
STUDY ON THE ECONOMIC IMPACT OF THE ELECTRONIC COMMERCE DIRECTIVE

PART II - APPENDIX D

FINAL REPORT | 7 SEPTEMBER 2007

INFORMED DECISIONS



COPENHAGEN ECONOMICS

COLOPHON

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Chapter 1 | ESTIMATION RESULTS ON PRICE AND PRODUCTIVITY MODEL FOR EBUSSINESSW@ATCH DATA

Data sources:

- (1) Amadeus (financial data), 2004
- (2) Ebiz (industry level of e-commerce), 2005 (e-commerce sales figures probably relating to 2004)

PCM-model

Regression with robust standard errors						Number of obs = 80664	
						F(8, 80655) = 9.78	
						Prob > F = 0.0000	
						R-squared = 0.0110	
						Root MSE = .16074	

	PCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	

	lCapInt	-.0005948	.0004736	-1.26	0.209	-.001523	.0003334
	GR	.0000275	.0000112	2.45	0.014	5.52e-06	.0000496
	Marketsh	.0402718	.0140062	2.88	0.004	.0128198	.0677239
	esp	.7646835	.3342532	2.29	0.022	.1095495	1.419817
	maturefirm	-.0041906	.0029296	-1.43	0.153	-.0099326	.0015513
	youngerfirm	-.0119547	.0027097	-4.41	0.000	-.0172658	-.0066437
	entrepreneur	-.0125007	.0027437	-4.56	0.000	-.0178783	-.0071231
	conecsel	-.0324163	.0078602	-4.12	0.000	-.0478223	-.0170104
	_cons	.0339148	.0028883	11.74	0.000	.0282538	.0395757

Variables:

- PCM: Profit Cost Margin measured as pre-tax profits to sales
- lCapInt: logarithm of capitalintensity, i.e. capital per employee
- GR: Growth of sales between 2004 and 2000 in per cent
- Marketsh: The firm's market share in 2004
- esp: economies of scale in production at industry level
- maturefirm: between 45 and 25 years of activity
- youger firm: firm between 25 and 10 years of activity

- entrepreneur: less than 3 years activity
- conecsel: industry share of e-commerce to total sales
- _cons: constant

Interpretation of coefficient: If all goods were traded online, profit margins would fall by three percentage points compared to the situation where no goods are traded online.

Note: Numerous specifications have been tried, but the explanatory power for much larger models never rose significantly above the 1.1 percent. The low explanatory power is not unusual when working with firm level data. In these types of estimations it is more fruitful to focus on the sign and significance of the estimated coefficient.

Labour Productivity Model

Regression with robust standard errors						Number of obs = 80294	
						F(6, 80287) = 960.83	
						Prob > F = 0.0000	
						R-squared = 0.0879	
						Root MSE = .85773	

			Robust				
lLabPd		Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	

lCapInt		.131861	.0021827	60.41	0.000	.1275829	.1361392
Marketsh		1.340017	.0799651	16.76	0.000	1.183286	1.496748
maturefirm		-.0612454	.0150647	-4.07	0.000	-.0907721	-.0317188
youngerfirm		-.1744346	.013927	-12.52	0.000	-.2017315	-.1471377
entrepreneur		-.2136495	.0140029	-15.26	0.000	-.2410951	-.186204
conecsel		1.217999	.0594011	20.50	0.000	1.101573	1.334424
_cons		4.736307	.014724	321.67	0.000	4.707448	4.765166

Variables:

- As above

- Note that market share must now be interpreted as economies of scale at the firm level
- $\ln \text{LapPd}$: Logarithm to labour productivity, i.e. sales per employee. Sales is a proxy for value added.

Interpretation of coefficient: If the share of online sales increases by 1 percentage point, labour productivity will increase by 1.22 percent. Or in other words, industries with exclusively online sales tend to have approximately twice the productivity of industries using solely the standard sales mode. There is a fair chance that some of this productivity gain is not due to online sales per se, but the generally higher share of automation, i.e. use of computers, in the e-commerce intensive industries.

Chapter 2 ECONOMETRIC RESULTS OF PRICE AND PRODUCTIVITY MODELS

We have carried out econometric estimations trying to assess the impact from the Directive on price-cost margins and on labour productivity of European firms. Using firm-level data from the Amadeus database, we have created a sample consisting of two types of firms: (i) those belonging to industries with “suitable” e-commerce products (services) and residing in Member States implementing the Directive in 2002; and (ii) those belonging to industries with particularly “non-suitable” products (services) or residing in Member States implementing the Directive at a later stage.

Data has been collected in 2000 and 2004. This allows us to compare not only firms from suitable versus non-suitable industries, but also before-after effects from the DIRECTIVE. We thereby assume that the DIRECTIVE has had an effect on economic variables in 2004. Choosing earlier years may lead to smaller effects, whereas later years introduce more shocks to the economy and thereby higher uncertainty.

The econometric model for price-cost-margins, PCM, takes the following form:

$$\ln(PCM_i) = \beta_0 + \beta_1 \ln(Sales_i) + \beta_2 NCA_i + \beta_3 IvS_i + \beta_4 IvS_i^2 + \beta_5 \ln(CapInt_i) + \beta_6 \ln(LabPd_i) + \beta_7 HHI + \beta_8 \ln(Age_i) + \beta_9 Ecommerce$$

where the variables have been defined as below.

- **Price-Cost Margin (PCM).** Based on Schmalensee (1989) the price-cost margin (PCM) can be defined as: $PCM = (PQ - vQ) / PQ$ where Q is quantity, P is price and v is variable cost per unit. Thus, we measure the average profit rate for each EURO sold.
- **Sales (Sales).** Total revenue from sales capturing possible economies of scale.
- **Non-Core Activities (NCA).** Proportion of revenue from non-core activities, which indicates how diversified the firm is. The same measure has been included in Copenhagen Economics (2005).
- **Inventories-to-Sales (IvS).** Efficiency of supply measured as inventories to sales.
- **Capital intensity (CapInt).** The variable captures the firms' use of capital in the production and is measured by the ratio of capital to total sales. Most researchers have expected to find a positive impact, but many have obtained negative coefficients. Thus, a trade-off seems to exist between increased automation and over-capitalisation. The variables used to form the ratio are tangible fixed assets and sales.
- **Labour productivity (LabPd).** Labour productivity is calculated as sales per employee. Higher productivity should increase profit margins. One reason could be that more productive workers will still share some of their excess productivity with their employers.

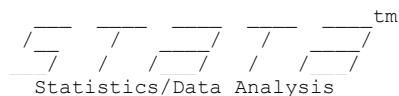
- **Herfindahl concentration index (HHI).** Bothwell et.al. (1984) uses a concentration ratio based on the SIC classification system which is equivalent to the Herfindahl-index. A higher seller concentration is possibly caused by monopoly and thus a higher concentration would be expected to raise the PCM. The variable is calculated based on turnover shares.
- **Firm age (Age).** Age of the firm in years.
- **E-commerce effect (E-commerce).** This variable captures the suitability of the product for electronic commerce. The variable is binary coded; 0 for non-suitable industries and 1 for suitable. In a parallel estimation we code this dummy according to origin: 1 if the firm is located in a country that implemented the DIRECTIVE in 2002 and 0 otherwise, i.e. 0 for France, Portugal and the Netherlands.

Similarly, we have estimated a model that captures the effect from the DIRECTIVE on firm-level labour productivity. The following equation has been estimated (all variables as defined above):

$$\ln(LabPd_i) = \beta_0 + \beta_1 \ln(Sales_i) + \beta_2 \ln(CapInt_i) + \beta_3 HHI + \beta_4 Ecommerce$$

We have suppressed the subscript for time in the equations above. In fact, our modelling approach implied that we should compute differences between pre-DIRECTIVE and post-DIRECTIVE years for all variables such that our final model is very similar to a so called “Difference-in-Differences”-estimator. If the industries captured by the E-commerce dummy variable have experienced higher productivity and higher profits after the implementation of the DIRECTIVE, this will result in a positive coefficient for this variable in each of the equations.

After differencing the equations, we employ standard least-squares techniques incorporating possible heteroskedasticity in the calculations of standard errors.



User: Eske Stig Hansen
Project: 6204

log: C:\E-commerce\e-commerce_13_5_2007.smcl
log type: smcl
opened on: 13 May 2007, 16:20:47

```

1 . use masterdata_13_5_2007
2 .
3 . *****
4 . /*Industry 1: 7200-7239, Hardware, software and data*/
5 . gen dum = (NACPRI>=7200 & NACPRI<=7239 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
6 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
   (624856 real changes made, 624856 to missing)
7 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
   (29089 real changes made, 29089 to missing)
8 . gen dumind = (NACPRI>=7200 & NACPRI<=7239 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
9 . replace dumind = . if (NACPRI<7200 | NACPRI>=7240)
   (803807 real changes made, 803807 to missing)
10 .
11 . *****
12 . /*PCM model*/
13 . *****
14 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

	Number of obs = 50598
	F(9, 50588) = 34.39
	Prob > F = 0.0000
	R-squared = 0.0096
	Root MSE = 1.1996

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1835064	.0157554	-11.65	0.000	-.2143873	-.1526256
dNCA	-.170578	.0830105	-2.05	0.040	-.3332795	-.0078765
dIvS	.0174009	.0029375	5.92	0.000	.0116434	.0231583
dIvS_sq	-.0000169	3.15e-06	-5.36	0.000	-.000023	-.0000107
dlCapInt	.0127684	.0056459	2.26	0.024	.0017024	.0238344
dlLabPd	.1387654	.0132555	10.47	0.000	.1127845	.1647462
dhhi	-.2563605	.1799624	-1.42	0.154	-.6090888	.0963677
lAge	-.0003365	.0102462	-0.03	0.974	-.0204192	.0197462
dum	.1867491	.0278229	6.71	0.000	.1322159	.2412823
_cons	-.0360356	.0327052	-1.10	0.271	-.1001382	.0280669

```

15 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

	Number of obs = 3132
	F(9, 3122) = 511.52
	Prob > F = 0.0000
	R-squared = 0.0150
	Root MSE = 1.2857

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2072066	.0468369	-4.42	0.000	-.2990408	-.1153724
dNCA	-.3678993	.2722601	-1.35	0.177	-.9017263	.1659278
dIvS	-.1147459	.1487008	-0.77	0.440	-.4063072	.1768154
dIvS_sq	.0021712	.0023082	0.94	0.347	-.0023546	.006697
dlCapInt	.043174	.0226141	1.91	0.056	-.0011661	.0875141
dlLabPd	.1086253	.0474938	2.29	0.022	.0155031	.2017475
dhhi	.3153124	.3984201	0.79	0.429	-.4658794	1.096504
lAge	-.0915649	.0518394	-1.77	0.077	-.1932078	.0100779
dumind	.0725358	.0566119	1.28	0.200	-.0384645	.183536
_cons	.278668	.1552458	1.80	0.073	-.0257261	.5830621

```

16 .
17 .
18 . *****
19 . /*LaborProd*/
20 . *****
21 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

```

Regression with robust standard errors

Number of obs = **95731**
 F(4, 95726) = **2978.58**
 Prob > F = **0.0000**
 R-squared = **0.3918**
 Root MSE = **.52064**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4844667	.0053589	90.40	0.000	.4739632	.4949702
dlCapInt	-.0697941	.0022328	-31.26	0.000	-.0741704	-.0654178
dhhi	.169504	.0599034	2.83	0.005	.0520942	.2869139
dum	.1027727	.0082427	12.47	0.000	.0866171	.1189284
_cons	-.1973925	.0033255	-59.36	0.000	-.2039104	-.1908747

```

22 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

```

Regression with robust standard errors

Number of obs = **8267**
 F(4, 8262) = **809.99**
 Prob > F = **0.0000**
 R-squared = **0.5543**
 Root MSE = **.59279**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5570438	.0130417	42.71	0.000	.5314788	.5826089
dlCapInt	-.106802	.0071574	-14.92	0.000	-.1208323	-.0927717
dhhi	.5697822	.1745941	3.26	0.001	.227534	.9120303
dumind	.0510892	.0148088	3.45	0.001	.0220602	.0801181
_cons	-.1272063	.0137975	-9.22	0.000	-.1542528	-.1001598

```

23 .
24 . drop dum dumind

25 .
26 .
27 . *****
28 . /*Industry 2: 7240, Database activities*/
29 . gen dum = (NACPRI==7240 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

30 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (637466 real changes made, 637466 to missing)

31 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing)

32 . gen dumind = (NACPRI==7240 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

33 . replace dumind = . if (NACPRI!=7240)
    (818988 real changes made, 818988 to missing)

34 .
35 . *****
36 . /*PCM model*/
37 . *****
38 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

Number of obs =	48241
F(9, 48231) =	27.76
Prob > F =	0.0000
R-squared =	0.0085
Root MSE =	1.195

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1793896	.0163739	-10.96	0.000	-.2114826	-.1472967
dNCA	-.1696272	.0835899	-2.03	0.042	-.3334645	-.0057899
dIvS	.0176501	.0029914	5.90	0.000	.0117869	.0235134
dIvS_sq	-.0000171	3.20e-06	-5.33	0.000	-.0000234	-.0000108
dlCapInt	.0109556	.0057734	1.90	0.058	-.0003604	.0222717
dlLabPd	.1430217	.0136525	10.48	0.000	.1162626	.1697807
dhhi	-.2900755	.2003116	-1.45	0.148	-.6826889	.1025378
lAge	.0029034	.0103907	0.28	0.780	-.0174626	.0232694
dum	.3591855	.1696125	2.12	0.034	.0267427	.6916283
_cons	-.0406985	.0332798	-1.22	0.221	-.1059273	.0245304

```

39 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

Number of obs =	80
F(9, 70) =	1.60
Prob > F =	0.1327
R-squared =	0.1190
Root MSE =	1.3247

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.0572461	.3067387	-0.19	0.852	-.6690171	.5545248
dNCA	1.229028	2.595874	0.47	0.637	-3.948279	6.406335
dIvS	1.919187	5.06832	0.38	0.706	-8.189258	12.02763
dIvS_sq	-7.015921	14.6243	-0.48	0.633	-36.18316	22.15132
dlCapInt	-.2756448	.1510597	-1.82	0.072	-.5769238	.0256342
dlLabPd	-.161303	.2817941	-0.57	0.569	-.7233236	.4007176
dhhi	2.164245	2.253003	0.96	0.340	-2.329228	6.657718
lAge	-.5241251	.273566	-1.92	0.059	-1.069735	.021485
dumind	.5863186	.3437367	1.71	0.092	-.0992426	1.27188

_cons	1.074561	.7848741	1.37	0.175	-.4908208	2.639943
--------------	-----------------	-----------------	-------------	--------------	------------------	-----------------

```

40 .
41 .
42 . *****
43 . /*LaborProd*/
44 . *****
45 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

```

Regression with robust standard errors	Number of obs =	89952
	F(4, 89947) =	2338.69
	Prob > F =	0.0000
	R-squared =	0.3637
	Root MSE =	.51379

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.469256	.00567	82.76	0.000	.4581428	.4803692
dlCapInt	-.0662151	.0022967	-28.83	0.000	-.0707166	-.0617136
dhhi	.0504984	.0599141	0.84	0.399	-.0669326	.1679294
dum	-.1210721	.0558822	-2.17	0.030	-.2306008	-.0115435
_cons	-.2056237	.0034729	-59.21	0.000	-.2124305	-.198817

```

46 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

```

Regression with robust standard errors	Number of obs =	201
	F(4, 196) =	53.03
	Prob > F =	0.0000
	R-squared =	0.6660
	Root MSE =	.62472

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.6152337	.0536288	11.47	0.000	.5094701	.7209972
dlCapInt	-.160246	.0423835	-3.78	0.000	-.2438322	-.0766597
dhhi	-.7785084	.6008407	-1.30	0.197	-1.963451	.4064344
dumind	.0101499	.0922654	0.11	0.913	-.1718104	.1921103
_cons	-.1539779	.0842001	-1.83	0.069	-.3200324	.0120766

```

47 .
48 . drop dum dumind

49 .
50 .
51 . *****
52 . /*Industry 3: 72, Computer and related activities*/
53 . gen dum = (NACPRI>=7200 & NACPRI<7300 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

54 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (622421 real changes made, 622421 to missing)

```

```

55 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing))

56 . gen dumind = (NACPRI>=7200 & NACPRI<7300 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

57 . replace dumind = . if (NACPRI<7200 | NACPRI>=7300)
    (801118 real changes made, 801118 to missing)

58 .
59 . *****
60 . /*PCM model*/
61 . *****
62 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

Number of obs =	51067
F(9, 51057) =	36.00
Prob > F =	0.0000
R-squared =	0.0098
Root MSE =	1.2009

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.183249	.0155655	-11.77	0.000	-.2137575	-.1527405
dNCA	-.1685935	.0822232	-2.05	0.040	-.3297519	-.0074352
dIvS	.0173601	.0029316	5.92	0.000	.0116142	.023106
dIvS_sq	-.0000168	3.14e-06	-5.36	0.000	-.0000023	-.0000107
dlCapInt	.0123835	.005629	2.20	0.028	.0013506	.0234164
dlLabPd	.1369016	.0131384	10.42	0.000	.1111503	.1626529
dhhi	-.236549	.1774511	-1.33	0.183	-.5843551	.1112571
lAge	-.0011982	.010219	-0.12	0.907	-.0212277	.0188312
dum	.1890141	.0255236	7.41	0.000	.1389875	.2390407
_cons	-.0343186	.0325921	-1.05	0.292	-.0981995	.0295623

```

63 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

Number of obs =	3675
F(9, 3665) =	432.93
Prob > F =	0.0000
R-squared =	0.0147
Root MSE =	1.2904

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2026734	.0421056	-4.81	0.000	-.2852262	-.1201206
dNCA	-.1841913	.2340185	-0.79	0.431	-.6430108	.2746281
dIvS	-.1211069	.1430659	-0.85	0.397	-.4016036	.1593898
dIvS_sq	.0022731	.0022182	1.02	0.306	-.0020759	.006622
dlCapInt	.0322604	.0212481	1.52	0.129	-.0093988	.0739196
dlLabPd	.0930658	.0428932	2.17	0.030	.0089688	.1771627
dhhi	.3529603	.3721571	0.95	0.343	-.3766953	1.082616
lAge	-.0980458	.0477711	-2.05	0.040	-.1917063	-.0043854
dumind	.0935031	.052776	1.77	0.077	-.0099701	.1969762
_cons	.2771958	.1430456	1.94	0.053	-.0032611	.5576527

```
64 .
65 .
66 . *****
67 . /*LaborProd*/
68 . *****
69 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 96718
F( 4, 96713) = 3008.31
Prob > F = 0.0000
R-squared = 0.3921
Root MSE = .52202
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4843036	.00531	91.21	0.000	.473896	.4947111
dlCapInt	-.0703665	.0022193	-31.71	0.000	-.0747163	-.0660166
dhhi	.1711865	.0596517	2.87	0.004	.0542699	.2881031
dum	.0880732	.0077015	11.44	0.000	.0729783	.1031681
_cons	-.1974602	.0033026	-59.79	0.000	-.2039333	-.1909871

```
70 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 9468
F( 4, 9463) = 840.88
Prob > F = 0.0000
R-squared = 0.5431
Root MSE = .5969
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5464652	.0123443	44.27	0.000	.5222678	.5706626
dlCapInt	-.1101188	.0066981	-16.44	0.000	-.1232485	-.0969892
dhhi	.5200742	.1623659	3.20	0.001	.2018023	.8383462
dumind	.0466888	.0138011	3.38	0.001	.0196358	.0737419
_cons	-.1354148	.0130071	-10.41	0.000	-.1609115	-.1099182

```
71 .
72 . drop dum dumind

73 .
74 .
75 . *****
76 . /*Industry 4: 6420, Telecom*/
77 . gen dum = (NACPRI==6420 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

78 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
(636898 real changes made, 636898 to missing)

79 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
(29089 real changes made, 29089 to missing))
```

```
80 . gen dumind = (NACPRI==6420 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
81 . replace dumind = . if (NACPRI!=6420)
    (818404 real changes made, 818404 to missing)
82 .
83 . *****
84 . /*PCM model*/
85 . *****
86 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

```
Regression with robust standard errors
Number of obs = 48385
F( 9, 48375) = 27.71
Prob > F = 0.0000
R-squared = 0.0085
Root MSE = 1.1951
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.18012	.0163245	-11.03	0.000	-.2121161	-.1481238
dNCA	-.1701887	.0836955	-2.03	0.042	-.3342329	-.0061444
dIvS	.0176248	.002988	5.90	0.000	.0117683	.0234813
dIvS_sq	-.0000171	3.20e-06	-5.33	0.000	-.0000233	-.0000108
dlCapInt	.0110299	.005765	1.91	0.056	-.0002695	.0223294
dlLabPd	.1433179	.0136135	10.53	0.000	.1166353	.1700005
dhhi	-.2867905	.2002777	-1.43	0.152	-.6793374	.1057564
lAge	.0014824	.0103422	0.14	0.886	-.0187884	.0217532
dum	.0822066	.0885405	0.93	0.353	-.0913338	.2557471
_cons	-.0369427	.0331284	-1.12	0.265	-.1018748	.0279894

```
87 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

```
Regression with robust standard errors
Number of obs = 228
F( 9, 218) = 4.02
Prob > F = 0.0001
R-squared = 0.0815
Root MSE = 1.2163
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2797289	.126127	-2.22	0.028	-.5283133	-.0311445
dNCA	-.347243	.9417962	-0.37	0.713	-2.203434	1.508948
dIvS	-2.805028	1.875099	-1.50	0.136	-6.500671	.8906152
dIvS_sq	3.680491	2.283266	1.61	0.108	-.8196108	8.180593
dlCapInt	.031591	.0872998	0.36	0.718	-.1404686	.2036506
dlLabPd	.1031068	.1222158	0.84	0.400	-.137769	.3439825
dhhi	2.607736	2.339534	1.11	0.266	-2.003266	7.218737
lAge	-.2818575	.0868665	-3.24	0.001	-.4530632	-.1106518
dumind	.5574832	.2062301	2.70	0.007	.1510231	.9639433
_cons	-.0369341	.286201	-0.13	0.897	-.6010093	.527141

```
88 .
89 .
90 . *****
91 . /*LaborProd*/
92 . *****
93 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 90282
F( 4, 90277) = 2335.56
Prob > F = 0.0000
R-squared = 0.3672
Root MSE = .51518
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4709697	.0056715	83.04	0.000	.4598536	.4820858
dlCapInt	-.0665114	.0023023	-28.89	0.000	-.0710238	-.0619989
dhhi	.0894356	.0601978	1.49	0.137	-.0285514	.2074226
dum	-.1004939	.0358937	-2.80	0.005	-.1708453	-.0301426
_cons	-.2046724	.0034726	-58.94	0.000	-.2114786	-.1978663

```
94 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 548
F( 4, 543) = 61.61
Prob > F = 0.0000
R-squared = 0.5925
Root MSE = .73763
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.546152	.0463862	11.77	0.000	.4550336	.6372704
dlCapInt	-.1394914	.0370576	-3.76	0.000	-.2122852	-.0666976
dhhi	1.715864	.8489852	2.02	0.044	.0481664	3.383562
dumind	-.0084988	.0847571	-0.10	0.920	-.1749908	.1579931
_cons	-.2890614	.1077701	-2.68	0.008	-.5007587	-.077364

```
95 .
96 . drop dum dumind

97 .
98 .
99 . *****
100 . /*Industry 5: 2200, Publishing and printing*/
101 . gen dum = (NACPRI>=2200 & NACPRI<2300 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

102 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (625276 real changes made, 625276 to missing)

103 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing))
```

```

104 . gen dumind = (NACPRI>=2200 & NACPRI<2300 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
105 . replace dumind = . if (NACPRI<2200 | NACPRI>=2300)
    (803717 real changes made, 803717 to missing)
106 .
107 . *****
108 . /*PCM model*/
109 . *****
110 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

```

Regression with robust standard errors
Number of obs = 51623
F( 9, 51613) = 29.72
Prob > F = 0.0000
R-squared = 0.0081
Root MSE = 1.2015

```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1751192	.0158393	-11.06	0.000	-.2061644	-.144074
dNCA	-.164227	.0811283	-2.02	0.043	-.3232392	-.0052148
dIvS	.0179023	.0030102	5.95	0.000	.0120023	.0238023
dIvS_sq	-.0000173	3.22e-06	-5.37	0.000	-.0000236	-.000011
dlCapInt	.007088	.0056365	1.26	0.209	-.0039596	.0181356
dlLabPd	.1436235	.0130916	10.97	0.000	.1179638	.1692832
dhhi	-.1854264	.1936299	-0.96	0.338	-.564943	.1940902
lAge	.0082205	.0100486	0.82	0.413	-.011475	.0279159
dum	.1061782	.022764	4.66	0.000	.0615606	.1507958
_cons	-.0527851	.0322339	-1.64	0.102	-.1159637	.0103936

```

111 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

```

Regression with robust standard errors
Number of obs = 4405
F( 9, 4395) = 8.78
Prob > F = 0.0000
R-squared = 0.0193
Root MSE = 1.2683

```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.0699859	.0549078	-1.27	0.203	-.1776328	.037661
dNCA	.343614	.3379544	1.02	0.309	-.3189468	1.006175
dIvS	-1.79638	.3406729	-5.27	0.000	-2.46427	-1.128489
dIvS_sq	.7882072	.1480533	5.32	0.000	.4979481	1.078466
dlCapInt	-.0701262	.021334	-3.29	0.001	-.1119516	-.0283008
dlLabPd	.178893	.0424564	4.21	0.000	.095657	.2621289
dhhi	1.668262	.6927564	2.41	0.016	.3101105	3.026414
lAge	.0691947	.0319096	2.17	0.030	.0066358	.1317536
dumind	.0058685	.04577	0.13	0.898	-.0838638	.0956008
_cons	-.0623485	.1186618	-0.53	0.599	-.2949854	.1702883

```
112 .
113 .
114 . *****
115 . /*LaborProd*/
116 . *****
117 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 96532
F( 4, 96527) = 2544.55
Prob > F = 0.0000
R-squared = 0.3619
Root MSE = .51281
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4714509	.0054733	86.14	0.000	.4607232	.4821785
dlCapInt	-.065477	.0021968	-29.81	0.000	-.0697827	-.0611714
dhhi	.0637223	.058348	1.09	0.275	-.050639	.1780836
dum	.0193026	.0064018	3.02	0.003	.0067552	.03185
_cons	-.2044762	.0033833	-60.44	0.000	-.2111074	-.197845

```
118 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 9617
F( 4, 9612) = 296.75
Prob > F = 0.0000
R-squared = 0.3300
Root MSE = .47448
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5015798	.0159555	31.44	0.000	.4703036	.532856
dlCapInt	-.0587451	.0057581	-10.20	0.000	-.0700321	-.047458
dhhi	.0907967	.2369179	0.38	0.702	-.3736123	.5552058
dumind	.0380945	.0097211	3.92	0.000	.0190391	.0571499
_cons	-.2118876	.0100257	-21.13	0.000	-.2315402	-.192235

```
119 .
120 . drop dum dumind

121 .
122 .
123 . *****
124 . /*Industry 6: 51, Wholesale trade*/
125 . gen dum = (NACPRI>=5100 & NACPRI<5200 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

126 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
(541847 real changes made, 541847 to missing)

127 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
(29089 real changes made, 29089 to missing))
```

```

128 . gen dumind = (NACPRI>=5100 & NACPRI<5200 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
129 . replace dumind = . if (NACPRI<5100 | NACPRI>=5200)
    (703701 real changes made, 703701 to missing)
130 .
131 . *****
132 . /*PCM model*/
133 . *****
134 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

```

Regression with robust standard errors
Number of obs = 82568
F( 9, 82558) = 35.84
Prob > F = 0.0000
R-squared = 0.0059
Root MSE = 1.1838

```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1587902	.0120699	-13.16	0.000	-.1824472	-.1351332
dNCA	-.128002	.0668475	-1.91	0.056	-.2590226	.0030187
dIvS	.0165911	.0028509	5.82	0.000	.0110032	.0221789
dIvS_sq	-.0000158	3.05e-06	-5.19	0.000	-.0000218	-9.83e-06
dlCapInt	.0104387	.0042274	2.47	0.014	.002153	.0187244
dlLabPd	.1240286	.0098127	12.64	0.000	.1047957	.1432615
dhhi	-.1344734	.1343821	-1.00	0.317	-.3978614	.1289146
lAge	.0186694	.0081206	2.30	0.022	.0027531	.0345857
dum	-.0199626	.0083957	-2.38	0.017	-.0364182	-.003507
_cons	-.0824054	.0260345	-3.17	0.002	-.1334329	-.0313779

```

135 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

```

Regression with robust standard errors
Number of obs = 43231
F( 9, 43221) = 24.36
Prob > F = 0.0000
R-squared = 0.0100
Root MSE = 1.1614

```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1381554	.0173196	-7.98	0.000	-.1721022	-.1042087
dNCA	.3116388	.170688	1.83	0.068	-.0229129	.6461904
dIvS	-.7711251	.1017158	-7.58	0.000	-.97049	-.5717602
dIvS_sq	.1165917	.0374381	3.11	0.002	.0432122	.1899711
dlCapInt	.0030299	.0056446	0.54	0.591	-.0080335	.0140933
dlLabPd	.1032802	.0132911	7.77	0.000	.0772294	.1293311
dhhi	.0475773	.1676633	0.28	0.777	-.2810459	.3762005
lAge	.0424086	.0108818	3.90	0.000	.0210802	.0637371
dumind	.0039208	.0140098	0.28	0.780	-.0235387	.0313802
_cons	-.1798213	.0386015	-4.66	0.000	-.2554809	-.1041617

```

136 .
137 .
138 . *****
139 . /*LaborProd*/
140 . *****
141 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
    
```

```

Regression with robust standard errors
Number of obs = 144825
F( 4,144820) = 4948.46
Prob > F = 0.0000
R-squared = 0.3934
Root MSE = .52311
    
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5081435	.004326	117.46	0.000	.4996646	.5166224
dlCapInt	-.0665619	.0017129	-38.86	0.000	-.0699191	-.0632046
dhhi	-.0408346	.0443593	-0.92	0.357	-.1277779	.0461088
dum	.0614587	.0028845	21.31	0.000	.0558051	.0671123
_cons	-.1852513	.0028711	-64.52	0.000	-.1908786	-.1796241

```

142 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
    
```

```

Regression with robust standard errors
Number of obs = 73153
F( 4, 73148) = 3089.04
Prob > F = 0.0000
R-squared = 0.4227
Root MSE = .51203
    
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5583983	.0058008	96.26	0.000	.5470288	.5697678
dlCapInt	-.0692152	.0021732	-31.85	0.000	-.0734747	-.0649556
dhhi	-.1220048	.0588545	-2.07	0.038	-.2373594	-.0066501
dumind	.0510995	.0039586	12.91	0.000	.0433406	.0588584
_cons	-.1525179	.0042928	-35.53	0.000	-.1609317	-.144104

```

143 .
144 . drop dum dumind
    
```

```

145 .
146 .
147 . *****
148 . /*Industry 7: 5130-40, Wholesale of food and household goods*/
149 . gen dum = (NACPRI>=5130 & NACPRI<5150 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

150 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (600677 real changes made, 600677 to missing)

151 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing)
    
```

```

152 . gen dumind = (NACPRI>=5130 & NACPRI<5150 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
153 . replace dumind = . if (NACPRI<5130 | NACPRI>=5150)
    (775377 real changes made, 775377 to missing)
154 .
155 . *****
156 . /*PCM model*/
157 . *****
158 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

```

Regression with robust standard errors
Number of obs = 61595
F( 9, 61585) = 30.97
Prob > F = 0.0000
R-squared = 0.0070
Root MSE = 1.1912

```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1657247	.0142616	-11.62	0.000	-.1936774	-.1377719
dNCA	-.1565052	.0775756	-2.02	0.044	-.3085536	-.0044567
dIvS	.0174091	.0029455	5.91	0.000	.0116358	.0231824
dIvS_sq	-.0000168	3.15e-06	-5.32	0.000	-.0000229	-.0000106
dlCapInt	.0053547	.0049877	1.07	0.283	-.0044212	.0151306
dlLabPd	.126754	.0115666	10.96	0.000	.1040834	.1494245
dhhi	-.4318442	.171583	-2.52	0.012	-.7681473	-.0955411
lAge	.0116739	.0093487	1.25	0.212	-.0066496	.0299974
dum	-.0462708	.0116327	-3.98	0.000	-.0690709	-.0234707
_cons	-.0656282	.0299161	-2.19	0.028	-.1242639	-.0069925

```

159 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

```

Regression with robust standard errors
Number of obs = 16261
F( 9, 16251) = 11.04
Prob > F = 0.0000
R-squared = 0.0100
Root MSE = 1.1732

```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1461609	.0263372	-5.55	0.000	-.1977848	-.094537
dNCA	-.089403	.2272074	-0.39	0.694	-.5347545	.3559484
dIvS	-.9113296	.1263493	-7.21	0.000	-1.158988	-.663671
dIvS_sq	.1977588	.0480509	4.12	0.000	.1035739	.2919438
dlCapInt	-.014325	.0090184	-1.59	0.112	-.0320021	.003352
dlLabPd	.0733586	.0202471	3.62	0.000	.033672	.1130452
dhhi	-.5372427	.2709611	-1.98	0.047	-1.068356	-.0061292
lAge	.0534107	.0182927	2.92	0.004	.017555	.0892664
dumind	.0316821	.0246958	1.28	0.200	-.0167244	.0800885
_cons	-.2836285	.0647851	-4.38	0.000	-.4106143	-.1566426

```
160 .
161 .
162 . *****
163 . /*LaborProd*/
164 . *****
165 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors          Number of obs = 112455
                                                F( 4,112450) = 3331.35
                                                Prob > F      = 0.0000
                                                R-squared    = 0.3746
                                                Root MSE    = .52218
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4883359	.0050528	96.65	0.000	.4784325	.4982394
dlCapInt	-.0664322	.0019971	-33.26	0.000	-.0703465	-.0625178
dhhi	.0805123	.0565136	1.42	0.154	-.0302535	.1912782
dum	.0681952	.0040847	16.70	0.000	.0601894	.0762011
_cons	-.1955476	.00319	-61.30	0.000	-.2017999	-.1892953

```
166 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors          Number of obs = 28960
                                                F( 4, 28955) = 1180.25
                                                Prob > F      = 0.0000
                                                R-squared    = 0.4023
                                                Root MSE    = .53137
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5568986	.0092333	60.31	0.000	.5388009	.5749963
dlCapInt	-.0708015	.0034448	-20.55	0.000	-.0775535	-.0640494
dhhi	.1300585	.1080014	1.20	0.229	-.0816293	.3417462
dumind	.0639467	.0068199	9.38	0.000	.0505793	.077314
_cons	-.1615421	.0073062	-22.11	0.000	-.1758625	-.1472217

```
167 .
168 . drop dum dumind

169 .
170 .
171 . *****
172 . /*Industry 8: 5200, Retail trade*/
173 . gen dum = (((NACPRI>=5200 & NACPRI<5220) | (NACPRI>=5230 & NACPRI<5300)) & (CNTRYCDE!="NL" & CNTRYCDE!="F

174 . replace dum = . if (dum==0 & (NACPRI<5200 | NACPRI>=5300))
    (739113 real changes made, 739113 to missing)

175 . gen dumind = (((NACPRI>=5200 & NACPRI<5220) | (NACPRI>=5230 & NACPRI<5300)) & (CNTRYCDE!="NL" & CNTRYCDE!="F
```

```
176 . replace dumind = . if (dum==0 & ((NACPRI<5200 | NACPRI>=5300) | (NACPRI>=5220 & NACPRI<5230)))
    (5630 real changes made, 5630 to missing)
```

```
177 .
178 . *****
179 . /*PCM model*/
180 . *****
181 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

Regression with robust standard errors

Number of obs =	22537
F(9, 22527) =	13.41
Prob > F =	0.0000
R-squared =	0.0075
Root MSE =	1.1759

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1700837	.0278409	-6.11	0.000	-.2246539	-.1155135
dNCA	.1463566	.3461366	0.42	0.672	-.5320952	.8248084
dIvS	-.2479196	.0642799	-3.86	0.000	-.3739126	-.1219266
dIvS_sq	.007578	.0019355	3.92	0.000	.0037842	.0113718
dlCapInt	-.02988	.0075908	-3.94	0.000	-.0447584	-.0150016
dlLabPd	.1579294	.0212608	7.43	0.000	.1162567	.1996021
dhhi	.0980715	.1849666	0.53	0.596	-.2644759	.4606189
lAge	.0494319	.0142355	3.47	0.001	.0215293	.0773345
dum	.022712	.0163471	1.39	0.165	-.0093293	.0547534
_cons	-.1430982	.0483013	-2.96	0.003	-.2377722	-.0484242

```
182 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

Regression with robust standard errors

Number of obs =	254847
F(9,254837) =	106.65
Prob > F =	0.0000
R-squared =	0.0061
Root MSE =	1.2144

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1718089	.0066973	-25.65	0.000	-.1849354	-.1586824
dNCA	-.110143	.0367187	-3.00	0.003	-.1821107	-.0381752
dIvS	.0083124	.0014852	5.60	0.000	.0054015	.0112233
dIvS_sq	-1.84e-06	3.45e-07	-5.33	0.000	-2.51e-06	-1.16e-06
dlCapInt	-.00888	.0025687	-3.46	0.001	-.0139146	-.0038455
dlLabPd	.1280661	.0057391	22.31	0.000	.1168177	.1393145
dhhi	.1682624	.0696106	2.42	0.016	.0318276	.3046973
lAge	.0269609	.0043914	6.14	0.000	.0183539	.0355679
dumind	.0125166	.0103221	1.21	0.225	-.0077144	.0327476
_cons	-.0754173	.0141301	-5.34	0.000	-.1031119	-.0477226

```
183 .
184 .
```

```
185 . *****
186 . /*LaborProd*/
187 . *****
188 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 46896
F( 4, 46891) = 994.71
Prob > F = 0.0000
R-squared = 0.3009
Root MSE = .46554
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4788891	.0082428	58.10	0.000	.4627331	.4950451
dlCapInt	-.0405699	.0023	-17.64	0.000	-.045078	-.0360618
dhhi	-.0589702	.0545589	-1.08	0.280	-.1659066	.0479661
dum	.0688338	.0043129	15.96	0.000	.0603805	.0772871
_cons	-.2001506	.004833	-41.41	0.000	-.2096233	-.1906779

```
189 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 509437
F( 4, 509432) = 15434.12
Prob > F = 0.0000
R-squared = 0.3822
Root MSE = .53346
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5022313	.0023282	215.71	0.000	.497668	.5067946
dlCapInt	-.0726609	.0009673	-75.12	0.000	-.0745568	-.070765
dhhi	.0725316	.0237626	3.05	0.002	.0259578	.1191055
dumind	.0496314	.0032236	15.40	0.000	.0433133	.0559496
_cons	-.1676086	.0013688	-122.45	0.000	-.1702915	-.1649258

```
190 .
191 . drop dum dumind

192 .
193 .
194 . *****
195 . /*Industry 9: 5230, Retail trade of pharmaceutical products*/
196 . gen dum = ((NACPRI>=5230 & NACPRI<5240) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

197 . replace dum = . if (dum==0 & (NACPRI<5270 | NACPRI>=5280))
(814200 real changes made, 814200 to missing)

198 . gen dumind = ((NACPRI>=5230 & NACPRI<5240) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

199 . replace dumind = . if (NACPRI<5230 | NACPRI>=5240)
(815018 real changes made, 815018 to missing)
```

```

200 .
201 . *****
202 . /*PCM model*/
203 . *****
204 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

Regression with robust standard errors

Number of obs = 1178
 F(9, 1168) = 3.80
 Prob > F = 0.0001
 R-squared = 0.0396
 Root MSE = 1.0968

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.0679837	.0923747	-0.74	0.462	-.2492226	.1132552
dNCA	.2838943	1.166551	0.24	0.808	-2.004875	2.572664
dIvS	-2.919499	.6627041	-4.41	0.000	-4.219722	-1.619275
dIvS_sq	2.142864	.6505288	3.29	0.001	.8665282	3.419199
dlCapInt	.0606971	.0351286	1.73	0.084	-.0082251	.1296193
dlLabPd	.1442702	.084504	1.71	0.088	-.0215264	.3100668
dhhi	-5.308651	2.488695	-2.13	0.033	-10.19146	-.4258384
lAge	-.0308202	.0654526	-0.47	0.638	-.159238	.0975976
dum	-.0204913	.0658905	-0.31	0.756	-.1497683	.1087856
_cons	.1088063	.200591	0.54	0.588	-.2847527	.5023653

```

205 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
    
```

Regression with robust standard errors

Number of obs = 855
 F(9, 845) = 3.08
 Prob > F = 0.0012
 R-squared = 0.0401
 Root MSE = 1.0583

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1697055	.1235568	-1.37	0.170	-.4122198	.0728088
dNCA	.0617469	1.803748	0.03	0.973	-3.478606	3.6021
dIvS	-2.982281	.8753858	-3.41	0.001	-4.700467	-1.264096
dIvS_sq	2.097133	.8848698	2.37	0.018	.3603322	3.833933
dlCapInt	-.055909	.0348137	-1.61	0.109	-.1242406	.0124225
dlLabPd	.1680859	.0992405	1.69	0.091	-.0267009	.3628727
dhhi	-8.624108	3.791043	-2.27	0.023	-16.06507	-1.183143
lAge	.0531137	.0683688	0.78	0.437	-.0810788	.1873063
dumind	-.0549473	.0787592	-0.70	0.486	-.2095339	.0996392
_cons	-.1597792	.2068426	-0.77	0.440	-.5657647	.2462063

```

206 .
207 .
208 . *****
209 . /*LaborProd*/
210 . *****
    
```

211 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs = 2149
 F(4, 2144) = 78.73
 Prob > F = 0.0000
 R-squared = 0.2818
 Root MSE = .45674

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4563708	.0270122	16.90	0.000	.403398	.5093436
dlCapInt	-.0303263	.0095791	-3.17	0.002	-.0491116	-.011541
dhhi	1.391899	.7361685	1.89	0.059	-.0517798	2.835578
dum	.0329762	.0216906	1.52	0.129	-.0095607	.0755131
_cons	-.1827521	.018535	-9.86	0.000	-.2191004	-.1464037

212 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs = 1974
 F(4, 1969) = 55.20
 Prob > F = 0.0000
 R-squared = 0.2535
 Root MSE = .43453

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.415777	.0323772	12.84	0.000	.3522798	.4792741
dlCapInt	-.0442906	.0092282	-4.80	0.000	-.0623886	-.0261925
dhhi	3.933978	1.688494	2.33	0.020	.6225557	7.245401
dumind	.0732246	.0231335	3.17	0.002	.0278559	.1185933
_cons	-.2372666	.0213893	-11.09	0.000	-.2792147	-.1953185

213 .

214 . drop dum dumind

215 .

216 .

217 . *****

218 . /*Industry 10: 5240, Other retail in specialized stores*/

219 . gen dum = (NACPRI>=5240 & NACPRI<5250 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

220 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
 (594632 real changes made, 594632 to missing)

221 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<3600))
 (29089 real changes made, 29089 to missing)

222 . gen dumind = (NACPRI>=5240 & NACPRI<5250 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

223 . replace dumind = . if (NACPRI<5240 | NACPRI>=5250)
 (763282 real changes made, 763282 to missing)

```

224 .
225 . *****
226 . /*PCM model*/
227 . *****
228 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

Regression with robust standard errors

Number of obs =	58703
F(9, 58693) =	33.49
Prob > F =	0.0000
R-squared =	0.0079
Root MSE =	1.193

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1771116	.0149386	-11.86	0.000	-.2063913	-.1478319
dNCA	-.1600995	.0767036	-2.09	0.037	-.3104389	-.0097602
dIvS	.0177392	.0029881	5.94	0.000	.0118825	.0235959
dIvS_sq	-.0000171	3.20e-06	-5.35	0.000	-.0000234	-.0000108
dlCapInt	.0038282	.0051253	0.75	0.455	-.0062174	.0138739
dlLabPd	.1431474	.0123238	11.62	0.000	.1189927	.1673021
dhhi	-.4949626	.1751135	-2.83	0.005	-.8381858	-.1517395
lAge	.0123891	.0094254	1.31	0.189	-.0060847	.030863
dum	.0550968	.0130074	4.24	0.000	.0296022	.0805913
_cons	-.0664635	.0303925	-2.19	0.029	-.1260329	-.006894

```

229 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
    
```

Regression with robust standard errors

Number of obs =	15299
F(9, 15289) =	12.23
Prob > F =	0.0000
R-squared =	0.0088
Root MSE =	1.1699

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1448713	.0339422	-4.27	0.000	-.211402	-.0783406
dNCA	-.0334107	.294073	-0.11	0.910	-.6098288	.5430073
dIvS	-.196877	.077267	-2.55	0.011	-.3483295	-.0454245
dIvS_sq	.0061171	.0020232	3.02	0.003	.0021514	.0100828
dlCapInt	-.0407529	.0090066	-4.52	0.000	-.0584068	-.0230989
dlLabPd	.1801136	.0248078	7.26	0.000	.1314873	.2287398
dhhi	-1.075121	.3465961	-3.10	0.002	-1.75449	-.3957509
lAge	.0612393	.0172812	3.54	0.000	.027366	.0951126
dumind	-.0231235	.0205328	-1.13	0.260	-.0633703	.0171233
_cons	-.1099598	.0602362	-1.83	0.068	-.2280298	.0081102

```

230 .
231 .
232 . *****
233 . /*LaborProd*/
234 . *****
    
```

235 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs = **109012**
 F(4,109007) = **2972.10**
 Prob > F = **0.0000**
 R-squared = **0.3604**
 Root MSE = **.50861**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4740498	.0052178	90.85	0.000	.4638231	.4842766
dlCapInt	-.0610527	.0019853	-30.75	0.000	-.0649439	-.0571615
dhhi	-.0531165	.0484304	-1.10	0.273	-.1480393	.0418063
dum	.0749876	.0039687	18.89	0.000	.0672091	.0827661
_cons	-.2033595	.0032703	-62.18	0.000	-.2097693	-.1969498

236 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs = **30987**
 F(4, 30982) = **681.18**
 Prob > F = **0.0000**
 R-squared = **0.3010**
 Root MSE = **.45884**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4847943	.0104737	46.29	0.000	.4642654	.5053231
dlCapInt	-.0390312	.0026905	-14.51	0.000	-.0443046	-.0337577
dhhi	-.3338035	.0767821	-4.35	0.000	-.4842996	-.1833074
dumind	.0731908	.0053047	13.80	0.000	.0627933	.0835883
_cons	-.2014903	.0061488	-32.77	0.000	-.2135422	-.1894384

237 .

238 . drop dum dumind

239 .

240 .

241 . *****

242 . /*Industry 11: 5260, Retail sales not in stores*/

243 . gen dum = (NACPRI>=5260 & NACPRI<5270 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

244 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
 (636153 real changes made, 636153 to missing)

245 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<3600))
 (29089 real changes made, 29089 to missing)

246 . gen dumind = (NACPRI>=5260 & NACPRI<5270 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

247 . replace dumind = . if (NACPRI<5260 | NACPRI>=5270)
 (817110 real changes made, 817110 to missing)

```

248 .
249 . *****
250 . /*PCM model*/
251 . *****
252 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

Number of obs = **48499**
 F(9, 48489) = **27.33**
 Prob > F = **0.0000**
 R-squared = **0.0084**
 Root MSE = **1.1947**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1790812	.0163063	-10.98	0.000	-.2110416	-.1471207
dNCA	-.1683935	.083244	-2.02	0.043	-.3315529	-.0052342
dIvS	.0175997	.0029857	5.89	0.000	.0117476	.0234518
dIvS_sq	-.000017	3.20e-06	-5.33	0.000	-.0000233	-.0000108
dlCapInt	.0115015	.0057551	2.00	0.046	.0002214	.0227815
dlLabPd	.1418654	.0136336	10.41	0.000	.1151434	.1685874
dhhi	-.2987764	.1991518	-1.50	0.134	-.6891164	.0915637
lAge	.0023345	.0103625	0.23	0.822	-.0179762	.0226452
dum	-.0010978	.0663365	-0.02	0.987	-.1311181	.1289225
_cons	-.0394824	.0331812	-1.19	0.234	-.104518	.0255532

```

253 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

Number of obs = **497**
 F(9, 487) = **2.79**
 Prob > F = **0.0033**
 R-squared = **0.0177**
 Root MSE = **1.2093**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.0024994	.1529364	-0.02	0.987	-.3029961	.2979973
dNCA	.8191482	2.210251	0.37	0.711	-3.523658	5.161954
dIvS	-2.721872	.9277498	-2.93	0.004	-4.544758	-.8989851
dIvS_sq	2.338981	.6184813	3.78	0.000	1.12376	3.554202
dlCapInt	.0247916	.0532482	0.47	0.642	-.0798329	.1294161
dlLabPd	-.0775137	.1651963	-0.47	0.639	-.4020991	.2470716
dhhi	-.1177941	1.18731	-0.10	0.921	-2.450676	2.215088
lAge	.0048923	.1004524	0.05	0.961	-.1924813	.202266
dumind	.0680448	.1209132	0.56	0.574	-.1695311	.3056206
_cons	-.0824488	.3267544	-0.25	0.801	-.7244713	.5595737

```

254 .
255 .
256 . *****
257 . /*LaborProd*/
258 . *****

```

259 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs = 90536
 F(4, 90531) = 2364.17
 Prob > F = 0.0000
 R-squared = 0.3647
 Root MSE = .51455

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4700971	.0056481	83.23	0.000	.4590269	.4811673
dlCapInt	-.066387	.0022974	-28.90	0.000	-.0708899	-.0618842
dhhi	.0762222	.0596762	1.28	0.202	-.0407425	.193187
dum	.0627352	.0234286	2.68	0.007	.0168152	.1086551
_cons	-.2051491	.0034624	-59.25	0.000	-.2119353	-.1983629

260 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs = 1302
 F(4, 1297) = 64.92
 Prob > F = 0.0000
 R-squared = 0.4897
 Root MSE = .56204

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5771304	.0377481	15.29	0.000	.5030764	.6511844
dlCapInt	-.0721345	.0203623	-3.54	0.000	-.112081	-.0321879
dhhi	.2173033	.3219636	0.67	0.500	-.4143232	.8489297
dumind	.0896441	.0311561	2.88	0.004	.0285222	.150766
_cons	-.1708115	.0275672	-6.20	0.000	-.2248927	-.1167304

261 .

262 . drop dum dumind

263 .

264 .

265 . *****

266 . /*Industry 12: 5261, Retail sales via mail order*/

267 . gen dum = (NACPRI==5261 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

268 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
 (637085 real changes made, 637085 to missing)

269 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
 (29089 real changes made, 29089 to missing))

270 . gen dumind = (NACPRI==5261 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

271 . replace dumind = . if (NACPRI!=5261)
 (818588 real changes made, 818588 to missing)

```
272 .
273 . *****
274 . /*PCM model*/
275 . *****
276 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

Regression with robust standard errors

Number of obs = **48291**
 F(9, 48281) = **27.26**
 Prob > F = **0.0000**
 R-squared = **0.0084**
 Root MSE = **1.1949**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1790528	.0163572	-10.95	0.000	-.2111132	-.1469925
dNCA	-.1690206	.0834522	-2.03	0.043	-.332588	-.0054532
dIvS	.0176112	.0029876	5.89	0.000	.0117555	.0234669
dIvS_sq	-.0000171	3.20e-06	-5.33	0.000	-.0000233	-.0000108
dlCapInt	.0114488	.0057695	1.98	0.047	.0001405	.022757
dlLabPd	.1419326	.0136603	10.39	0.000	.1151582	.1687071
dhhi	-.2981251	.2009998	-1.48	0.138	-.6920873	.0958372
lAge	.0027609	.0103843	0.27	0.790	-.0175926	.0231144
dum	.1042396	.115759	0.90	0.368	-.1226495	.3311287
_cons	-.0406449	.0332587	-1.22	0.222	-.1058324	.0245426

```
277 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

Regression with robust standard errors

Number of obs = **149**
 F(9, 139) = **2.22**
 Prob > F = **0.0243**
 R-squared = **0.0882**
 Root MSE = **1.1694**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.2978539	.2315249	1.29	0.200	-.1599119	.7556197
dNCA	-2.689394	2.813766	-0.96	0.341	-8.25271	2.873922
dIvS	-2.509069	1.349771	-1.86	0.065	-5.177806	.1596667
dIvS_sq	1.967732	.8511743	2.31	0.022	.2848093	3.650655
dlCapInt	.056898	.087802	0.65	0.518	-.1167021	.230498
dlLabPd	-.4440741	.2503379	-1.77	0.078	-.9390367	.0508885
dhhi	-1.539743	4.468362	-0.34	0.731	-10.37449	7.295002
lAge	-.131464	.1626076	-0.81	0.420	-.4529681	.1900401
dumind	.307364	.2012335	1.53	0.129	-.0905104	.7052384
_cons	.1641719	.4970526	0.33	0.742	-.8185894	1.146933

```
278 .
279 .
280 . *****
281 . /*LaborProd*/
282 . *****
```

283 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs = 90089
 F(4, 90084) = 2329.92
 Prob > F = 0.0000
 R-squared = 0.3635
 Root MSE = .51434

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4690446	.0056724	82.69	0.000	.4579267	.4801625
dlCapInt	-.0665214	.0023023	-28.89	0.000	-.0710339	-.062009
dhhi	.068282	.060052	1.14	0.256	-.0494192	.1859833
dum	.0420891	.0443439	0.95	0.343	-.0448244	.1290027
_cons	-.2057074	.0034743	-59.21	0.000	-.2125169	-.1988978

284 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs = 364
 F(4, 359) = 31.10
 Prob > F = 0.0000
 R-squared = 0.5835
 Root MSE = .65966

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5496771	.0679302	8.09	0.000	.4160859	.6832682
dlCapInt	-.1584021	.0392443	-4.04	0.000	-.2355797	-.0812245
dhhi	.996672	1.625519	0.61	0.540	-2.200065	4.193409
dumind	.1456587	.0663674	2.19	0.029	.0151411	.2761764
_cons	-.2357741	.0621122	-3.80	0.000	-.3579237	-.1136246

285 .

286 . drop dum dumind

287 .

288 .

289 . *****

290 . /*Industry 13: 5500, Hotels and restaurants*/

291 . gen dum = (NACPRI>=5500 & NACPRI<5600 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

292 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
 (621276 real changes made, 621276 to missing)

293 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
 (29089 real changes made, 29089 to missing))

294 . gen dumind = (NACPRI>=5500 & NACPRI<5600 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

295 . replace dumind = . if (NACPRI<5500 | NACPRI>=5600)
 (792702 real changes made, 792702 to missing)

```

296 .
297 . *****
298 . /*PCM model*/
299 . *****
300 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

Number of obs = **53166**
 F(9, 53156) = **39.20**
 Prob > F = **0.0000**
 R-squared = **0.0097**
 Root MSE = **1.1993**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1832363	.0154909	-11.83	0.000	-.2135985	-.1528741
dNCA	-.1489304	.0759521	-1.96	0.050	-.2977972	-.0000636
dIvS	.0180307	.0030228	5.96	0.000	.012106	.0239553
dIvS_sq	-.0000174	3.24e-06	-5.39	0.000	-.0000238	-.0000111
dlCapInt	.0033467	.0055717	0.60	0.548	-.0075738	.0142672
dlLabPd	.1507489	.0129272	11.66	0.000	.1254114	.1760864
dhhi	-.2806302	.1947728	-1.44	0.150	-.6623865	.1011261
lAge	.0156479	.0099582	1.57	0.116	-.0038703	.035166
dum	.1678275	.0184919	9.08	0.000	.1315831	.2040718
_cons	-.0753616	.0319923	-2.36	0.018	-.1380668	-.0126563

```

301 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

Number of obs = **7498**
 F(9, 7488) = **21.74**
 Prob > F = **0.0000**
 R-squared = **0.0309**
 Root MSE = **1.2065**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.080242	.0513374	-1.56	0.118	-.1808777	.0203936
dNCA	1.345239	.3242937	4.15	0.000	.709532	1.980945
dIvS	-1.075345	.4520049	-2.38	0.017	-1.961401	-.1892884
dIvS_sq	.6143028	.2745888	2.24	0.025	.0760317	1.152574
dlCapInt	-.086345	.0157626	-5.48	0.000	-.1172442	-.0554458
dlLabPd	.2201135	.0353908	6.22	0.000	.1507376	.2894894
dhhi	-.4191849	.7219867	-0.58	0.562	-1.834482	.9961118
lAge	.1320996	.0234196	5.64	0.000	.0861906	.1780087
dumind	.1609481	.0305875	5.26	0.000	.1009881	.2209082
_cons	-.308365	.0808408	-3.81	0.000	-.4668357	-.1498944

```

302 .
303 .
304 . *****
305 . /*LaborProd*/
306 . *****

```

307 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

	Number of obs = 100853
	F(4,100848) = 2492.82
	Prob > F = 0.0000
	R-squared = 0.3521
	Root MSE = .51306

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4631902	.0054072	85.66	0.000	.4525922	.4737883
dlCapInt	-.0635577	.0021511	-29.55	0.000	-.0677738	-.0593416
dhhi	.0109865	.0585922	0.19	0.851	-.1038534	.1258265
dum	.0190689	.0051479	3.70	0.000	.0089791	.0291586
_cons	-.2089331	.0033548	-62.28	0.000	-.2155085	-.2023577

308 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

	Number of obs = 20834
	F(4, 20829) = 280.68
	Prob > F = 0.0000
	R-squared = 0.2251
	Root MSE = .48339

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4164478	.0137372	30.32	0.000	.3895218	.4433739
dlCapInt	-.0361152	.004099	-8.81	0.000	-.0441495	-.0280809
dhhi	-.6621571	.2186805	-3.03	0.002	-1.090788	-.2335264
dumind	.0434651	.0071994	6.04	0.000	.0293537	.0575764
_cons	-.2573136	.0081124	-31.72	0.000	-.2732145	-.2414126

```

309 .
310 . drop dum dumind

311 .
312 .
313 . *****
314 . /*Industry 14: 5510-19, Hotels*/
315 . gen dum = (NACPRI>=5510 & NACPRI<5520 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

316 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (631833 real changes made, 631833 to missing)

317 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing)

318 . gen dumind = (NACPRI>=5510 & NACPRI<5520 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

319 . replace dumind = . if (NACPRI<5510 | NACPRI>=5520)
    (810167 real changes made, 810167 to missing)
    
```

```

320 .
321 . *****
322 . /*PCM model*/
323 . *****
324 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

```

Regression with robust standard errors
Number of obs = 49917
F( 9, 49907) = 40.62
Prob > F = 0.0000
R-squared = 0.0106
Root MSE = 1.1961
    
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1770894	.0160697	-11.02	0.000	-.2085861	-.1455926
dNCA	-.1605481	.0805497	-1.99	0.046	-.3184264	-.0026698
dIvS	.0178076	.0030046	5.93	0.000	.0119186	.0236967
dIvS_sq	-.0000172	3.22e-06	-5.36	0.000	-.0000236	-.0000109
dlCapInt	.0094674	.0057198	1.66	0.098	-.0017435	.0206782
dlLabPd	.1417828	.0132874	10.67	0.000	.1157393	.1678263
dhhi	-.290582	.2010519	-1.45	0.148	-.6846461	.103482
lAge	.0038779	.0102152	0.38	0.704	-.016144	.0238998
dum	.3402404	.0301659	11.28	0.000	.2811149	.3993659
_cons	-.0426743	.0327825	-1.30	0.193	-.1069284	.0215799

```

325 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
    
```

```

Regression with robust standard errors
Number of obs = 2648
F( 9, 2638) = 9.58
Prob > F = 0.0000
R-squared = 0.0339
Root MSE = 1.207
    
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.0478375	.1050579	0.46	0.649	-.1581667	.2538417
dNCA	1.50436	.5003913	3.01	0.003	.5231612	2.485559
dIvS	.2482171	1.047727	0.24	0.813	-1.806233	2.302668
dIvS_sq	.2634219	.636355	0.41	0.679	-.9843834	1.511227
dlCapInt	-.0908694	.0311384	-2.92	0.004	-.1519277	-.0298112
dlLabPd	.1663917	.0563917	2.95	0.003	.0558152	.2769681
dhhi	7.313685	5.780872	1.27	0.206	-4.021816	18.64919
lAge	.0732248	.0377717	1.94	0.053	-.0008404	.14729
dumind	.4690096	.1268319	3.70	0.000	.2203096	.7177095
_cons	-.2638151	.1841162	-1.43	0.152	-.6248418	.0972116

```

326 .
327 .
328 . *****
329 . /*LaborProd*/
330 . *****
    
```

331 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs = 93711
 F(4, 93706) = 2365.77
 Prob > F = 0.0000
 R-squared = 0.3590
 Root MSE = .51343

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4668056	.0056256	82.98	0.000	.4557794	.4778318
dlCapInt	-.0655829	.0022643	-28.96	0.000	-.070021	-.0611449
dhhi	.0636703	.0600021	1.06	0.289	-.0539332	.1812738
dum	.0178869	.0083753	2.14	0.033	.0014713	.0343024
_cons	-.2069172	.0034527	-59.93	0.000	-.2136845	-.2001498

332 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs = 7064
 F(4, 7059) = 79.58
 Prob > F = 0.0000
 R-squared = 0.2093
 Root MSE = .48327

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4198325	.0297834	14.10	0.000	.361448	.4782169
dlCapInt	-.0272387	.0086782	-3.14	0.002	-.0442506	-.0102267
dhhi	-3.227375	1.434835	-2.25	0.025	-6.040083	-.4146677
dumind	.0010404	.034188	0.03	0.976	-.0659784	.0680592
_cons	-.2063348	.0314001	-6.57	0.000	-.2678883	-.1447813

333 .

334 . drop dum dumind

335 .

336 .

337 . *****

338 . /*Industry 15: 5520-5529, Camping*/

339 . gen dum = (NACPRI>=5520 & NACPRI<5530 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

340 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
 (636868 real changes made, 636868 to missing)

341 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<3600))
 (29089 real changes made, 29089 to missing)

342 . gen dumind = (NACPRI>=5520 & NACPRI<5530 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

343 . replace dumind = . if (NACPRI<5520 | NACPRI>=5530)
 (817906 real changes made, 817906 to missing)

```

344 .
345 . *****
346 . /*PCM model*/
347 . *****
348 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

Regression with robust standard errors

Number of obs = **48463**
 F(9, 48453) = **27.19**
 Prob > F = **0.0000**
 R-squared = **0.0083**
 Root MSE = **1.1951**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1775902	.0163918	-10.83	0.000	-.2097184	-.145462
dNCA	-.1699419	.0835563	-2.03	0.042	-.3337132	-.0061705
dIvS	.0176958	.002996	5.91	0.000	.0118236	.0235679
dIvS_sq	-.0000171	3.21e-06	-5.34	0.000	-.0000234	-.0000108
dlCapInt	.010136	.0057667	1.76	0.079	-.0011668	.0214387
dlLabPd	.141687	.0136387	10.39	0.000	.1149551	.168419
dhhi	-.293148	.2010741	-1.46	0.145	-.6872558	.1009598
lAge	.0045552	.0103687	0.44	0.660	-.0157677	.024878
dum	.1338967	.0741326	1.81	0.071	-.0114042	.2791976
_cons	-.044974	.0332277	-1.35	0.176	-.1101008	.0201528

```

349 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
    
```

Regression with robust standard errors

Number of obs = **417**
 F(9, 407) = **2.92**
 Prob > F = **0.0023**
 R-squared = **0.0508**
 Root MSE = **1.1863**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.0331926	.1679798	0.20	0.843	-.2970237	.3634089
dNCA	-.0775437	.7636255	-0.10	0.919	-1.578686	1.423599
dIvS	-1.151979	1.203209	-0.96	0.339	-3.517259	1.2133
dIvS_sq	.2532072	.6578457	0.38	0.701	-1.039992	1.546407
dlCapInt	-.2123194	.073912	-2.87	0.004	-.3576162	-.0670226
dlLabPd	.0218917	.111793	0.20	0.845	-.1978721	.2416554
dhhi	-7.354305	3.801199	-1.93	0.054	-14.82674	.1181296
lAge	.1881793	.1049732	1.79	0.074	-.0181779	.3945366
dumind	.0365759	.121707	0.30	0.764	-.202677	.2758288
_cons	-.4395277	.3716834	-1.18	0.238	-1.170187	.2911312

```

350 .
351 .
352 . *****
353 . /*LaborProd*/
354 . *****
    
```

355 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs =	90444
F(4, 90439) =	2325.92
Prob > F =	0.0000
R-squared =	0.3626
Root MSE =	.51426

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4688345	.0056645	82.77	0.000	.4577321	.4799368
dlCapInt	-.0661906	.0022947	-28.85	0.000	-.0706881	-.0616931
dhhi	.0689894	.0600254	1.15	0.250	-.0486598	.1866387
dum	.0136638	.0242632	0.56	0.573	-.0338919	.0612194
_cons	-.2058267	.0034707	-59.30	0.000	-.2126292	-.1990241

356 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs =	1184
F(4, 1179) =	22.72
Prob > F =	0.0000
R-squared =	0.2892
Root MSE =	.56979

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4597395	.0539981	8.51	0.000	.3537964	.5656825
dlCapInt	-.0761002	.0235909	-3.23	0.001	-.1223851	-.0298154
dhhi	.5892849	.72351	0.81	0.416	-.8302259	2.008796
dumind	.0461308	.0348514	1.32	0.186	-.0222468	.1145085
_cons	-.2419471	.0416924	-5.80	0.000	-.3237467	-.1601475

```

357 .
358 . drop dum dumind

359 .
360 .
361 . *****
362 . /*Industry 16: 6330, Travel agencies*/
363 . gen dum = (NACPRI==6330 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

364 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (633519 real changes made, 633519 to missing)

365 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing)

366 . gen dumind = (NACPRI==6330 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

367 . replace dumind = . if (NACPRI!=6330)
    (814344 real changes made, 814344 to missing)
    
```

```

368 .
369 . *****
370 . /*PCM model*/
371 . *****
372 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

Regression with robust standard errors

Number of obs = **49173**
 F(9, 49163) = **27.11**
 Prob > F = **0.0000**
 R-squared = **0.0082**
 Root MSE = **1.1976**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1793698	.0161264	-11.12	0.000	-.2109777	-.1477619
dNCA	-.1659848	.0823522	-2.02	0.044	-.3273961	-.0045735
dIvS	.0172323	.0029479	5.85	0.000	.0114544	.0230102
dIvS_sq	-.0000167	3.16e-06	-5.28	0.000	-.0000229	-.0000105
dlCapInt	.0118535	.0056975	2.08	0.037	.0006863	.0230207
dlLabPd	.1326467	.0134612	9.85	0.000	.1062625	.1590309
dhhi	-.2689433	.2009433	-1.34	0.181	-.6627947	.124908
lAge	.0030223	.0103342	0.29	0.770	-.0172327	.0232774
dum	-.0186212	.0424887	-0.44	0.661	-.1018996	.0646571
_cons	-.0461488	.0330711	-1.40	0.163	-.1109686	.018671

```

373 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
    
```

Regression with robust standard errors

Number of obs = **1212**
 F(9, 1202) = **28.20**
 Prob > F = **0.0000**
 R-squared = **0.0422**
 Root MSE = **1.3033**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1802614	.0769308	-2.34	0.019	-.3311951	-.0293277
dNCA	-.0287319	.4581068	-0.06	0.950	-.9275096	.8700459
dIvS	-3.119329	1.234348	-2.53	0.012	-5.541044	-.6976142
dIvS_sq	3.688078	.891589	4.14	0.000	1.938835	5.437322
dlCapInt	.0185641	.0335463	0.55	0.580	-.0472517	.0843799
dlLabPd	-.1657683	.070434	-2.35	0.019	-.3039556	-.0275811
dhhi	10.41395	3.788269	2.75	0.006	2.981599	17.84631
lAge	.0667418	.0798308	0.84	0.403	-.0898814	.2233651
dumind	.1546375	.127872	1.21	0.227	-.0962396	.4055146
_cons	-.4411656	.2698369	-1.63	0.102	-.9705693	.0882382

```

374 .
375 .
376 . *****
377 . /*LaborProd*/
378 . *****
    
```

379 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

```

Regression with robust standard errors
Number of obs = 91969
F( 4, 91964) = 2425.86
Prob > F = 0.0000
R-squared = 0.3685
Root MSE = .51561
    
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4727179	.0056025	84.38	0.000	.4617371	.4836987
dlCapInt	-.0676413	.0022836	-29.62	0.000	-.0721172	-.0631655
dhhi	.0767794	.0599619	1.28	0.200	-.0407452	.194304
dum	-.0043736	.0129299	-0.34	0.735	-.029716	.0209688
_cons	-.2037337	.0034405	-59.22	0.000	-.2104769	-.1969904

380 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

```

Regression with robust standard errors
Number of obs = 2879
F( 4, 2874) = 194.73
Prob > F = 0.0000
R-squared = 0.5041
Root MSE = .56732
    
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5788693	.0267737	21.62	0.000	.5263716	.6313669
dlCapInt	-.103314	.0131782	-7.84	0.000	-.1291536	-.0774744
dhhi	-.1865859	1.803114	-0.10	0.918	-3.722113	3.348941
dumind	-.0163954	.0329139	-0.50	0.618	-.0809326	.0481418
_cons	-.1495389	.0276225	-5.41	0.000	-.2037008	-.095377

```

381 .
382 . drop dum dumind

383 .
384 .
385 . *****
386 . /*Industry 17: 6500+6700, Financials less insurance*/
387 . /*NB: Insurance companies are not contained in Amadeus*/
388 . gen dum = (((NACPRI>=6500 & NACPRI<6600) | (NACPRI>=6700 & NACPRI<6800)) & (CNTRYCDE!="NL" & CNTRYCDE!="F

389 . replace dum = . if (NACPRI<6500 | NACPRI>=6800)
(810657 real changes made, 810657 to missing)

390 . gen dumind = (((NACPRI>=6500 & NACPRI<6600) | (NACPRI>=6700 & NACPRI<6800)) & (CNTRYCDE!="NL" & CNTRYCDE!="F

391 . replace dumind = . if ((NACPRI<6500 | NACPRI>=6800) | (NACPRI>=6600 & NACPRI<6700))
(810657 real changes made, 810657 to missing)

392 .
    
```

```

393 . *****
394 . /*PCM model*/
395 . *****
396 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

```

Regression with robust standard errors
Number of obs = 1466
F( 9, 1456) = 908.30
Prob > F = 0.0000
R-squared = 0.0534
Root MSE = 1.2382
    
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1310488	.0592953	-2.21	0.027	-.2473621	-.0147356
dNCA	.0195217	.3665585	0.05	0.958	-.6995175	.7385608
dIvS	.1500663	.0652644	2.30	0.022	.0220441	.2780885
dIvS_sq	.0003182	.0013871	0.23	0.819	-.0024028	.0030392
dlCapInt	.0043551	.0276061	0.16	0.875	-.0497969	.0585072
dlLabPd	.0839551	.0639706	1.31	0.190	-.0415294	.2094395
dhhi	.2569969	.4898137	0.52	0.600	-.703819	1.217813
lAge	.0288581	.0564851	0.51	0.610	-.0819428	.139659
dum	.2514085	.0694169	3.62	0.000	.1152408	.3875763
_cons	-.2148371	.1785989	-1.20	0.229	-.5651758	.1355016

```

397 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
    
```

```

Regression with robust standard errors
Number of obs = 1466
F( 9, 1456) = 908.30
Prob > F = 0.0000
R-squared = 0.0534
Root MSE = 1.2382
    
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1310488	.0592953	-2.21	0.027	-.2473621	-.0147356
dNCA	.0195217	.3665585	0.05	0.958	-.6995175	.7385608
dIvS	.1500663	.0652644	2.30	0.022	.0220441	.2780885
dIvS_sq	.0003182	.0013871	0.23	0.819	-.0024028	.0030392
dlCapInt	.0043551	.0276061	0.16	0.875	-.0497969	.0585072
dlLabPd	.0839551	.0639706	1.31	0.190	-.0415294	.2094395
dhhi	.2569969	.4898137	0.52	0.600	-.703819	1.217813
lAge	.0288581	.0564851	0.51	0.610	-.0819428	.139659
dumind	.2514085	.0694169	3.62	0.000	.1152408	.3875763
_cons	-.2148371	.1785989	-1.20	0.229	-.5651758	.1355016

```

398 .
399 .
400 . *****
401 . /*LaborProd*/
402 . *****
403 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
    
```

```

Regression with robust standard errors
Number of obs = 3386
F( 4, 3381) = 329.18
Prob > F = 0.0000
R-squared = 0.5581
Root MSE = .61492
    
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5562132	.0194876	28.54	0.000	.5180044	.594422
dlCapInt	-.1094198	.012279	-8.91	0.000	-.1334948	-.0853447
dhhi	.1151601	.2028531	0.57	0.570	-.2825671	.5128873
dum	.0498168	.0221874	2.25	0.025	.0063146	.0933189
_cons	-.1635896	.019088	-8.57	0.000	-.2010147	-.1261644

404 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

```

Regression with robust standard errors
Number of obs = 3386
F( 4, 3381) = 329.18
Prob > F = 0.0000
R-squared = 0.5581
Root MSE = .61492
    
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5562132	.0194876	28.54	0.000	.5180044	.594422
dlCapInt	-.1094198	.012279	-8.91	0.000	-.1334948	-.0853447
dhhi	.1151601	.2028531	0.57	0.570	-.2825671	.5128873
dumind	.0498168	.0221874	2.25	0.025	.0063146	.0933189
_cons	-.1635896	.019088	-8.57	0.000	-.2010147	-.1261644

```

405 .
406 . drop dum dumind

407 .
408 .
409 . *****
410 . /*Industry 18: 7410-50, Professional services*/
411 . gen dum = ((NACPRI>=7410 & NACPRI<7460) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

412 . replace dum = . if (dum==0 & (NACPRI<7470 | NACPRI>=7490))
    (750544 real changes made, 750544 to missing)

413 . gen dumind = ((NACPRI>=7410 & NACPRI<7460) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

414 . replace dumind = . if (NACPRI<7410 | NACPRI>=7460)
    (755111 real changes made, 755111 to missing)

415 .
416 . *****
417 . /*PCM model*/
418 . *****
419 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
    
```

```

Regression with robust standard errors
Number of obs = 16285
F( 9, 16275) = 612.69
Prob > F = 0.0000
R-squared = 0.0164
Root MSE = 1.2844
    
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2228607	.0223482	-9.97	0.000	-.2666656	-.1790559
dNCA	-.1153687	.1258398	-0.92	0.359	-.3620286	.1312911
dIvS	.0616148	.0234302	2.63	0.009	.015689	.1075406
dIvS_sq	.0001996	.0002736	0.73	0.466	-.0003368	.000736
dlCapInt	.0104439	.0099615	1.05	0.294	-.0090816	.0299695
dlLabPd	.0618421	.0231313	2.67	0.008	.0165022	.1071821
dhhi	.6130089	.2086112	2.94	0.003	.2041081	1.02191
lAge	-.0107004	.0208185	-0.51	0.607	-.051507	.0301062
dum	.0229948	.0244798	0.94	0.348	-.0249883	.0709778
_cons	.0188266	.0644024	0.29	0.770	-.1074092	.1450624

```
420 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

Regression with robust standard errors

Number of obs = 16397
 F(9, 16387) = 25.30
 Prob > F = 0.0000
 R-squared = 0.0237
 Root MSE = 1.2975

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2805276	.0222183	-12.63	0.000	-.3240779	-.2369774
dNCA	-.3789172	.1157012	-3.27	0.001	-.6057041	-.1521303
dIvS	.0891069	.0279523	3.19	0.001	.0343174	.1438964
dIvS_sq	-.000493	.0001931	-2.55	0.011	-.0008715	-.0001145
dlCapInt	.0185463	.0098299	1.89	0.059	-.0007213	.0378139
dlLabPd	.1108415	.0228421	4.85	0.000	.0660684	.1556146
dhhi	1.062141	.329606	3.22	0.001	.4160778	1.708205
lAge	.000635	.0188939	0.03	0.973	-.036399	.037669
dumind	.1339929	.0232421	5.77	0.000	.0884359	.1795498
_cons	-.1355872	.0596506	-2.27	0.023	-.2525089	-.0186655

```
421 .
422 .
423 . *****
424 . /*LaborProd*/
425 . *****
426 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

Regression with robust standard errors

Number of obs = 36845
 F(4, 36840) = 2768.30
 Prob > F = 0.0000
 R-squared = 0.5154
 Root MSE = .57105

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.55433	.0067666	81.92	0.000	.5410672	.5675928
dlCapInt	-.0896334	.0036295	-24.70	0.000	-.0967474	-.0825194
dhhi	.3127337	.0759272	4.12	0.000	.1639142	.4615531
dum	-.0160863	.0072223	-2.23	0.026	-.0302422	-.0019305
_cons	-.0980616	.0066923	-14.65	0.000	-.1111786	-.0849446

```
427 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors                                Number of obs =    39063
                                                                    F( 4, 39058) =  2643.24
                                                                    Prob > F       =  0.0000
                                                                    R-squared     =  0.4893
                                                                    Root MSE     =  .5721
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.540399	.0068827	78.52	0.000	.5269087	.5538892
dlCapInt	-.0857793	.0034182	-25.10	0.000	-.092479	-.0790797
dhhi	.4583695	.1141688	4.01	0.000	.2345957	.6821432
dumind	.0692354	.006578	10.53	0.000	.0563424	.0821285
_cons	-.1902299	.0064626	-29.44	0.000	-.2028968	-.177563

```
428 .
429 . drop dum dumind

430 .
431 .
432 . *****
433 . /*Industry 19: 7410, Legal, accounting,...*/
434 . gen dum = ((NACPRI>=7410 & NACPRI<7420) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

435 . replace dum = . if (dum==0 & (NACPRI<7030 | NACPRI>=7040))
    (784872 real changes made, 784872 to missing)

436 . gen dumind = ((NACPRI>=7410 & NACPRI<7420) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

437 . replace dumind = . if (NACPRI<7410 | NACPRI>=7420)
    (786875 real changes made, 786875 to missing)

438 .
439 . *****
440 . /*PCM model*/
441 . *****
442 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

```
Regression with robust standard errors                                Number of obs =    8599
                                                                    F( 9, 8589) =  14.15
                                                                    Prob > F       =  0.0000
                                                                    R-squared     =  0.0244
                                                                    Root MSE     =  1.2918
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2626777	.032306	-8.13	0.000	-.3260052	-.1993503
dNCA	-.1883042	.1674171	-1.12	0.261	-.5164818	.1398735
dIvS	-.0000725	.0809135	-0.00	0.999	-.1586823	.1585374
dIvS_sq	.0138866	.0096106	1.44	0.149	-.0049526	.0327257
dlCapInt	.0236956	.013321	1.78	0.075	-.0024168	.049808
dlLabPd	.0616228	.032808	1.88	0.060	-.0026887	.1259343
dhhi	.863827	.2627316	3.29	0.001	.34881	1.378844
lAge	.016629	.0266423	0.62	0.533	-.0355963	.0688544
dum	.2107957	.0323692	6.51	0.000	.1473442	.2742471
_cons	-.2697847	.0844652	-3.19	0.001	-.4353568	-.1042126

443 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

Regression with robust standard errors

Number of obs = **8547**
 F(9, 8537) = **1403.24**
 Prob > F = **0.0000**
 R-squared = **0.0446**
 Root MSE = **1.2954**

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	- .347855	.0296638	-11.73	0.000	- .4060033	- .2897068
dNCA	- .4809628	.1701694	-2.83	0.005	- .814536	- .1473896
dIvS	.0433253	.0536532	0.81	0.419	- .0618479	.1484985
dIvS_sq	- .0002375	.0003824	-0.62	0.535	- .0009872	.0005122
dlCapInt	.0182844	.0131645	1.39	0.165	- .0075213	.0440901
dlLabPd	.0449866	.0310286	1.45	0.147	- .0158369	.10581
dhhi	1.190601	.3523321	3.38	0.001	.4999445	1.881257
lAge	- .0104897	.025098	-0.42	0.676	- .0596878	.0387084
dumind	.178027	.032006	5.56	0.000	.1152876	.2407665
_cons	- .2117554	.0814016	-2.60	0.009	- .3713223	- .0521886

444 .
 445 .
 446 . *****
 447 . /*LaborProd*/
 448 . *****
 449 . reg dlLabPd dlSales dlCapInt dhhi dum, robust

Regression with robust standard errors

Number of obs = **19824**
 F(4, 19819) = **1888.01**
 Prob > F = **0.0000**
 R-squared = **0.5678**
 Root MSE = **.55627**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5933113	.0095289	62.26	0.000	.5746339	.6119887
dlCapInt	- .089078	.0052325	-17.02	0.000	- .0993343	- .0788218
dhhi	.2562125	.0892108	2.87	0.004	.0813518	.4310732
dum	.0614777	.0087648	7.01	0.000	.0442979	.0786574
_cons	- .1691852	.0093954	-18.01	0.000	- .1876009	- .1507694

450 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust

Regression with robust standard errors

Number of obs = **19961**
 F(4, 19956) = **1415.40**
 Prob > F = **0.0000**
 R-squared = **0.5059**
 Root MSE = **.58431**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5405901	.0099074	54.56	0.000	.5211708	.5600093
dlCapInt	- .0861692	.0049621	-17.37	0.000	- .0958954	- .076443
dhhi	.6208326	.1204781	5.15	0.000	.3846856	.8569796
dumind	.0771386	.0094035	8.20	0.000	.058707	.0955703
_cons	- .2099413	.009618	-21.83	0.000	- .2287933	- .1910893

```

451 .
452 . drop dum dumind

453 .
454 .
455 . *****
456 . /*Industry 20: 7440, Advertising*/
457 . gen dum = (NACPRI==7440 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

458 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (630505 real changes made, 630505 to missing)

459 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing))

460 . gen dumind = (NACPRI==7440 & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

461 . replace dumind = . if (NACPRI!=7440)
    (810423 real changes made, 810423 to missing)

462 .
463 . *****
464 . /*PCM model*/
465 . *****
466 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

Number of obs =	49823
F(9, 49813) =	29.95
Prob > F =	0.0000
R-squared =	0.0087
Root MSE =	1.1993

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1824122	.0159489	-11.44	0.000	-.2136722	-.1511523
dNCA	-.1677421	.0824081	-2.04	0.042	-.329263	-.0062213
dIvS	.0177092	.0029934	5.92	0.000	.0118422	.0235762
dIvS_sq	-.0000172	3.21e-06	-5.35	0.000	-.0000234	-.0000109
dlCapInt	.0107994	.0056641	1.91	0.057	-.0003023	.021901
dlLabPd	.1453694	.0134189	10.83	0.000	.1190682	.1716707
dhhi	-.2887504	.2011072	-1.44	0.151	-.6829228	.105422
lAge	.0039599	.0102895	0.38	0.700	-.0162077	.0241275
dum	.1128524	.0333168	3.39	0.001	.047551	.1781538
_cons	-.0443558	.0328912	-1.35	0.177	-.1088229	.0201114

```

467 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

Number of obs =	2173
F(9, 2163) =	16.75
Prob > F =	0.0000
R-squared =	0.0145
Root MSE =	1.3355

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.2345517	.067234	-3.49	0.000	-.3664016	-.1027017
dNCA	-.0598901	.4668334	-0.13	0.898	-.9753791	.8555988
dIvS	.0745188	.2564135	0.29	0.771	-.4283237	.5773614
dIvS_sq	.0028538	.0166803	0.17	0.864	-.0298573	.0355649
dlCapInt	.0225039	.0260189	0.86	0.387	-.0285207	.0735286
dlLabPd	.2309549	.0704533	3.28	0.001	.0927917	.3691181
dhhi	9.730642	3.338272	2.91	0.004	3.184086	16.2772
lAge	.0070061	.0590331	0.12	0.906	-.1087614	.1227736
dumind	-.0559268	.0716065	-0.78	0.435	-.1963515	.0844978

_cons	.0995177	.1776694	0.56	0.575	-.248903	.4479383
--------------	-----------------	-----------------	-------------	--------------	-----------------	-----------------

```

468 .
469 .
470 . *****
471 . /*LaborProd*/
472 . *****
473 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
    
```

Regression with robust standard errors

Number of obs = **93655**
 F(4, 93650) = **2757.65**
 Prob > F = **0.0000**
 R-squared = **0.3776**
 Root MSE = **.51655**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4777068	.0054625	87.45	0.000	.4670004	.4884132
dlCapInt	-.0677878	.0022488	-30.14	0.000	-.0721955	-.0633801
dhhi	.0664051	.0600042	1.11	0.268	-.0512026	.1840127
dum	.0878052	.0096634	9.09	0.000	.0688652	.1067453
_cons	-.2011157	.0033757	-59.58	0.000	-.2077321	-.1944994

```

474 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
    
```

Regression with robust standard errors

Number of obs = **5340**
 F(4, 5335) = **580.63**
 Prob > F = **0.0000**
 R-squared = **0.5277**
 Root MSE = **.54379**

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5888023	.0139192	42.30	0.000	.5615149	.6160896
dlCapInt	-.088469	.0083362	-10.61	0.000	-.1048113	-.0721266
dhhi	-2.266105	1.160798	-1.95	0.051	-4.541744	.0095338
dumind	.0595282	.0174016	3.42	0.001	.025414	.0936425
_cons	-.1410811	.0143027	-9.86	0.000	-.1691203	-.113042

```

475 .
476 . drop dum dumind

477 .
478 .
479 . *****
480 . /*Industry 21: 8030-40, Higher and adult education*/
481 . gen dum = ((NACPRI>=8030 & NACPRI<8050) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

482 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (635261 real changes made, 635261 to missing)
    
```

```

483 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
(29089 real changes made, 29089 to missing)

484 . gen dumind = ((NACPRI>=8030 & NACPRI<8050) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

485 . replace dumind = . if (NACPRI<8030 | NACPRI>=8050)
(815787 real changes made, 815787 to missing)

486 .
487 . *****
488 . /*PCM model*/
489 . *****
490 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust

```

Regression with robust standard errors

Number of obs =	48831
F(9, 48821) =	28.62
Prob > F =	0.0000
R-squared =	0.0086
Root MSE =	1.1986

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1787101	.0162291	-11.01	0.000	-.2105194	-.1469008
dNCA	-.1681655	.0827343	-2.03	0.042	-.3303259	-.0060052
dIvS	.0177671	.0030021	5.92	0.000	.0118831	.0236512
dIvS_sq	-.0000172	3.21e-06	-5.35	0.000	-.0000235	-.0000109
dlCapInt	.0108459	.0057543	1.88	0.059	-.0004326	.0221244
dlLabPd	.1442751	.0135624	10.64	0.000	.1176926	.1708576
dhhi	-.2907527	.2009595	-1.45	0.148	-.6846358	.1031304
lAge	.004023	.0103646	0.39	0.698	-.0162918	.0243378
dum	.1849143	.0571954	3.23	0.001	.0728106	.2970179
_cons	-.0428521	.0331794	-1.29	0.197	-.1078842	.02218

```

491 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust

```

Regression with robust standard errors

Number of obs =	869
F(9, 859) =	1.75
Prob > F =	0.0748
R-squared =	0.0164
Root MSE =	1.4293

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.0831409	.0995175	-0.84	0.404	-.2784668	.112185
dNCA	-.0973274	.5075919	-0.19	0.848	-1.093593	.8989381
dIvS	-.6858149	.9955789	-0.69	0.491	-2.639867	1.268237
dIvS_sq	.2366992	.1956231	1.21	0.227	-.1472561	.6206545
dlCapInt	-.0107373	.0488212	-0.22	0.826	-.10656	.0850855
dlLabPd	.2316253	.0938911	2.47	0.014	.0473424	.4159081
dhhi	2.802932	4.474484	0.63	0.531	-5.979269	11.58513
lAge	.022382	.0985658	0.23	0.820	-.1710761	.21584
dumind	.155076	.1109405	1.40	0.163	-.0626702	.3728222
_cons	.0278314	.2835837	0.10	0.922	-.5287667	.5844295

```
492 .
493 .
494 . *****
495 . /*LaborProd*/
496 . *****
497 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors          Number of obs =    91544
                                                F( 4, 91539) =  2426.62
                                                Prob > F      =    0.0000
                                                R-squared    =    0.3658
                                                Root MSE    =    .51438
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4701619	.0055879	84.14	0.000	.4592096	.4811142
dlCapInt	-.0662677	.0022684	-29.21	0.000	-.0707138	-.0618217
dhhi	.0694424	.0599757	1.16	0.247	-.0481093	.1869941
dum	.039545	.0134869	2.93	0.003	.0131108	.0659791
_cons	-.2051256	.003435	-59.72	0.000	-.2118582	-.1983929

```
498 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors          Number of obs =    2666
                                                F( 4, 2661) =   125.40
                                                Prob > F      =    0.0000
                                                R-squared    =    0.4070
                                                Root MSE    =    .5378
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5036502	.0253367	19.88	0.000	.4539685	.5533318
dlCapInt	-.0530178	.010706	-4.95	0.000	-.0740107	-.0320249
dhhi	.4305852	1.226144	0.35	0.725	-1.973707	2.834877
dumind	.0630958	.0219759	2.87	0.004	.0200042	.1061874
_cons	-.2188768	.0214447	-10.21	0.000	-.2609268	-.1768268

```
499 .
500 . drop dum dumind

501 .
502 .
503 . *****
504 . /*Industry 22: 9200 Recreational and cultural activities less gambling and betting*/
505 . gen dum = (((NACPRI>=9200 & NACPRI<9270) | (NACPRI==9272)) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="
506 . replace dum = . if (dum==0 & (NACPRI<9200 | NACPRI>=9300))
    (808438 real changes made, 808438 to missing)

507 . gen dumind = (((NACPRI>=9200 & NACPRI<9270) | (NACPRI==9272)) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYC
```

```
508 . replace dumind = . if ((NACPRI<9200 | NACPRI>=9300) | NACPRI==9271)
(809690 real changes made, 809690 to missing)
```

```
509 .
510 . *****
511 . /*PCM model*/
512 . *****
513 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

```
Regression with robust standard errors                                Number of obs =      2391
                                                                    F( 9, 2381) =       1.68
                                                                    Prob > F          =    0.0888
                                                                    R-squared         =    0.0069
                                                                    Root MSE         =    1.3023
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1303229	.0690078	-1.89	0.059	-.2656445	.0049988
dNCA	.074311	.2915646	0.25	0.799	-.4974358	.6460579
dIvS	-.1057576	.3013185	-0.35	0.726	-.6966313	.4851161
dIvS_sq	.1028773	.0736358	1.40	0.163	-.0415197	.2472742
dlCapInt	.0025856	.0283005	0.09	0.927	-.0529105	.0580818
dlLabPd	.1025756	.0532338	1.93	0.054	-.0018137	.206965
dhhi	-.4208096	.6392613	-0.66	0.510	-1.674376	.8327568
lAge	.0152823	.0455145	0.34	0.737	-.0739699	.1045345
dum	.0488595	.0546075	0.89	0.371	-.0582236	.1559426
_cons	-.0446717	.1500759	-0.30	0.766	-.3389648	.2496213

```
514 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

```
Regression with robust standard errors                                Number of obs =      2025
                                                                    F( 9, 2015) =       1.22
                                                                    Prob > F          =    0.2806
                                                                    R-squared         =    0.0062
                                                                    Root MSE         =    1.3294
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.0980616	.0720646	-1.36	0.174	-.2393905	.0432673
dNCA	.157787	.297381	0.53	0.596	-.4254193	.7409933
dIvS	-.2708788	.3118999	-0.87	0.385	-.8825588	.3408011
dIvS_sq	.1324019	.0894195	1.48	0.139	-.0429623	.3077662
dlCapInt	.010963	.0299108	0.37	0.714	-.0476963	.0696224
dlLabPd	.0908893	.0554508	1.64	0.101	-.0178576	.1996363
dhhi	-1.220458	.7920387	-1.54	0.123	-2.773758	.3328423
lAge	.0081701	.0493954	0.17	0.869	-.0887012	.1050415
dumind	.0275096	.0680566	0.40	0.686	-.1059592	.1609783
_cons	-.0038122	.1584113	-0.02	0.981	-.3144791	.3068548

```
515 .
516 .
```

```
517 . *****
518 . /*LaborProd*/
519 . *****
520 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 7105
F( 4, 7100) = 416.37
Prob > F = 0.0000
R-squared = 0.4063
Root MSE = .61829
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5410898	.0155253	34.85	0.000	.5106556	.571524
dlCapInt	-.0781924	.0089138	-8.77	0.000	-.095666	-.0607188
dhhi	-.2425937	.152331	-1.59	0.111	-.5412078	.0560205
dum	.0334436	.0148671	2.25	0.025	.0042995	.0625876
_cons	-.1866113	.013306	-14.02	0.000	-.2126949	-.1605276

```
521 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 6430
F( 4, 6425) = 369.64
Prob > F = 0.0000
R-squared = 0.3983
Root MSE = .6323
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5401145	.0162733	33.19	0.000	.5082133	.5720156
dlCapInt	-.0785225	.0094133	-8.34	0.000	-.0969757	-.0600693
dhhi	-.2271082	.2083422	-1.09	0.276	-.6355285	.181312
dumind	.0340821	.0175098	1.95	0.052	-.0002429	.0684071
_cons	-.1873468	.0156027	-12.01	0.000	-.2179332	-.1567603

```
522 .
523 . drop dum dumind

524 .
525 .
526 . *****
527 . /*Industry 23: 9210, Motion picture and video*/
528 . gen dum = ((NACPRI>=9210 & NACPRI<9220) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

529 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
(635986 real changes made, 635986 to missing)

530 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
(29089 real changes made, 29089 to missing)

531 . gen dumind = ((NACPRI>=9210 & NACPRI<9220) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
```

```
532 . replace dumind = . if (NACPRI<9210 | NACPRI>=9220)
(816899 real changes made, 816899 to missing)
```

```
533 .
534 . *****
535 . /*PCM model*/
536 . *****
537 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

```
Regression with robust standard errors
Number of obs = 48575
F( 9, 48565) = 27.18
Prob > F = 0.0000
R-squared = 0.0083
Root MSE = 1.1952
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1769992	.0162673	-10.88	0.000	-.2088833	-.145115
dNCA	-.1689216	.0832345	-2.03	0.042	-.3320622	-.005781
dIvS	.0176145	.0029869	5.90	0.000	.0117601	.0234688
dIvS_sq	-.0000171	3.20e-06	-5.33	0.000	-.0000233	-.0000108
dlCapInt	.0111361	.0057425	1.94	0.052	-.0001192	.0223915
dlLabPd	.1394302	.0135592	10.28	0.000	.1128539	.1660064
dhhi	-.3097857	.200202	-1.55	0.122	-.7021841	.0826127
lAge	.0033104	.0103421	0.32	0.749	-.0169602	.023581
dum	.1022348	.0624957	1.64	0.102	-.0202575	.2247271
_cons	-.0422237	.0331121	-1.28	0.202	-.1071238	.0226764

```
538 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

```
Regression with robust standard errors
Number of obs = 551
F( 9, 541) = 1.27
Prob > F = 0.2480
R-squared = 0.0113
Root MSE = 1.25
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.0674103	.1069563	0.63	0.529	-.1426902	.2775108
dNCA	.1182947	.4228697	0.28	0.780	-.712373	.9489624
dIvS	.0361822	.4352987	0.08	0.934	-.8189006	.891265
dIvS_sq	.0214163	.1404506	0.15	0.879	-.254479	.2973116
dlCapInt	.0345429	.0454791	0.76	0.448	-.0547943	.12388
dlLabPd	-.0370974	.0847199	-0.44	0.662	-.2035176	.1293229
dhhi	-2.704835	1.043271	-2.59	0.010	-4.754193	-.6554759
lAge	-.0602937	.0795563	-0.76	0.449	-.2165707	.0959834
dumind	.1042783	.1208385	0.86	0.389	-.1330919	.3416485
_cons	.1512732	.2662754	0.57	0.570	-.3717872	.6743337

```
539 .
540 .
```

```
541 . *****
542 . /*LaborProd*/
543 . *****
544 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 90852
F( 4, 90847) = 2412.53
Prob > F = 0.0000
R-squared = 0.3646
Root MSE = .51619
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.470183	.0056151	83.74	0.000	.4591775	.4811885
dlCapInt	-.0667463	.0022929	-29.11	0.000	-.0712403	-.0622522
dhhi	.0610074	.059731	1.02	0.307	-.0560648	.1780795
dum	.0357138	.0221606	1.61	0.107	-.0077207	.0791483
_cons	-.2051097	.0034473	-59.50	0.000	-.2118664	-.198353

```
545 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 1655
F( 4, 1650) = 110.32
Prob > F = 0.0000
R-squared = 0.4189
Root MSE = .68409
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5127463	.0291302	17.60	0.000	.4556103	.5698823
dlCapInt	-.1091999	.0202242	-5.40	0.000	-.1488678	-.0695321
dhhi	.2095205	.2810574	0.75	0.456	-.3417462	.7607872
dumind	.0792514	.0348586	2.27	0.023	.0108797	.1476231
_cons	-.2323775	.0280451	-8.29	0.000	-.2873852	-.1773697

```
546 .
547 . drop dum dumind

548 .
549 .
550 . *****
551 . /*Industry 24: 9220, Radio and television*/
552 . gen dum = ((NACPRI>=9220 & NACPRI<9230) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

553 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
(636954 real changes made, 636954 to missing)

554 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
(29089 real changes made, 29089 to missing)

555 . gen dumind = ((NACPRI>=9220 & NACPRI<9230) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
```

```
556 . replace dumind = . if (NACPRI<9220 | NACPRI>=9230)
      (818374 real changes made, 818374 to missing)
```

```
557 .
558 . *****
559 . /*PCM model*/
560 . *****
561 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

```
Regression with robust standard errors
Number of obs = 48354
F( 9, 48344) = 27.23
Prob > F = 0.0000
R-squared = 0.0083
Root MSE = 1.1953
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1779867	.0163247	-10.90	0.000	-.2099833	-.1459901
dNCA	-.1674672	.0828575	-2.02	0.043	-.3298691	-.0050654
dIvS	.0177357	.0029993	5.91	0.000	.0118571	.0236143
dIvS_sq	-.0000172	3.21e-06	-5.35	0.000	-.0000235	-.0000109
dlCapInt	.010991	.0057684	1.91	0.057	-.0003151	.0222972
dlLabPd	.1435776	.013616	10.54	0.000	.11689	.1702652
dhhi	-.2760602	.2009054	-1.37	0.169	-.6698374	.1177169
lAge	.0029612	.0103837	0.29	0.776	-.017391	.0233134
dum	-.0523657	.1001891	-0.52	0.601	-.2487377	.1440063
_cons	-.0397216	.0332549	-1.19	0.232	-.1049016	.0254584

```
562 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

```
Regression with robust standard errors
Number of obs = 206
F( 9, 196) = 1.62
Prob > F = 0.1113
R-squared = 0.0777
Root MSE = 1.3106
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.2264723	.2011685	1.13	0.262	-.1702604	.623205
dNCA	.8976053	.8044714	1.12	0.266	-.6889258	2.484136
dIvS	1.49207	2.985645	0.50	0.618	-4.396044	7.380183
dIvS_sq	-2.36742	5.81411	-0.41	0.684	-13.83367	9.098825
dlCapInt	-.1487335	.1051915	-1.41	0.159	-.3561859	.0587189
dlLabPd	.2326462	.1803065	1.29	0.198	-.1229437	.588236
dhhi	9.31936	4.711076	1.98	0.049	.0284533	18.61027
lAge	.1566594	.2013137	0.78	0.437	-.2403596	.5536785
dumind	-.1249743	.2808799	-0.44	0.657	-.6789091	.4289604
_cons	-.0616148	.6866453	-0.09	0.929	-1.415776	1.292547

```
563 .
564 .
```

```
565 . *****
566 . /*LaborProd*/
567 . *****
568 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors          Number of obs =    90284
                                                F( 4, 90279) =  2345.99
                                                Prob > F      =   0.0000
                                                R-squared    =   0.3635
                                                Root MSE    =   .51437
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4693337	.0056625	82.88	0.000	.4582353	.4804321
dlCapInt	-.0662549	.0022951	-28.87	0.000	-.0707534	-.0617565
dhhi	.0643911	.0599973	1.07	0.283	-.0532031	.1819852
dum	-.0072474	.0302266	-0.24	0.811	-.0664913	.0519964
_cons	-.205567	.0034692	-59.25	0.000	-.2123667	-.1987673

```
569 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors          Number of obs =    610
                                                F( 4, 605) =   29.07
                                                Prob > F      =   0.0000
                                                R-squared    =   0.3975
                                                Root MSE    =   .65128
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4997407	.058512	8.54	0.000	.3848294	.6146519
dlCapInt	-.086063	.0334264	-2.57	0.010	-.1517088	-.0204172
dhhi	-.7227578	1.300439	-0.56	0.579	-3.276681	1.831165
dumind	.0496503	.0626834	0.79	0.429	-.0734532	.1727538
_cons	-.237795	.0653463	-3.64	0.000	-.3661281	-.1094619

```
570 .
571 . drop dum dumind

572 .
573 .
574 . *****
575 . /*Industry 25: 9240, News agencies*/
576 . gen dum = ((NACPRI==9240) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))

577 . replace dum = . if (dum==0 & (NACPRI<3000 | NACPRI>=5100))
    (637522 real changes made, 637522 to missing)

578 . replace dum = . if ((NACPRI>=3100 & NACPRI<3200) | (NACPRI>=3300 & NACPRI<3400) | (NACPRI>=3500 & NACPRI<
    (29089 real changes made, 29089 to missing)

579 . gen dumind = ((NACPRI==9240) & (CNTRYCDE!="NL" & CNTRYCDE!="FR" & CNTRYCDE!="PT"))
```

```
580 . replace dumind = . if (NACPRI!=9240)
(819058 real changes made, 819058 to missing)
```

```
581 .
582 . *****
583 . /*PCM model*/
584 . *****
585 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dum, robust
```

```
Regression with robust standard errors                                Number of obs =    48213
                                                                    F( 9, 48203) =    27.48
                                                                    Prob > F         =    0.0000
                                                                    R-squared        =    0.0085
                                                                    Root MSE        =    1.195
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.1799149	.0163677	-10.99	0.000	-.2119958	-.147834
dNCA	-.1697502	.0836366	-2.03	0.042	-.3336791	-.0058214
dIvS	.0176277	.0029895	5.90	0.000	.0117684	.0234871
dIvS_sq	-.0000171	3.20e-06	-5.33	0.000	-.0000233	-.0000108
dlCapInt	.0112414	.0057752	1.95	0.052	-.000078	.0225608
dlLabPd	.1431903	.0136622	10.48	0.000	.1164122	.1699684
dhhi	-.3119672	.2013491	-1.55	0.121	-.7066141	.0826797
lAge	.0031053	.0103857	0.30	0.765	-.0172508	.0234613
dum	-.0414389	.2554538	-0.16	0.871	-.5421316	.4592538
_cons	-.0415381	.0332598	-1.25	0.212	-.1067279	.0236516

```
586 . reg dlPCM dlSales dNCA dIvS dIvS_sq dlCapInt dlLabPd dhhi lAge dumind, robust
```

```
Regression with robust standard errors                                Number of obs =    51
                                                                    F( 9, 41) =    19.48
                                                                    Prob > F         =    0.0000
                                                                    R-squared        =    0.1267
                                                                    Root MSE        =    1.4949
```

dlPCM	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	-.4741092	.2820452	-1.68	0.100	-1.043711	.0954927
dNCA	-1.569563	2.304975	-0.68	0.500	-6.224555	3.085429
dIvS	6.743805	9.978893	0.68	0.503	-13.40898	26.89659
dIvS_sq	-5.416661	21.78338	-0.25	0.805	-49.40909	38.57577
dlCapInt	.0410881	.2203978	0.19	0.853	-.4040142	.4861904
dlLabPd	.307831	.4463422	0.69	0.494	-.5935753	1.209237
dhhi	-5.297558	7.701887	-0.69	0.495	-20.85183	10.25672
lAge	.100996	.1913415	0.53	0.600	-.285426	.487418
dumind	.1860517	.5931384	0.31	0.755	-1.011816	1.383919
_cons	-.3731456	.6455587	-0.58	0.566	-1.676878	.9305867

```
587 .
588 .
```

```
589 . *****
590 . /*LaborProd*/
591 . *****
592 . reg dlLabPd dlSales dlCapInt dhhi dum, robust
```

```
Regression with robust standard errors
Number of obs = 89902
F( 4, 89897) = 2329.71
Prob > F = 0.0000
R-squared = 0.3632
Root MSE = .51356
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.4689418	.0056734	82.66	0.000	.4578221	.4800616
dlCapInt	-.0661686	.0022968	-28.81	0.000	-.0706704	-.0616669
dhhi	.0690808	.0599791	1.15	0.249	-.0484776	.1866392
dum	-.0581356	.0534607	-1.09	0.277	-.1629181	.0466469
_cons	-.2057707	.0034747	-59.22	0.000	-.2125811	-.1989603

```
593 . reg dlLabPd dlSales dlCapInt dhhi dumind, robust
```

```
Regression with robust standard errors
Number of obs = 139
F( 4, 134) = 41.59
Prob > F = 0.0000
R-squared = 0.5388
Root MSE = .51283
```

dlLabPd	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
dlSales	.5062883	.0570793	8.87	0.000	.3933953	.6191812
dlCapInt	-.1330922	.0390046	-3.41	0.001	-.2102365	-.0559479
dhhi	.7037414	1.217928	0.58	0.564	-1.705108	3.112591
dumind	-.054127	.0929745	-0.58	0.561	-.2380144	.1297603
_cons	-.2131844	.0800694	-2.66	0.009	-.3715476	-.0548211

```
594 .
595 . drop dum dumind

596 .
597 . log close
      log: C:\E-commerce\e-commerce_13_5_2007.smcl
      log type: smcl
      closed on: 13 May 2007, 16:23:12
```