firms themselves. The accounting firms Sageworks co-operates with include most national mid-market accounting firms (those below the 'Big Four') and hundreds of regional players, but few of the many thousand local accountants who service the smallest firms in the economy. As a result, as we will show, the main selection effect is that firms in Sageworks are substantially larger than the small private businesses covered in the only other large-scale private-firm dataset, the Federal Reserve's National Survey of Small Business Finances (NSSBF). This selection may be problematic depending on the application but is innocuous for the purposes of the empirical analysis in Asker, Farre-Mensa, and Ljungqvist (2010).

Sageworks is free of survivorship bias, as no records are ever deleted. Of course, if a firm goes public, dies, or switches to an accounting firm that doesn't co-operate with Sageworks, its data time series in

¹ Sageworks covers a very small number of public firms, which can be filtered out.

Sageworks will end, but its historical data will not be removed.

In this Data Appendix, we compare the private Sageworks firms to public Compustat firms as well as to the private firms surveyed in the Federal Reserve's most recent National Survey of Small Business Finances, conducted in 2003. We characterize both the full Sageworks sample and a matched sample used in our paper "Does the Stock Market Distort Investment Incentives?" (Asker, Farre-Mensa, and Ljungqvist (2011)).

A2. Sample Construction

Our version of the Sageworks database, which we obtained in January 2009, covers the fiscal years from 2000 through 2007. We exclude observations from 2000, as the database was in its infancy, and we keep observations from 2001 to construct lags and growth rates. Over the period 2002-2007, Sageworks contains a total of 95,297 firms and 250,507 firm-years.

Table A1 details the filters we apply. We remove 10,104 firms located in Canada and 48 firms with missing location information. This leaves 85,145 firms located in the 50 U.S. states and in the District of Columbia. Next, we remove 489 firms with missing or negative total assets and 3,441 firms with data quality problems (i.e., those violating basic accounting identities). As is customary in economic and financial research, we exclude all 8,537 firms in SIC code 6 (financial services) and 310 firms in SIC code 49 (regulated utilities). Finally, we keep only firms with at least three consecutive annual observations so that we can construct lags and still have at least two panels years of complete data, as our empirical models exploit within-firm variation. This leaves a final total of 32,204 firms and 88,568 firm-years. We refer to this as the full sample of private firms.

The construction of the public-firm sample is analogous. There are 13,961 firms in the joint CRSP-Compustat database for 2002-2007. We eliminate 3,118 firms incorporated outside the U.S., 19 that do not report in U.S. dollars, 1,423 with missing or negative total assets, 1,953 financial firms, 358 regulated utilities, 207 government entities (SIC code 9), 592 firms without valid stock price quotes in CRSP, 1,313 firms that were traded somewhere other than the NYSE, AMEX, or Nasdaq (which mostly means some form of over-the-counter trading), and 82 with CRSP share codes greater than 11 (which screens out non-

operating entities such as real estate investment trusts, mutual funds, or closed-end funds). Again keeping only firms for which we have at least two panel years of complete data leaves a sample of 3,926 public firms with 19,203 firm-years. We refer to this as the full sample of public firms.

A2.1 Matching

Not surprisingly, public firms are substantially larger than private ones. The top graph in Figure A1 shows the distribution of inflation-adjusted total assets in log 2000 dollars for each group of firms. The distributions overlap only to a limited extent. The average (median) public sample firm has total real assets of \$1,364.4 million (\$246.2 million), compared to \$7.1 million (\$1.3 million) for private firms.

Size is also the most important correlate of public status in our data. This can clearly be seen when we estimate a probit model where the dependent variable equals one if a firm is in the public-firm sample and zero if it is in the private-firm sample. Including a full set of year indicators, we find that one standard deviation increases in the explanatory variables have the following effects on the probability that a firm is public: Log total real assets: +10.6 percentage points; cash holdings: +0.52 percentage points; return on assets (ROA): -0.46 percentage points; leverage: -0.17 percentage points; and sales growth: +0.09 percentage points. The unconditional probability is 17.8%, so size is the only covariate that moves the needle at all, though each of these effects is statistically significant at the 0.001 level, as are all year effects. The pseudo- R^2 of this model is 84.1%.

Much of the empirical analysis in Asker, Farre-Mensa, and Ljungqvist (2010) uses a size-and-industry matched dataset. Effectively, we identify large private firms and small public firms (which are much more comparable in size) in the same industry, to neutralize the effect of variation in size and industry across Compustat and Sagedworks on observed investment behavior. Our matching procedure is a variant of nearest-neighbor matching used in the program evaluation literature, surveyed in Imbens and Wooldridge (2009). The matched dataset is essentially drawn from the region where the two size distributions shown in Figure A1 overlap. It is constructed as follows. Starting in 2002, for each public firm, we identify the private firm in the same four-digit NAICS industry and fiscal year closest in terms of total assets (TA) such that $\max(TA_{public}, TA_{private}) / \min(TA_{public}, TA_{private}) < 2$. If no match can be found in a given fiscal

year, the observation is discarded and a new match is attempted for that firm in the following year. Once a match is formed, it is kept intact for as long as both the public and private firms remain in our sample, to maximize the available time series for each firm. If a matching firm exits the panel, a new match is spliced in. The matched sample contains 4,975 public-firm-years and an equal number of private-firm-years. Because we match with replacement, to maximize the match rate, the matched sample contains 1,666 public firms and 620 private firms.

The matched sample is much more balanced in terms of firm size. The bottom graph in Figure A1 shows the distribution of log real assets for public and private firms in the matched sample. The overlap is near perfect. The means are \$144.7 million and \$120.0 million for public and private firms, respectively, and the difference between them is not statistically significant at the 5% level.

To put the matching into perspective, Figure A2 shows a breakdown of the public firm-years in our matched sample by CRSP size deciles. Almost 80% of matched firm-years are in CRSP decile 10, the smallest publicly traded firms, with another 11.6% in decile 9.

Table A2 provides a distribution by year of the full samples of 3,926 Compustat and 32,204 Sagedworks firms and the matched samples of 1,666 Compustat and 620 Sagedworks firms, as well as entry and exit into each panel.

A2.2 The 2003 National Survey of Small Business Finances

The National Survey of Small Business Finances collects information on small businesses in the United States by interview. The information collected includes firm size, owner characteristics, use of financial services, and the income and balance sheets of the firms. The survey is conducted for the Board of Governors of the Federal Reserve System and is available for the years 1987, 1993, 1998, and 2003. The full public datasets, together with methodology reports, codebooks, and other related documentation, are available at <http://www.federalreserve.gov/pubs/oss/oss3/nssbftoc.htm>.

We focus our analysis on the 2003 NSSBF, the most recent one available. The 2003 NSSBF provides information about a nationally representative sample of small U.S. businesses. The target population is the population of all for-profit, nonfinancial, nonfarm, nonsubsidiary business enterprises that had fewer than

500 employees and were in operation as of year-end 2003 and on the date of the interview (around 6.3 million firms). Most firms' interviews took place between June and December in 2004.

The dataset contains information on an anonymous sample of 4,240 small businesses, sampled from the Dun's Market Identifier file as of May 2004. The sample is designed as a stratified random sample with over-sampling to ensure that statistics can be reliably estimated by various employment size groups. Statistics representative of the population of the 6.3 million small businesses in the U.S. can be constructed using the sampling weights provided.

Unlike our Sageworks and Compustat samples, the NSSBF is not a panel but a single cross-section. As a result, it is impossible to construct variables that require lags, such as sales growth or change in gross or net fixed assets (i.e., investment). While there have been four waves of surveys, firms cannot be linked across them and firms are likely different from wave to wave. Sageworks is thus the only large-scale database of private U.S. companies that permits an empirical analysis of investment behaviour.

Figure A1, discussed previously, also graphs the size distribution of the firms in the 2003 NSSBF. We use the sampling weights so the distribution shown reflects the population of U.S. businesses with fewer than 500 employees. The figure shows that these firms are clearly much smaller than those in the Sageworks database, consistent with the oversampling of larger private companies implied by the tilt of Sageworks' networks of data contributors towards the larger accounting firms below the Big Four.

A3. Descriptive Statistics

A3.1 Sample Distributions

Tables A3, A4, A5, and A6 provide a distribution of the full and matched Sageworks and Compustat samples by industry (Table A3), the state in which the firm is headquartered (Table A4), legal form of organization (Table A5), and the firm's choice of accounting basis (i.e., accruals vs. cash accounting; Table A6), respectively. Where available, we also provide data for the 2003 NSSBF.

A3.2 Firm Age

Figure A3 shows the distribution of log firm age in both the full and matched samples of public firms and for NSSBF firms. (Note that Sageworks does not provide data on firm age and so is omitted from the

comparison.) The average (median) public firm in the full sample is 13.4 (8.6) years old in 2004. The average (median) public firm in the matched sample is 11.9 (9.3) years old in 2004. While we do not have age data for the Sageworks firms, it is interesting to note that public firms are younger than private firms surveyed in the 2003 NSSBF: The average (median) firm age in the NSSBF is 18.2 (15) years in 2004.

A3.3 Ownership Structure and CEO Ownership

Table A7 reports the distribution of CEO ownership among matched public firms based on data hand-collected from proxy filings available through the SEC's EDGAR service. The table shows that public-firm CEOs rarely hold meaningful ownership stakes in the companies they run.

Table A8 describes the ownership structure and owner-management status of all firms (Panel A) and the largest firms (Panel B) surveyed in the 2003 NSSBF. We provide overall statistics in the last column (headed "Total") and a breakdown by legal form of organization. Most small businesses in the U.S. have a very small number of owners, so ownership is highly concentrated, and most are managed by a controlling shareholder, so ownership and control are not separated unlike in public companies.

Note that Sageworks does not provide ownership data for the firms in its database.

A3.4 Summary Statistics

Table A9 reports summary statistics for seven variables for the full samples of public and private firms (denoted 'F') and for the matched sample (denoted 'M'). The variables are total real assets, gross investment, net investment, sales growth, profitability (ROA), cash holdings, and leverage. The last four columns report pairwise differences in means or medians between the relevant samples.

A3.5 Conditional Summary Statistics

The remaining tables reports breakdowns of the means of the seven variables introduced in Table A9 by fiscal year, industry, state, and legal form of organization.

References

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Figure A1. Firm size distribution.

This figure appears as Figure 1 in Asker, Farre-Mensa, and Ljungqvist (2010). The top graph shows the size distribution of the public and private firms in our full samples of Compustat and Sageworks firms along with the size distribution of private U.S. firms in the Federal Reserve’s 2003 National Survey of Small Business Finances (NSSBF). The NSSBF is a survey of 4,240 small U.S. businesses which were interviewed between June and December 2004. The Federal Reserve supplies sampling weights to construct a nationally representative sample. We use the resulting weighted sample in all our comparisons. (We exclude 72 NSSBF firms with zero total assets and three with negative total assets.) The bottom graph shows the size distribution of the public and private firms in our matched sample. The graphs present, for each set of firms, Epanechnikov kernel densities of the natural logarithm of total assets in \$ millions of 2000 purchasing power. The width of the kernel density window around each point is set to 0.4. The unit of observation in the top graph is a firm (the NSSBF is a single cross-section; for public and private firms, we use the firm’s first panel year). The unit of observation in the bottom graph is a firm-year, to illustrate the closeness of the matched panels.

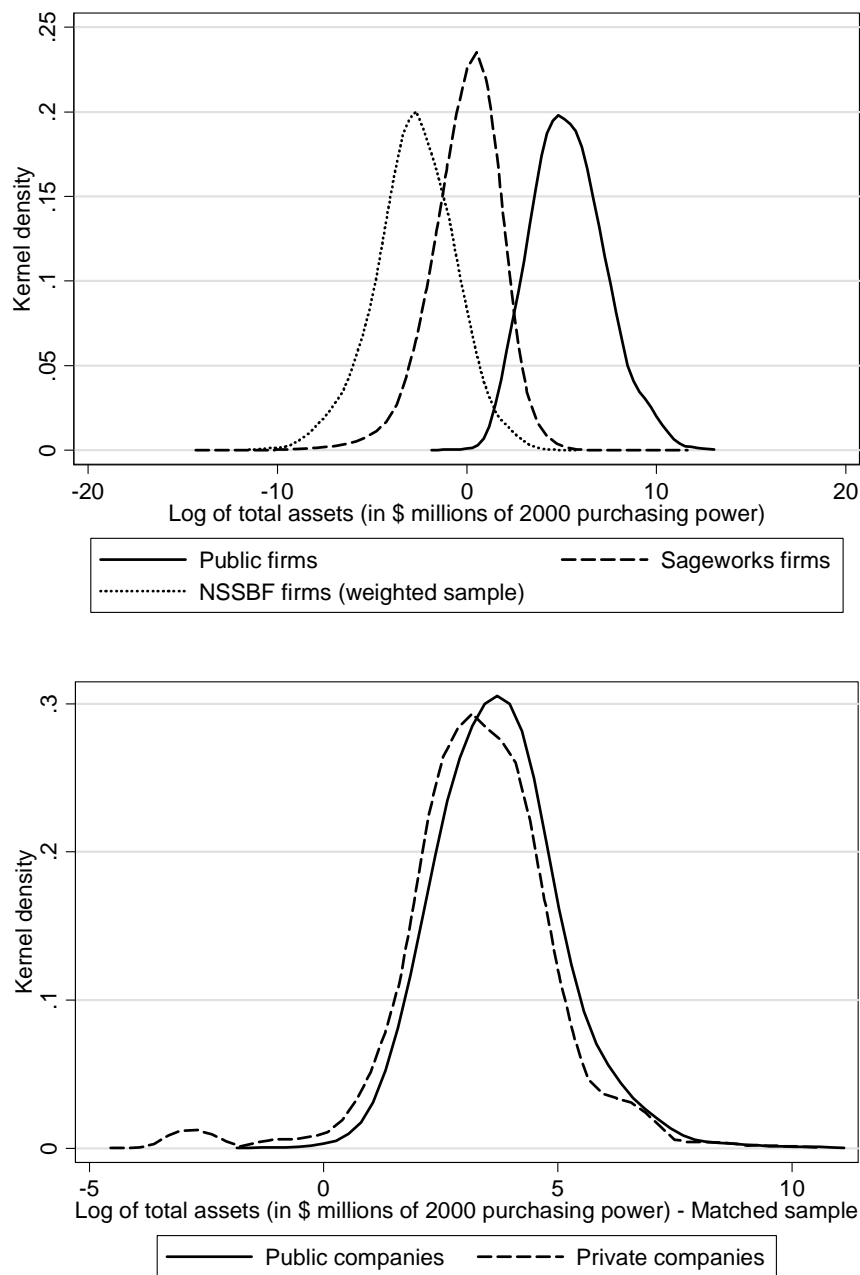


Figure A2. Distribution of matched public firms by CRSP size deciles.

This figure provides a breakdown of the public firm-years in our matched sample by CRSP size deciles. Public firms are matched to private firms in the Sageworks database using the following algorithm. Starting in the first year of our sample period, for each public firm, we identify the private firm in the same industry (four-digit NAICS, equivalent to three-digit SIC) and fiscal year that is closest in terms of total assets (TA). For a match to be consummated, we require $\max(TA_{public}, TA_{private}) / \min(TA_{public}, TA_{private})$ to be less than 2. If no match can be found in a given fiscal year, the observation is discarded and a new match is attempted for the firm in the following year. Once a match is formed, it is kept intact for as long as both the public and private firms remain in our sample, to maximize the available time series for each firm. If a matching firm exits the panel, a new match is spliced in. Matching is done with replacement. The size deciles are taken from the CRSP Quarterly Cap-based Rebalanced - NYSE/AMEX/NASDAQ file (file *rebalq*). They are available on a quarterly basis in March, June, September, and December. Firms with a fiscal year-end from February to April are classified using the March size decile, and so on.

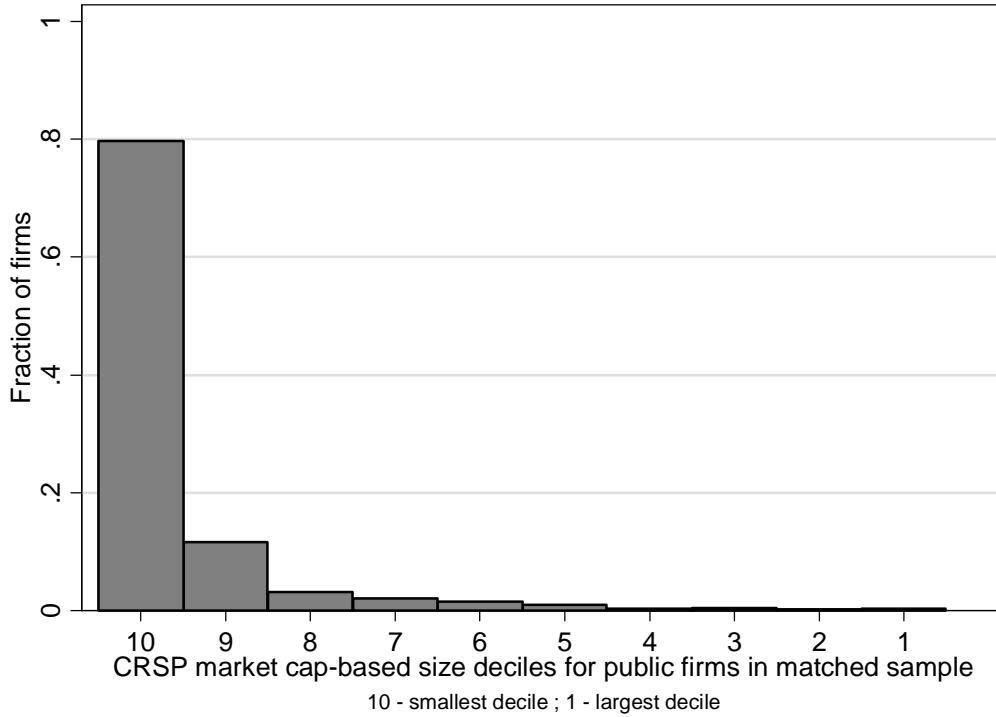


Figure A3. Firm age distribution.

This figure shows the age distribution of the public firms in our full and matched samples along with the age distribution of large private U.S. firms in the Federal Reserve's 2003 National Survey of Small Business Finances (NSSBF). (Note that age information is not available for Sagedworks firms.) The NSSBF is a survey of 4,240 small U.S. businesses which were interviewed between June and December 2004. The Federal Reserve supplies sampling weights to construct a nationally representative sample. We use the resulting weighted sample in all our comparisons. Large NSSBF firms are those with 20 or more employees. In the case of NSSBF firms, age is as of the interview for the 2003 NSSBF. According to the NSSBF codebook, "The interview for most firms took place between June and December in 2004." For comparability, we measure the age of public firms as of the end of the 2004 fiscal year if the firm was in our sample at that time and otherwise as of the end of the first fiscal year in which the firm appears in our sample. The age of a public firm is calculated as the number of years that have elapsed since the first time the firm appears with a price quote in CRSP. Given that CRSP coverage starts on December 31, 1925, by construction a public firm cannot be older than 79 years (= 2004 - 1925). The graphs present, for each set of firms, Epanechnikov kernel densities of firm age. The width of the kernel density window around each point is set to 0.5.

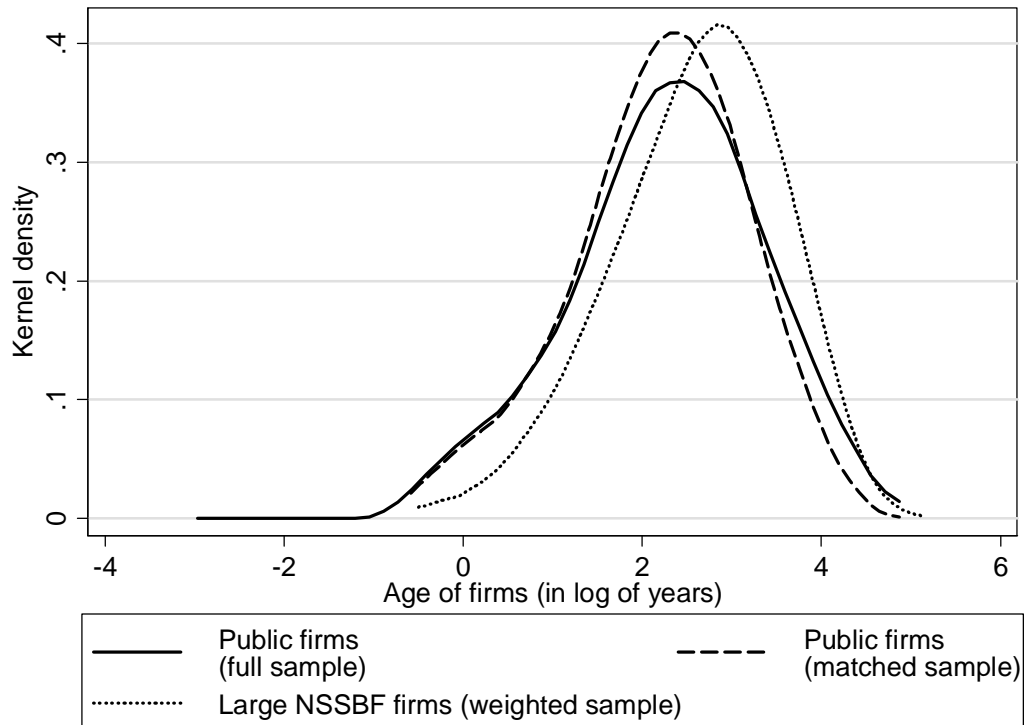


Table A1. Sample Construction.

Public firms come from Compustat. Private firms come from Sagedworks. The unit of analysis in this table is a firm rather than a firm-year.

	Public	Private
All unique firms available in fiscal years 2002 through 2007	13,961	95,297
Less:		
Canadian firms		-10,104
Firms with location information missing		-48
Firms not incorporated in the US	-3,118	
Firms not reporting in US dollars	-19	
Firms with total assets missing or negative	-1,423	-489
Firms with data quality problems		-3,441
Financial firms (SIC 6)	-1,953	-8,537
Regulated utilities (SIC 49)	-358	-310
Government entities (SIC 9)	-207	
Firms not in CRSP or without a stock price	-592	
Firms not listed on the NYSE, AMEX, or Nasdaq	-1,313	
Firms with CRSP share codes >11	-82	
Firms with fewer than three consecutive annual observations	-970	-40,164
Final sample ("full sample")	3,926	32,204

Table A2. Distribution by Year.

This table shows the distribution by year of the full samples of 3,926 Compustat and 32,204 Sageworks firms and the matched samples of 1,666 Compustat and 620 Sageworks unique firms used in Asker, Farre-Mensa, and Ljungqvist (2010). Our data cover the period from 2002 to 2007. The table also reports the number of firms entering and exiting each of these four samples per year. To be part of the full sample of public firms, a firm has to be recorded in both the Compustat and CRSP databases over our sample period; be incorporated in the U.S. and listed on a major U.S. exchange (NYSE, AMEX, or Nasdaq); have valid stock prices in CRSP; and have a CRSP share code of 10 or 11 (which screens out REITs, mutual funds, ADRs, etc.). The full sample of private firms is drawn from the Sageworks Inc. database of privately-held North American firms, from which we exclude Canadian firms as well as observations with data quality problems (specifically, those that fail to satisfy basic accounting identities). As is customary, we exclude from both the public and private samples financial firms (SIC 6), regulated utilities (SIC 49), and government entities (SIC 9). In addition, we exclude firms for which we have fewer than two observations with complete data for all the variables. The matched sample of public and private firms is constructed as follows: Starting in the first year of our sample period, for each public firm, we identify the private firm in the same industry (four-digit NAICS, equivalent to three-digit SIC industry) and fiscal year that is closest in terms of total assets (TA). For a match to be consummated, we require $\max(TA_{public}, TA_{private}) / \min(TA_{public}, TA_{private})$ to be less than 2. If no match can be found in a given fiscal year, the observation is discarded and a new match is attempted for the firm in the following year. Once a match is formed, it is kept intact for as long as both the public and private firms remain in our sample, to maximize the available time series for each firm. If a matching firm exits the panel, a new match is spliced in. Matching is done with replacement. The unit of observation in this table is a firm.

Fiscal year	No. of firms per year	No. of unique firms entering the sample	No. of unique firms exiting the sample	No. of firms per year	No. of unique firms entering the sample	No. of unique firms exiting the sample
		Full sample			Private	
		Public	Private			
2002	3,352	3,352	0	2,535	2,535	0
2003	3,426	112	239	6,069	3,589	470
2004	3,293	110	269	13,147	7,663	1,251
2005	3,219	185	271	21,611	9,840	4,029
2006	3,134	167	368	26,267	8,577	7,515
2007	2,779	0	2,779	18,939	0	18,939
Total	19,203	3,926	3,926	88,568	32,204	32,204
		Matched sample				
		Public	Private			
2002	311	311	6	311	104	4
2003	555	259	81	555	71	49
2004	910	436	141	910	109	49
2005	1,060	308	202	1,060	135	80
2006	1,166	307	263	1,166	144	110
2007	973	45	973	973	57	328
Total	4,975	1,666	1,666	4,975	620	620

Table A3. Distribution by Fama-French Industry.

This table shows the industry distribution of six samples: The full samples of 3,926 Compustat and 32,204 Sageworks firms; the matched samples of 1,666 Compustat and 620 Sageworks unique firms used in Asker, Farre-Mensa, and Ljungqvist (2010); and all firms and the largest firms surveyed in the Federal Reserve's 2003 National Survey of Small Business Finances (NSSBF). The NSSBF is a survey of 4,240 small U.S. businesses. The Federal Reserve supplies sampling weights to construct a nationally representative sample. We use the resulting weighted sample in all our comparisons. Large NSSBF firms are those with 20 or more employees. We use the Fama and French (1997) classification of 30 industry groups, available from Kenneth French's webpage. Sageworks firms are grouped into Fama-French industries based on their NAICS codes, which we map to SIC codes using the U.S. Census Bureau's NAICS-SIC bridge, available at <http://www.census.gov/epcd/naics02/index.html>. Compustat and NSSBF firms are grouped into Fama-French industries according to their SIC codes (the NSSBF includes only 2-digit SIC codes). Note that Asker, Farre-Mensa, and Ljungqvist (2010) match on NAICS4 rather than Fama-French. The unit of observation is a firm rather than a firm-year. All figures in the table are in percent and sum to 100 in each column.

FF industry	Description	Full sample (F)		Matched sample (M)		NSSBF weighted sample	
		<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Full</i>	<i>Large</i>
Food	Food products	2.2	2.9	2.3	4.2		
Beer	Beer & liquor	0.4	0.2	0.4	1.3	0.3	1.7
Smoke	Tobacco products	0.1	0.0			0.0	0.0
Games	Recreation	2.5	3.2	2.0	3.7	2.9	4.0
Books	Printing & publishing	1.2	0.9	1.1	1.3	1.4	1.5
Hshld	Consumer goods	1.6	0.9	1.0	3.4	1.4	1.0
Clths	Apparel	1.7	0.1	1.3	0.8	0.3	0.3
Hlth	Healthcare, medical equipment, pharmaceutical products	15.0	4.8	20.0	9.2	6.5	9.3
Chems	Chemicals	2.2	0.5	1.5	3.2	0.2	0.6
Txtls	Textiles	0.4	0.1	0.1	0.3	0.1	0.2
Cnstr	Construction and construction materials	2.9	9.1	2.3	4.2	13.6	14.8
Steel	Steel works etc.	1.3	0.7	0.4	0.7	0.0	0.3
FabPr	Fabricated products and machinery	4.1	2.7	2.9	4.2	1.7	4.0
ElcEq	Electrical equipment	1.8	0.7	1.9	2.3	0.4	0.7
Autos	Automobiles and trucks	1.6	0.4	1.0	1.3		
Carry	Aircraft, ships, and railroad equipment	0.8	0.2	0.4	0.8	0.5	1.1
Mines	Precious metals, non-metallic, and industrial metal mining	0.4	0.2	0.1	0.3	0.0	0.1
Coal	Coal	0.3	0.0	0.1	0.2	0.0	0.0
Oil	Petroleum and natural gas	4.2	0.4	4.4	2.3	0.3	0.8
Telcm	Communication	3.7	0.7	2.0	3.4	0.4	0.1
Servs	Personal and business services	17.2	38.1	18.6	20.3	38.7	17.7
BusEq	Business equipment	15.7	0.7	23.6	9.2	0.2	0.4
Paper	Business supplies and shipping containers	1.5	0.4	0.8	1.3	0.0	0.2
Trans	Transportation	2.8	3.0	1.3	1.8	3.4	4.1
Whlsl	Wholesale	4.2	9.9	4.1	9.4	6.4	7.3
Rtail	Retail	6.2	12.2	2.3	4.5	15.5	13.2
Meals	Restaurants, hotels, motels	2.3	3.9	2.2	4.2	5.7	16.7
Other	Everything else	1.9	3.0	1.9	2.4	0.1	0.0

Table A4. Geographic Distribution.

This table shows the distribution by the state in which the firm is headquartered of the full samples of 3,926 Compustat and 32,204 Sageworks firms and the matched samples of 1,666 Compustat and 620 Sageworks unique firms used in Asker, Farre-Mensa, and Ljungqvist (2010). (Note that the NSSBF does not provide a breakdown by state and so is omitted from this table.) The unit of observation is a firm rather than a firm-year. All figures in the table are in percent and sum to 100 in each column.

	Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
AK	0.1	0.2	0.0	0.0
AL	0.5	1.6	0.5	1.3
AR	0.4	1.1	0.2	0.2
AZ	1.5	1.6	1.6	1.6
CA	19.8	6.8	23.9	12.6
CO	2.5	2.6	2.6	2.3
CT	2.3	1.4	1.9	0.8
DC	0.2	0.1	0.0	0.0
DE	0.3	0.3	0.2	0.3
FL	4.5	4.2	4.8	4.2
GA	2.9	3.1	3.2	4.5
HI	0.2	0.4	0.3	0.3
IA	0.4	1.4	0.4	1.3
ID	0.3	0.7	0.2	0.2
IL	4.1	3.6	3.0	5.0
IN	1.1	3.2	0.7	1.6
KS	0.5	1.4	0.4	0.8
KY	0.6	1.4	0.2	1.1
LA	0.6	0.9	0.3	0.6
MA	5.6	3.0	7.4	2.4
MD	1.6	1.9	1.9	1.8
ME	0.1	0.5	0.1	0.0
MI	1.8	4.1	1.3	3.1
MN	3.3	3.9	4.1	3.1
MO	1.5	2.1	0.7	1.5
MS	0.2	1.0	0.1	0.2
MT	0.1	0.7	0.0	0.0
NC	1.7	3.1	1.4	2.6
ND	0.0	0.2	0.1	0.0
NE	0.4	1.0	0.4	1.6
NH	0.4	1.0	0.4	0.6
NJ	4.4	3.4	4.8	4.2
NM	0.1	0.4	0.1	0.2
NV	0.7	0.7	0.8	1.1
NY	7.4	3.7	7.5	6.3
OH	2.9	5.5	1.8	4.8
OK	0.7	0.7	0.8	1.0
OR	1.1	1.0	1.4	2.4
PA	4.2	6.3	3.2	8.4
RI	0.3	0.3	0.3	0.3
SC	0.4	1.3	0.1	0.3
SD	0.1	0.5	0.1	0.0
TN	1.5	1.9	0.7	1.1
TX	8.9	5.9	7.6	6.6
UT	0.7	1.5	1.2	1.1
VA	2.6	2.1	2.3	2.1
VT	0.2	0.3	0.2	0.2
WA	2.1	2.6	2.3	1.5
WI	1.3	2.6	0.8	2.3
WV	0.1	0.4	0.1	0.5
WY	0.0	0.4	0.1	0.2
Other	0.9		1.3	

Table A5. Distribution by Legal Form of Organization.

This table shows the distribution by legal form of organization of six samples: The full samples of 3,926 Compustat and 32,204 Sageworks firms; the matched samples of 1,666 Compustat and 620 Sageworks unique firms used in Asker, Farre-Mensa, and Ljungqvist (2010); and all firms and the largest firms surveyed in the Federal Reserve’s 2003 National Survey of Small Business Finances (NSSBF). The NSSBF is a survey of 4,240 small U.S. businesses. The Federal Reserve supplies sampling weights to construct a nationally representative sample. We use the resulting weighted sample in all our comparisons. Large NSSBF firms are those with 20 or more employees. Compustat provides no information about public firms’ legal form of organization. Most public firms are C Corps. We identify non-C Corp public firms by searching company names in CRSP for “LLC”, “LP”, “Limited Partnership”, etc. There are two non-C Corps in the full sample and one in the matched sample. The unit of observation is a firm rather than a firm-year. All figures in the table are in percent and sum to 100 in each column.

	Full sample (F)		Matched sample (M)		NSSBF weighted sample	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Full</i>	<i>Large</i>
C Corps	99.95	36.5	99.94	47.6	14.4	34.9
S Corps		49.3		39.5	31.0	48.5
Sole proprietorships		1.6		0.5	42.5	5.2
Limited liability companies (LLC)		6.9		6.8	5.5	4.4
Partnerships	0.05	3.0	0.06	2.6	5.5	4.4
Limited liability partnerships (LLP)		0.6		0.8	1.2	2.6
Other		2.2		2.3		

Table A6. Distribution by Accounting Basis.

This table shows the distribution by accounting basis of six samples: The full samples of 3,926 Compustat and 32,204 Sageworks firms; the matched samples of 1,666 Compustat and 620 Sageworks unique firms used in Asker, Farre-Mensa, and Ljungqvist (2010); and all firms and the largest firms surveyed in the Federal Reserve's 2003 National Survey of Small Business Finances (NSSBF). The NSSBF is a survey of 4,240 small U.S. businesses. The Federal Reserve supplies sampling weights to construct a nationally representative sample. We use the resulting weighted sample in all our comparisons. Large NSSBF firms are those with 20 or more employees. Firms can report either on an accrual basis or on a cash basis. While Sageworks and the NSSBF provide details about the accounting basis for their respective sample of private firms, neither CRSP nor Compustat report what accounting basis public firms use. However, it is reasonable to assume that essentially all public companies use accrual accounting since all large companies in the U.S. (those with annual sales of more than \$5 million or any business holding inventory and selling more than \$1 million per year) are required to adopt accrual accounting. The unit of observation is a firm rather than a firm-year. All figures in the table are in percent and sum to 100 in each column.

	Full sample (F)		Matched sample (M)		NSSBF weighted sample	
	<i>Public (estimated)</i>	<i>Private</i>	<i>Public (estimated)</i>	<i>Private</i>	<i>Full</i>	<i>Large</i>
Accrual basis	100.0	87.1	100.0	96.8	24.8	40.9
Cash basis		8.0		1.1	74.5	57.6
Basis unknown or not disclosed		4.8		2.1	0.7	1.5

Table A7. CEO Ownership of Matched Public Firms.

We hand-collect CEO ownership data from proxies for the first panel-year of 1,664 of the 1,666 public firms in our matched sample. (Two firms failed to file proxies or annual reports with the SEC over our sample window and hence have to be excluded.) Ownership is defined as stock held by the CEO divided by the number of shares of common stock outstanding, both measured as of the proxy date. The convention in the literature on CEO ownership is to exclude from this measure stock options exercisable within 60 days as that is how ExecuComp, the main CEO ownership database, reports ownership; see for example Ofek and Yermack (2000). We show this measure in column (1). Adding options exercisable within 60 days does not materially alter the conclusion that public-firm CEOs in our matched sample own little of their firms' equity.

	CEO ownership	
	without options exercisable within 60 days (1)	with options exercisable within 60 days (2)
Mean	0.084	0.103
St.dev.	0.146	0.150
Skewness	2.477	2.308
Kurtosis	9.322	8.526
Min	0.000	0.000
5th percentile	0.000	0.000
10th percentile	0.000	0.000
25th percentile	0.002	0.013
50th percentile	0.016	0.038
75th percentile	0.093	0.125
90th percentile	0.274	0.309
95th percentile	0.631	0.479
Max	0.970	0.971
No. of firms	1,664	1,664
No. of firms with missing data	2	2

Table A8. Ownership Structure and Owner-Management Status of Private U.S. Firms.

This table describes the ownership structure and owner-management status of all firms (Panel A) and the largest firms (Panel B) surveyed in the Federal Reserve's 2003 National Survey of Small Business Finances (NSSBF). The NSSBF is a survey of 4,240 small U.S. businesses. The Federal Reserve supplies sampling weights to construct a nationally representative sample. We use the resulting weighted sample in all our comparisons. Large NSSBF firms are those with 20 or more employees. We provide overall statistics in the last column (headed "Total") and a breakdown by legal form of organization.

	C Corps	S Corps	Sole proprietorships	Limited liability companies (LLC)	Partnerships	Limited liability partnerships (LLP)	Total
Panel A: All firms							
No. of firms	904,249	1,953,452	2,675,680	345,639	343,479	75,605	6,298,104
No. of shareholders no more than							
1	0.398	0.483	0.808	0.403	0.022	0.160	0.575
2	0.735	0.851	1.000	0.828	0.699	0.758	0.887
3	0.861	0.926	1.000	0.930	0.834	0.860	0.943
4	0.901	0.969	1.000	0.971	0.927	0.909	0.970
5	0.912	0.980	1.000	0.982	0.929	0.914	0.975
6	0.933	0.988	1.000	0.989	0.936	0.970	0.982
7	0.944	0.991	1.000	0.989	0.974	0.970	0.987
8	0.951	0.992	1.000	0.990	0.975	0.970	0.988
9	0.954	0.993	1.000	0.990	0.976	0.970	0.989
Owner managed?							
No	0.103	0.070	0.026	0.060	0.077	0.204	0.058
Yes	0.897	0.930	0.974	0.940	0.923	0.796	0.942
Panel B: Larger firms (20-499 employees)							
No. of firms	190,798	264,827	28,267	24,205	23,889	14,149	546,135
No. of shareholders no more than							
1	0.234	0.363	0.700	0.158	0.052	0.229	0.309
2	0.552	0.686	1.000	0.676	0.562	0.620	0.648
3	0.712	0.807	1.000	0.772	0.704	0.655	0.774
4	0.793	0.887	1.000	0.844	0.759	0.814	0.851
5	0.819	0.930	1.000	0.922	0.784	0.839	0.886
6	0.870	0.954	1.000	0.930	0.790	0.839	0.916
7	0.878	0.969	1.000	0.930	0.826	0.839	0.927
8	0.898	0.974	1.000	0.930	0.832	0.839	0.937
9	0.903	0.977	1.000	0.930	0.843	0.839	0.941
Owner managed?							
No	0.165	0.158	0.224	0.327	0.131	0.081	0.168
Yes	0.835	0.842	0.776	0.673	0.869	0.919	0.832

Table A9. Firm Characteristics.

This table (which appears in more extensive form as Table 1 in Asker, Farre-Mensa, and Ljungqvist (2010)) reports means and standard deviations (in italics underneath the means) for certain characteristics of the full samples of 3,926 Compustat and 32,204 Sageworks firms and the matched samples of 1,666 Compustat and 620 Sageworks unique firms used in Asker, Farre-Mensa, and Ljungqvist (2010). Total assets (Compustat item *at* or its Sageworks equivalent) is in \$ millions of 2000 purchasing power, deflated using the annual GDP deflator, at the beginning of the fiscal year. Gross investment is the annual increase in gross fixed assets (Compustat data item *ppegt* or its Sageworks equivalent) scaled by beginning-of-year nominal total assets; net investment is defined analogously using net fixed assets (Compustat item *ppent* or its Sageworks equivalent). Sales growth is the annual percentage increase in sales (Compustat item *sale* or its Sageworks equivalent). ROA is operating income before depreciation (Compustat item *oibdp* or its Sageworks equivalent) scaled by beginning-of-year total assets. Cash holdings is beginning-of-year cash and short-term investments (Compustat item *che* or its Sageworks equivalent) and book leverage is beginning-of-year long-term and short-term debt (Compustat items *dltt* + *dlc* or their Sageworks equivalents), both scaled by beginning-of-year total assets. All variables are winsorized 0.5% in each tail to reduce the impact of outliers. The unit of observation is a firm-year. The last four columns report pairwise differences in means or medians between the relevant samples, with ***, **, and * indicating a difference that is significant in a *t*-test for equality of means at the 1%, 5%, and 10% level, respectively.

	Full sample (F)		Matched sample (M)		Differences in means (<i>t</i> -test)			
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>F: Pub – Pri</i>	<i>M: Pub – Pri</i>	<i>Pub: F – M</i>	<i>Pri: F – M</i>
Total real assets (\$m)	1,364.4 <i>2,958.1</i>	7.1 <i>190.2</i>	144.7 <i>692.8</i>	120.0 <i>675.5</i>	1,357.3***	24.7*	1,219.7***	-112.9***
Gross investment	0.045 <i>0.154</i>	0.076 <i>0.261</i>	0.040 <i>0.191</i>	0.097 <i>0.304</i>	-0.031***	-0.056***	0.005*	-0.020***
Net investment	0.022 <i>0.123</i>	0.033 <i>0.205</i>	0.022 <i>0.150</i>	0.094 <i>0.302</i>	-0.011***	-0.072***	0.000	-0.061***
Sales growth	0.183 <i>0.674</i>	0.177 <i>0.652</i>	0.256 <i>0.925</i>	0.327 <i>1.075</i>	0.006	-0.071***	-0.073***	-0.150***
ROA	0.065 <i>0.286</i>	0.075 <i>1.069</i>	-0.060 <i>0.437</i>	0.084 <i>0.986</i>	-0.010**	-0.144***	0.124***	-0.009
Cash holdings	0.225 <i>0.239</i>	0.152 <i>0.202</i>	0.304 <i>0.267</i>	0.151 <i>0.200</i>	0.073***	0.152***	-0.078***	0.001
Book leverage	0.199 <i>0.230</i>	0.311 <i>0.455</i>	0.149 <i>0.250</i>	0.218 <i>0.264</i>	-0.111***	-0.069***	0.050***	0.092***
No. of observations	19,203	88,568	4,975	4,975				
No. of firms	3,926	32,204	1,666	620				

Table A10. Number of Firm-years, Total Real Assets, and Sales Growth by Fiscal Year.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean total real assets (\$m)				Mean sales growth			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
2002	3,352	2,535	311	311	1,255.9	3.3	54.1	37.9	0.097	0.129	0.077	0.090
2003	3,426	6,069	555	555	1,245.1	3.0	49.4	37.9	0.157	0.155	0.215	0.220
2004	3,293	13,147	910	910	1,327.3	4.7	94.5	74.9	0.221	0.207	0.260	0.261
2005	3,219	21,611	1,060	1,060	1,365.9	6.0	164.1	136.8	0.240	0.203	0.318	0.243
2006	3,134	26,267	1,166	1,166	1,434.7	8.0	180.1	153.0	0.207	0.203	0.261	0.741
2007	2,779	18,939	973	973	1,604.9	10.5	211.3	177.3	0.179	0.104	0.258	0.121

Table A11. Number of Firm-years, Total Real Assets, and Sales Growth by Industry.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean total real assets (\$m)				Mean sales growth			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
Food products	447	2,562	127	83	2,491.7	5.9	155.4	73.1	0.097	0.183	0.134	0.229
Beer & liquor	74	171	22	29	4,497.6	7.7	41.9	53.8	0.087	0.263	0.132	0.157
Tobacco products	30	4	0	0	5,743.2	1.8			-0.083	2.348		
Recreation	469	2,788	111	100	1,140.7	14.9	111.6	67.1	0.164	0.164	0.150	0.176
Printing & publishing	255	834	47	42	1,831.6	7.0	306.6	309.3	0.061	0.110	0.136	0.732
Consumer goods	313	841	53	148	1,651.7	5.4	58.5	44.5	0.099	0.198	-0.008	0.087
Apparel	334	82	71	38	710.6	10.3	69.5	73.5	0.118	0.150	0.099	0.175
Healthcare, medical equipment, pharma. prods.	2,783	4,045	1,004	801	778.0	10.4	50.4	42.8	0.389	0.170	0.465	0.779
Chemicals	418	422	75	79	2,166.1	6.9	40.3	69.9	0.124	0.193	0.257	0.539
Textiles	64	105	1	5	850.2	9.4	16.5	29.8	-0.011	0.121	-0.133	0.071
Construction and construction materials	594	8,347	113	101	1,477.2	10.0	145.2	106.3	0.106	0.185	0.085	0.062
Steel works Etc	254	629	22	7	1,553.8	9.1	50.6	107.5	0.221	0.231	0.126	0.542
Fabricated products and machinery	823	2,441	154	119	1,086.7	4.2	41.4	27.4	0.125	0.160	0.237	0.191
Electrical equipment	387	709	132	82	695.5	4.9	35.1	28.2	0.156	0.161	0.262	0.086
Automobiles and trucks	292	308	31	34	2,573.1	7.4	80.6	45.8	0.117	0.190	0.345	0.133
Aircraft, ships, and railrad equipment	168	200	24	17	3,275.4	4.6	47.9	15.4	0.105	0.215	0.050	0.240
Precious metal, non-metallic, ind. metal mining	92	149	1	3	1,762.6	5.1	87.2	18.1	0.172	0.102	-0.095	0.262
Coal	53	30	2	2	2,299.4	7.2	76.8	54.9	0.380	0.144	0.194	-0.112
Petroleum and natural gas	777	359	242	203	2,321.7	6.7	140.5	95.1	0.369	0.384	0.581	0.349
Communication	663	590	84	102	3,294.2	16.2	94.4	78.1	0.182	0.203	0.270	0.673
Personal and business services	3,186	33,556	795	1,027	798.9	4.1	151.0	105.1	0.159	0.212	0.225	0.249
Business equipment	3,105	678	1,230	1,287	920.1	61.1	166.6	132.4	0.149	0.205	0.176	0.261
Business supplies and shipping containers	307	417	33	34	3,189.3	8.8	64.1	37.4	0.058	0.146	0.046	0.074
Transportation	532	2,631	55	58	2,276.6	4.0	160.0	115.7	0.152	0.176	0.188	0.142
Wholesale	790	9,007	222	217	1,074.4	10.2	259.1	242.1	0.133	0.145	0.141	0.106
Retail	1,207	10,720	110	147	1,950.9	7.7	865.4	693.4	0.106	0.110	0.127	0.080
Restaurants, hotels, motels	421	3,158	117	128	993.0	4.6	326.7	233.2	0.112	0.125	0.083	0.284
Everything else	365	2,785	97	82	1,304.4	4.2	95.4	40.0	0.104	0.153	0.166	0.076

Table A12. Number of Firm-years, Total Real Assets, and Sales Growth by State.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean total real assets (\$m)				Mean sales growth			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
AK	12	227	0	0	687.4	2.4			0.046	0.235		
AL	87	1,395	23	26	609.2	3.5	174.6	21.7	0.224	0.177	0.652	0.159
AR	86	971	14	2	3,516.1	2.7	160.5	1.6	0.112	0.184	0.147	0.269
AZ	305	1,315	82	152	1,079.7	3.0	249.6	17.8	0.163	0.238	0.217	0.103
CA	3,674	5,997	1,127	722	918.8	5.1	148.3	42.6	0.230	0.178	0.311	0.864
CO	435	2,286	133	112	1,309.9	2.9	68.0	30.5	0.279	0.253	0.320	0.449
CT	455	1,200	87	105	1,266.6	3.5	83.8	122.8	0.142	0.135	0.115	0.435
DC	40	85	0	0	2,245.1	4.1			0.547	0.172		
DE	55	265	14	17	2,063.8	5.4	48.9	22.3	0.029	0.208	0.061	1.028
FL	852	3,589	249	236	774.8	11.0	68.7	24.3	0.131	0.209	0.206	0.084
GA	547	2,499	136	443	1,529.4	16.2	449.9	68.7	0.101	0.261	0.110	0.354
HI	30	419	16	4	447.1	3.4	80.8	33.3	0.026	0.135	-0.047	0.197
IA	88	1,261	18	17	968.7	3.8	177.5	18.0	0.078	0.145	0.104	0.060
ID	46	605	6	3	2,485.6	3.9	86.6	5.5	0.334	0.213	1.654	0.082
IL	780	3,209	149	149	2,407.1	4.2	116.4	41.9	0.115	0.128	0.247	0.109
IN	201	3,003	33	25	1,260.2	2.7	83.3	40.7	0.085	0.132	0.124	0.058
KS	98	1,220	21	26	1,336.4	25.7	103.2	60.6	0.185	0.157	0.375	0.265
KY	113	1,176	11	61	1,458.4	4.8	950.2	82.3	0.093	0.152	0.010	0.131
LA	114	804	19	40	1,205.9	4.6	166.3	30.8	0.216	0.208	0.433	0.177
MA	1,099	2,770	346	95	712.1	3.2	86.5	36.6	0.247	0.127	0.238	0.105
MD	298	1,665	95	63	1,079.3	3.4	114.7	15.9	0.269	0.209	0.323	0.305
ME	24	413	10	0	617.2	2.6	11.2		0.073	0.112	0.113	
MI	358	3,841	64	109	2,436.0	3.3	79.2	71.8	0.116	0.108	0.254	0.064
MN	676	3,461	238	132	1,149.6	28.9	93.2	110.3	0.135	0.131	0.112	0.262
MO	293	1,823	31	190	2,162.5	5.5	116.1	360.2	0.112	0.171	0.082	0.098
MS	36	923	4	2	510.0	3.1	232.7	100.0	0.126	0.186	0.385	0.197
MT	15	621	0	0	380.6	1.3			0.128	0.198		
NC	309	2,723	67	141	1,544.1	19.9	809.7	678.1	0.191	0.199	0.275	0.548

Table A12. Continued.

	Number of firm-years				Mean total real assets (\$m)				Mean sales growth			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
ND	5	206	4	0	10.4	1.6	11.0		0.183	0.204	0.237	
NE	74	904	18	100	2,437.3	4.0	67.5	23.3	0.071	0.137	0.036	0.126
NH	77	1,039	22	55	388.7	2.7	56.5	10.6	0.144	0.113	0.149	0.076
NJ	843	2,996	257	129	1,439.3	5.4	101.6	54.2	0.210	0.143	0.302	0.116
NM	10	311	3	2	202.9	2.8	124.7	7.2	0.017	0.216	0.090	-0.010
NV	140	540	49	156	2,024.2	5.4	72.6	58.2	0.230	0.354	0.282	0.469
NY	1,459	3,132	430	268	1,668.8	16.6	185.9	442.1	0.186	0.159	0.270	0.265
OH	608	5,188	72	203	1,884.5	3.9	212.6	71.0	0.081	0.142	0.068	0.083
OK	129	613	46	54	1,768.2	4.0	64.7	79.8	0.245	0.252	0.393	0.565
OR	227	912	59	100	629.5	6.7	77.3	110.2	0.209	0.162	0.392	0.123
PA	821	5,833	158	462	1,362.7	5.0	161.9	35.8	0.206	0.148	0.324	0.263
RI	57	315	19	6	3,342.9	3.9	49.9	16.8	0.091	0.154	0.118	0.069
SC	73	1,116	7	12	688.4	2.3	37.1	51.2	0.079	0.214	0.143	0.115
SD	18	499	9	0	160.4	2.2	123.5		0.171	0.184	0.190	
TN	306	1,610	30	28	1,710.2	4.5	256.8	236.0	0.145	0.178	0.100	0.049
TX	1,746	4,828	405	258	1,903.6	6.4	110.8	119.6	0.196	0.266	0.292	0.276
UT	137	1,268	60	77	324.0	5.0	67.6	175.3	0.198	0.303	0.206	0.400
VA	484	1,825	109	60	1,470.6	8.8	152.8	658.4	0.140	0.186	0.203	0.118
VT	30	292	11	3	233.8	1.7	53.3	3.1	0.083	0.193	0.159	-0.004
WA	405	2,240	111	39	1,276.5	5.2	164.6	666.3	0.224	0.242	0.268	0.144
WI	276	2,370	33	78	1,337.4	3.8	79.6	27.2	0.123	0.137	0.201	0.087
WV	23	354	8	11	381.1	4.6	153.2	24.4	0.117	0.165	0.127	0.158
WY	6	411	4	2	27.0	1.8	36.3	6.4	0.520	0.258	0.385	0.298
Other	123		58		622.9		55.7		0.146		0.158	

Table A13. Number of Firm-years, Total Real Assets, and Sales Growth by Legal Form of Organization.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean total real assets (\$m)				Mean sales growth			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
C Corps	19,191	33,072	4,972	3,024	1,364.1	12.9	144.6	174.8	0.182	0.147	0.255	0.456
S Corps		43,621		1,513		3.4		28.3		0.175		0.107
Sole proprietorships		1,321		13		1.1		113.6		0.170		0.048
Limited liability companies (LLC)		5,734		252		4.2		41.2		0.338		0.223
Partnerships	12	2,490	3	49	1,776.2	4.1	253.3	39.9	0.925	0.284	1.901	0.356
Limited liability partnerships (LLP)		478		39		6.7		42.8		0.142		0.116
Other		1,852		85		6.2		118.6		0.143		0.059

Table A14. Number of Firm-years, Gross Investment, and Net Investment by Fiscal Year.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean gross investment				Mean net investment			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
2002	3,352	2,535	311	311	0.035	0.058	0.008	0.058	0.008	0.019	-0.005	0.036
2003	3,426	6,069	555	555	0.036	0.067	0.021	0.138	0.009	0.025	0.002	0.111
2004	3,293	13,147	910	910	0.045	0.075	0.038	0.160	0.022	0.028	0.020	0.106
2005	3,219	21,611	1,060	1,060	0.043	0.083	0.040	0.068	0.025	0.040	0.024	0.056
2006	3,134	26,267	1,166	1,166	0.058	0.083	0.048	0.090	0.036	0.037	0.030	0.155
2007	2,779	18,939	973	973	0.059	0.066	0.054	0.066	0.037	0.027	0.034	0.060

Table A15. Number of Firm-years, Gross Investment, and Net Investment by Industry.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean gross investment				Mean net investment			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
Food products	447	2,562	127	83	0.040	0.110	0.039	0.067	0.016	0.045	0.019	0.030
Beer & liquor	74	171	22	29	0.043	0.101	0.039	0.032	0.013	0.051	-0.001	0.028
Tobacco products	30	4	0	0	-0.010	0.288			-0.011	0.141		
Recreation	469	2,788	111	100	0.073	0.092	0.064	0.059	0.042	0.036	0.034	0.038
Printing & publishing	255	834	47	42	0.030	0.064	0.045	0.134	0.011	0.033	0.023	0.112
Consumer goods	313	841	53	148	0.024	0.043	0.013	0.041	0.009	0.013	0.012	0.040
Apparel	334	82	71	38	0.024	0.027	0.014	0.020	0.009	0.011	0.002	0.004
Healthcare, medical equipment, pharma. prods.	2,783	4,045	1,004	801	0.035	0.132	0.022	0.178	0.016	0.043	0.007	0.288
Chemicals	418	422	75	79	0.044	0.064	0.053	0.411	0.018	0.026	0.034	0.366
Textiles	64	105	1	5	-0.033	0.036	0.002	0.144	-0.016	-0.004	-0.005	-0.007
Construction and construction materials	594	8,347	113	101	0.029	0.077	0.034	0.029	0.011	0.033	0.014	0.019
Steel works Etc	254	629	22	7	0.040	0.074	0.028	0.180	0.012	0.025	0.012	-0.016
Fabricated products and machinery	823	2,441	154	119	0.028	0.072	0.040	0.020	0.010	0.031	0.026	0.024
Electrical equipment	387	709	132	82	0.029	0.039	0.038	0.021	0.016	0.013	0.032	0.014
Automobiles and trucks	292	308	31	34	0.025	0.063	0.033	-0.003	0.006	0.024	0.010	-0.029
Aircraft, ships, and railrad equipment	168	200	24	17	0.027	0.064	0.006	0.049	0.010	0.026	-0.003	-0.015
Precious metal, non-metallic, ind. metal mining	92	149	1	3	0.151	0.180	-0.026	0.628	0.099	0.093	-0.034	0.481
Coal	53	30	2	2	0.135	0.041	0.494	0.165	0.085	-0.001	0.336	-0.129
Petroleum and natural gas	777	359	242	203	0.292	0.202	0.374	0.389	0.208	0.138	0.267	0.294
Communication	663	590	84	102	0.044	0.102	0.043	0.254	0.003	0.048	-0.003	0.186
Personal and business services	3,186	33,556	795	1,027	0.025	0.084	0.014	0.047	0.008	0.037	0.005	0.032
Business equipment	3,105	678	1,230	1,287	0.016	0.054	0.007	0.044	0.002	0.027	0.000	0.029
Business supplies and shipping containers	307	417	33	34	0.028	0.067	0.013	0.041	0.001	0.030	0.000	-0.016
Transportation	532	2,631	55	58	0.077	0.130	0.059	0.056	0.056	0.065	0.049	0.035
Wholesale	790	9,007	222	217	0.020	0.033	0.012	0.026	0.010	0.015	0.010	0.018
Retail	1,207	10,720	110	147	0.064	0.046	0.039	0.036	0.031	0.021	0.017	0.016
Restaurants, hotels, motels	421	3,158	117	128	0.101	0.086	0.093	0.273	0.054	0.031	0.042	0.203
Everything else	365	2,785	97	82	0.041	0.068	0.048	0.112	0.010	0.030	0.023	0.008

Table A16. Number of Firm-years, Gross Investment, and Net Investment by State.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean gross investment				Mean net investment			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
AK	12	227	0	0	0.064	0.076			0.005	0.051		
AL	87	1,395	23	26	0.023	0.084	-0.015	0.045	0.004	0.036	-0.015	0.031
AR	86	971	14	2	0.068	0.092	0.102	0.376	0.042	0.029	0.065	0.376
AZ	305	1,315	82	152	0.065	0.088	0.041	0.070	0.038	0.045	0.025	0.010
CA	3,674	5,997	1,127	722	0.027	0.059	0.013	0.003	0.010	0.027	0.004	0.163
CO	435	2,286	133	112	0.122	0.094	0.133	0.285	0.076	0.039	0.084	0.197
CT	455	1,200	87	105	0.042	0.069	0.079	0.062	0.016	0.023	0.047	0.057
DC	40	85	0	0	0.055	0.086			0.002	0.063		
DE	55	265	14	17	0.004	0.047	0.037	0.144	-0.009	0.020	0.024	0.100
FL	852	3,589	249	236	0.036	0.091	0.027	0.028	0.015	0.045	0.008	0.006
GA	547	2,499	136	443	0.024	0.084	0.018	0.089	0.005	0.040	0.004	0.064
HI	30	419	16	4	0.097	0.060	0.097	0.105	0.067	0.041	0.077	0.077
IA	88	1,261	18	17	0.034	0.086	0.107	0.037	0.014	0.038	0.089	0.017
ID	46	605	6	3	0.158	0.104	0.241	0.152	0.095	0.052	0.187	0.001
IL	780	3,209	149	149	0.029	0.062	0.009	0.034	0.008	0.024	-0.005	0.030
IN	201	3,003	33	25	0.047	0.064	0.013	0.004	0.023	0.023	0.006	-0.010
KS	98	1,220	21	26	0.071	0.061	0.041	0.044	0.042	0.024	0.028	0.023
KY	113	1,176	11	61	0.041	0.068	0.070	0.090	0.016	0.027	0.020	0.057
LA	114	804	19	40	0.154	0.102	0.363	-0.072	0.091	0.044	0.233	-0.077
MA	1,099	2,770	346	95	0.024	0.065	0.016	0.029	0.007	0.024	0.007	0.013
MD	298	1,665	95	63	0.033	0.070	0.030	0.100	0.016	0.037	0.015	0.081
ME	24	413	10	0	0.034	0.064	0.026		0.013	0.021	0.010	
MI	358	3,841	64	109	0.030	0.059	0.035	0.042	0.011	0.022	0.019	0.023
MN	676	3,461	238	132	0.035	0.082	0.029	0.142	0.014	0.031	0.014	0.119
MO	293	1,823	31	190	0.055	0.082	0.023	0.063	0.029	0.039	0.007	0.055
MS	36	923	4	2	0.097	0.097	0.141	0.021	0.052	0.037	0.052	0.021
MT	15	621	0	0	0.020	0.106			-0.010	0.033		
NC	309	2,723	67	141	0.042	0.076	0.040	0.033	0.015	0.031	0.015	0.020

Table A16. Continued.

	Number of firm-years				Mean gross investment				Mean net investment			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
ND	5	206	4	0	0.130	0.111	0.127		0.118	0.045	0.133	
NE	74	904	18	100	0.034	0.046	0.003	0.041	0.009	0.015	-0.015	0.030
NH	77	1,039	22	55	0.023	0.073	-0.017	0.008	0.004	0.025	-0.017	-0.007
NJ	843	2,996	257	129	0.028	0.059	0.016	0.081	0.009	0.022	0.001	0.041
NM	10	311	3	2	-0.011	0.112	0.010	-0.046	-0.033	0.060	-0.010	-0.046
NV	140	540	49	156	0.122	0.127	0.087	0.037	0.089	0.069	0.043	0.034
NY	1,459	3,132	430	268	0.028	0.062	0.027	0.035	0.012	0.027	0.012	0.033
OH	608	5,188	72	203	0.026	0.066	0.009	0.053	0.008	0.025	0.000	0.050
OK	129	613	46	54	0.194	0.079	0.277	0.592	0.138	0.042	0.215	0.515
OR	227	912	59	100	0.024	0.075	-0.002	-0.030	0.004	0.037	-0.013	-0.036
PA	821	5,833	158	462	0.047	0.073	0.036	0.359	0.022	0.029	0.023	0.288
RI	57	315	19	6	0.030	0.087	0.026	0.061	0.016	0.043	0.013	0.059
SC	73	1,116	7	12	0.016	0.101	0.026	0.037	-0.003	0.033	0.022	0.018
SD	18	499	9	0	0.127	0.114	0.108		0.052	0.050	0.067	
TN	306	1,610	30	28	0.072	0.070	0.075	0.047	0.044	0.034	0.046	0.027
TX	1,746	4,828	405	258	0.102	0.089	0.129	0.254	0.066	0.050	0.092	0.156
UT	137	1,268	60	77	0.055	0.103	0.029	0.042	0.035	0.048	0.022	0.030
VA	484	1,825	109	60	0.032	0.106	0.020	0.078	0.012	0.051	0.010	0.047
VT	30	292	11	3	0.068	0.101	0.037	0.018	0.028	0.040	0.003	-0.046
WA	405	2,240	111	39	0.045	0.098	0.033	0.071	0.023	0.042	0.019	0.059
WI	276	2,370	33	78	0.026	0.066	0.027	0.050	0.009	0.031	0.013	0.039
WV	23	354	8	11	0.189	0.083	0.133	0.031	0.131	0.048	0.081	0.075
WY	6	411	4	2	0.620	0.135	0.454	0.894	0.446	0.053	0.348	0.708
Other	123		58		0.072		0.055		0.033		0.010	

Table A17. Number of Firm-years, Gross Investment, and Net Investment by Legal Form of Organization.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Number of firm-years				Mean gross investment				Mean net investment			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
C Corps	19,191	33,072	4,972	3,024	0.045	0.058	0.040	0.078	0.022	0.027	0.022	0.099
S Corps		43,621		1,513		0.084		0.132		0.035		0.092
Sole proprietorships		1,321		13		0.121		0.021		0.058		-0.006
Limited liability companies (LLC)		5,734		252		0.107		0.101		0.050		0.068
Partnerships	12	2,490	3	49	0.315	0.097	0.319	0.136	0.269	0.034	0.244	0.084
Limited liability partnerships (LLP)		478		39		0.071		0.047		0.028		0.023
Other		1,852		85		0.069		0.116		0.033		0.091

Table A18. ROA, Cash Holdings, and Leverage by Fiscal Year.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Mean ROA				Mean cash holdings				Mean leverage			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
2002	0.052	0.191	-0.079	0.143	0.213	0.149	0.241	0.106	0.215	0.216	0.203	0.214
2003	0.059	0.126	-0.106	0.209	0.215	0.152	0.265	0.128	0.212	0.233	0.185	0.219
2004	0.072	0.129	-0.060	0.202	0.229	0.154	0.304	0.143	0.200	0.269	0.147	0.199
2005	0.072	0.112	-0.041	0.207	0.238	0.153	0.316	0.140	0.186	0.302	0.132	0.185
2006	0.065	0.059	-0.057	-0.167	0.234	0.153	0.320	0.174	0.186	0.341	0.136	0.248
2007	0.069	-0.015	-0.052	0.050	0.224	0.150	0.314	0.172	0.194	0.345	0.150	0.237

Table A19. ROA, Cash Holdings, and Leverage by Industry.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Mean ROA				Mean cash holdings				Mean leverage			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
Food products	0.145	0.105	0.110	0.140	0.092	0.107	0.127	0.031	0.262	0.399	0.198	0.264
Beer & liquor	0.152	0.118	0.080	0.049	0.097	0.058	0.108	0.015	0.235	0.420	0.145	0.310
Tobacco products	0.152	-0.418			0.170	0.076			0.365	0.935		
Recreation	0.109	0.096	0.073	0.164	0.151	0.163	0.212	0.095	0.313	0.410	0.231	0.339
Printing & publishing	0.125	-0.008	0.065	0.149	0.090	0.135	0.123	0.033	0.251	0.346	0.216	0.587
Consumer goods	0.128	0.074	0.024	-0.012	0.125	0.109	0.160	0.145	0.236	0.258	0.140	0.101
Apparel	0.177	0.406	0.138	0.278	0.149	0.088	0.165	0.189	0.150	0.194	0.080	0.064
Healthcare, medical equipment, pharma. prods.	-0.101	0.155	-0.303	-0.356	0.405	0.257	0.488	0.250	0.165	0.421	0.119	0.178
Chemicals	0.071	0.049	-0.156	0.152	0.131	0.081	0.290	0.045	0.251	0.311	0.134	0.338
Textiles	0.105	-0.054	-0.040	0.126	0.111	0.098	0.275	0.327	0.265	0.224	0.000	0.134
Construction and construction materials	0.122	0.111	0.064	0.117	0.121	0.130	0.188	0.052	0.249	0.260	0.225	0.325
Steel works Etc	0.148	0.104	0.151	0.242	0.079	0.120	0.106	0.017	0.264	0.262	0.154	0.287
Fabricated products and machinery	0.094	0.076	0.017	0.108	0.147	0.097	0.180	0.061	0.196	0.294	0.138	0.192
Electrical equipment	0.013	0.054	-0.144	0.168	0.164	0.122	0.202	0.174	0.232	0.243	0.239	0.053
Automobiles and trucks	0.105	0.092	0.009	0.095	0.106	0.100	0.129	0.012	0.237	0.315	0.202	0.184
Aircraft, ships, and railrad equipment	0.136	0.156	0.120	0.215	0.087	0.107	0.196	0.158	0.205	0.305	0.147	0.291
Precious metal, non-metallic, ind. metal mining	0.146	0.126	0.029	0.055	0.121	0.137	0.029	0.014	0.231	0.274	0.331	0.113
Coal	0.028	0.534	-0.019	0.183	0.082	0.367	0.153	0.021	0.335	0.131	0.724	0.381
Petroleum and natural gas	0.194	0.444	0.146	0.382	0.085	0.168	0.132	0.087	0.268	0.283	0.267	0.295
Communication	0.077	0.113	-0.064	0.668	0.131	0.161	0.264	0.096	0.409	0.448	0.181	0.412
Personal and business services	0.064	0.110	-0.024	0.140	0.311	0.185	0.339	0.195	0.140	0.285	0.124	0.183
Business equipment	0.022	0.053	-0.058	0.218	0.328	0.147	0.354	0.154	0.114	0.234	0.096	0.196
Business supplies and shipping containers	0.128	0.062	0.065	0.064	0.060	0.073	0.121	0.028	0.323	0.294	0.167	0.332
Transportation	0.127	0.033	0.011	0.093	0.122	0.135	0.072	0.129	0.287	0.429	0.207	0.272
Wholesale	0.095	0.028	0.030	0.091	0.095	0.099	0.138	0.060	0.224	0.227	0.227	0.165
Retail	0.154	-0.037	0.077	-0.111	0.138	0.126	0.139	0.069	0.186	0.324	0.240	0.262
Restaurants, hotels, motels	0.160	-0.024	0.101	0.068	0.095	0.154	0.163	0.100	0.267	0.573	0.236	0.585
Everything else	0.140	0.070	0.139	0.092	0.103	0.104	0.127	0.041	0.312	0.295	0.254	0.192

Table A20. ROA, Cash Holdings, and Leverage by State.

For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Mean ROA				Mean cash holdings				Mean leverage			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public	Private
AK	0.171	-0.062			0.060	0.206			0.664	0.240		
AL	0.128	0.172	0.020	0.011	0.179	0.169	0.287	0.034	0.174	0.388	0.065	0.174
AR	0.177	0.364	0.143	4.798	0.049	0.158	0.026	0.093	0.273	0.391	0.289	0.000
AZ	0.132	0.177	0.038	0.070	0.206	0.151	0.247	0.062	0.239	0.267	0.101	0.417
CA	-0.009	0.007	-0.153	-0.705	0.362	0.163	0.427	0.371	0.132	0.243	0.108	0.160
CO	0.067	0.307	-0.014	0.420	0.201	0.169	0.246	0.054	0.218	0.342	0.151	0.357
CT	0.080	-0.010	-0.059	0.155	0.208	0.156	0.297	0.076	0.248	0.326	0.182	0.135
DC	0.089	0.314			0.172	0.192			0.210	0.324		
DE	-0.050	0.111	-0.365	0.022	0.213	0.122	0.276	0.072	0.304	0.301	0.105	1.197
FL	0.071	0.135	-0.004	-0.044	0.141	0.175	0.177	0.171	0.243	0.357	0.196	0.178
GA	0.101	0.136	0.021	0.326	0.165	0.162	0.214	0.154	0.241	0.368	0.194	0.124
HI	-0.135	-0.055	-0.323	-0.247	0.132	0.167	0.168	0.039	0.151	0.226	0.111	0.412
IA	0.170	0.094	0.162	0.005	0.108	0.126	0.052	0.159	0.222	0.351	0.244	0.261
ID	0.029	0.153	-0.489	0.102	0.199	0.108	0.220	0.004	0.180	0.279	0.295	0.774
IL	0.103	0.014	-0.070	0.062	0.155	0.157	0.273	0.161	0.220	0.323	0.155	0.117
IN	0.156	0.041	0.133	0.228	0.126	0.142	0.104	0.056	0.194	0.321	0.154	0.429
KS	0.148	0.101	0.054	0.204	0.156	0.143	0.251	0.118	0.170	0.347	0.130	0.212
KY	0.165	-0.030	0.200	0.267	0.080	0.151	0.064	0.104	0.232	0.314	0.238	0.109
LA	0.177	0.397	0.217	0.347	0.090	0.171	0.164	0.018	0.266	0.331	0.231	0.201
MA	-0.024	-0.002	-0.139	0.061	0.373	0.158	0.442	0.109	0.131	0.309	0.090	0.175
MD	0.006	0.087	-0.090	-0.094	0.277	0.170	0.354	0.098	0.175	0.246	0.128	0.213
ME	0.139	-0.030	0.092		0.275	0.136	0.268		0.109	0.278	0.026	
MI	0.106	-0.039	-0.038	0.106	0.149	0.126	0.232	0.077	0.231	0.296	0.152	0.345
MN	0.102	0.020	0.044	0.238	0.216	0.125	0.250	0.081	0.148	0.375	0.118	0.409
MO	0.145	0.084	0.060	0.237	0.093	0.128	0.140	0.049	0.254	0.345	0.186	0.112
MS	0.188	0.339	0.151	0.009	0.104	0.219	0.101	0.104	0.308	0.336	0.339	0.002
MT	0.062	0.231			0.204	0.134			0.099	0.358		
NC	0.076	0.075	-0.050	0.504	0.180	0.155	0.272	0.146	0.248	0.365	0.172	0.429

Table A20. Continued.

	Mean ROA				Mean cash holdings				Mean leverage			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
ND	0.182	0.161	0.201		0.052	0.173	0.059		0.149	0.200	0.150	
NE	0.148	-0.015	0.067	0.194	0.138	0.131	0.213	0.210	0.206	0.311	0.130	0.108
NH	0.067	-0.082	-0.076	-0.077	0.133	0.147	0.108	0.317	0.155	0.343	0.190	0.056
NJ	-0.001	0.049	-0.185	-0.007	0.266	0.159	0.338	0.125	0.212	0.266	0.189	0.188
NM	-0.027	0.096	0.095	0.008	0.254	0.153	0.272	0.400	0.301	0.337	0.000	0.026
NV	0.139	0.160	0.148	0.396	0.126	0.173	0.159	0.115	0.461	0.242	0.413	0.300
NY	0.059	0.029	-0.062	0.082	0.227	0.154	0.282	0.156	0.192	0.277	0.120	0.132
OH	0.131	0.039	0.079	0.089	0.096	0.146	0.182	0.064	0.242	0.260	0.188	0.309
OK	0.173	0.219	0.166	0.191	0.073	0.151	0.104	0.033	0.286	0.335	0.221	0.250
OR	0.068	0.077	-0.047	0.148	0.245	0.148	0.298	0.068	0.213	0.230	0.126	0.225
PA	0.085	0.057	-0.091	0.569	0.209	0.146	0.390	0.118	0.226	0.276	0.146	0.228
RI	0.104	0.025	0.025	-0.945	0.167	0.155	0.191	0.083	0.175	0.218	0.082	0.121
SC	0.119	0.020	0.175	0.230	0.146	0.182	0.168	0.222	0.184	0.387	0.046	0.058
SD	0.332	0.166	0.334		0.091	0.152	0.123		0.402	0.248	0.024	
TN	0.168	0.057	0.127	0.202	0.108	0.136	0.060	0.196	0.261	0.317	0.315	0.245
TX	0.127	0.096	0.034	0.170	0.138	0.153	0.199	0.092	0.250	0.339	0.255	0.296
UT	0.119	0.229	0.101	0.341	0.268	0.178	0.298	0.144	0.139	0.244	0.117	0.182
VA	0.080	0.102	-0.084	0.097	0.167	0.153	0.253	0.058	0.188	0.308	0.132	0.182
VT	0.147	0.065	0.143	0.170	0.093	0.112	0.144	0.174	0.345	0.414	0.359	0.000
WA	-0.025	0.099	-0.176	0.227	0.336	0.166	0.363	0.087	0.186	0.365	0.156	0.189
WI	0.132	0.000	-0.008	0.074	0.123	0.134	0.239	0.042	0.180	0.294	0.075	0.239
WV	0.152	0.124	0.193	0.145	0.100	0.140	0.154	0.049	0.250	0.382	0.126	0.863
WY	0.161	0.306	0.157	0.039	0.052	0.159	0.073	0.011	0.106	0.404	0.068	0.148
Other	-0.042		-0.029		0.265		0.294		0.151		0.096	

Table A21. ROA, Cash Holdings, and Leverage by Legal Form of Organization.

The unit of observation in this table is a firm-year. For details of the sample construction and variable definitions, see Tables A2 and A9, respectively.

	Mean ROA				Mean cash holdings				Mean leverage			
	Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)		Full sample (F)		Matched sample (M)	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
C Corps	0.065	-0.089	-0.060	0.005	0.226	0.138	0.304	0.176	0.199	0.278	0.149	0.198
S Corps		0.142		0.179		0.158		0.109		0.316		0.236
Sole proprietorships		0.661		0.185		0.186		0.218		0.363		0.056
Limited liability companies (LLC)		0.228		0.371		0.137		0.075		0.403		0.368
Partnerships	0.168	0.329	0.257	0.362	0.032	0.174	0.048	0.066	0.412	0.466	0.369	0.299
Limited liability partnerships (LLP)		0.436		0.204		0.205		0.277		0.335		0.155
Other		0.110		0.122		0.252		0.232		0.230		0.197