

A. Matching Issues and Robustness to EIN Cases

We consider private equity transactions that involve U.S. firms as buyout targets. Our analysis relies on a unique new dataset that combines information on private equity transactions from CapitalIQ and other sources with establishment-level and firm-level data from the Census Bureau's Longitudinal Business Database (LBD) and Annual Surveys and Censuses of Manufactures (ASM and CM). The linkage is accomplished by matching name and address information for target firms in private equity buyout transactions to name and address data of their establishments in the Census Bureau's Business Register (BR).¹ The BR, LBD, ASM and CM all contain common identifiers that facilitate easy linking of establishment and firm data across each source. We use the LBD to follow target firms and their establishments over time, obtaining annual observations. We also use the BR and LBD to identify controls (comparable firms and establishments) and follow them over time as well. Our productivity analysis involves additional matching to observations in the CM and ASM.

The LBD tracks establishments and their parent firms using a combination of administrative records and survey collections that include the Company Organization Survey (COS), the Economic Censuses and the Annual Surveys of Businesses (e.g., the ASM). Information about the company structure is incorporated in the LBD by attaching firm identifiers to records for establishments (physical locations where economic activity occurs). Ownership changes are identified when establishments switch parent firm through mergers, acquisitions and divestitures.

The Census Bureau assigns a unique firm ID to all the establishments under common ownership and control in a given year, including establishments that belong to subsidiaries under control of the parent corporation. This firm ID is distinct from a taxpayer ID such as the employer identification number (EIN). The relationships among the various IDs are as follows. In any given year, an establishment is uniquely associated with a single taxpayer ID and a single firm ID. Moreover, each taxpayer ID is uniquely associated with a firm ID. In the case of multi-establishment firms, a parent firm ID has multiple affiliated establishment IDs and potentially multiple EINs. Put differently, the EIN as a unit of observation is somewhere between an establishment and a firm.

To match deals and target firms in the Capital IQ data to the Census Business Register, our main method works as follows. First, we use name and address information in the two data sources to match a particular deal to a specific unit in the BR. Because the matching algorithm relies partly on address information, this step identifies a specific matched establishment owned by the target firm – often but not always a headquarters facility. In a second step, we use the BR link between that establishment's ID and its firm ID to identify the target firm in the BR. In most cases, this method accurately identifies the target firm in the BR and all of its activity.

¹ The LBD is actually a value-added product constructed by longitudinally linking annual BR snapshots. The LBD is engineered to link trivially to the BR.

To investigate the representativeness of our matched cases, we compare them to all buyouts in several respects: average real deal size, share of deals by type of buyout, and share of deals by broad industry sector. Before discussing the results, shown in Tables A.1-A.3, a few remarks are in order.

To measure deal size, we use information in CapitalIQ about the enterprise value (debt plus equity) of the target firm at the time of transaction. Because CapitalIQ reports enterprise value for only about half the targets, we impute this value for the other half as follows. For cases with reported values, we estimate a regression that relates the log real enterprise value to sets of fixed effects for buyout type, industry sector of the target firm, and transaction year. Since there are few deals in the first few years, we group 1980-82 and 1983-84 in constructing the “year” effects. All three sets of fixed effects are jointly significant, and the regression R-squared value is 0.24. We use this regression to impute missing enterprise values.

With these remarks as background, Table A.1 reports average real enterprise value for matched and all deals by decade. (Here, and in Tables A.2 and A.3, we report comparisons by decade rather than year to respect disclosure restrictions that protect confidentiality.) Average enterprise size is about 10 percent larger for matched targets than for all targets. Average enterprise value of targets declines sharply across the decades, as the number of deals rose strongly (Figure 1), a pattern that emerges very clearly for matched targets and all targets.

Tables A.2 and A.3 show comparisons for buyout type and industry sector, respectively, by decade. Here and when imputing enterprise values, but unlike the rest of the paper, we rely on industry classifications in CapitalIQ. Private-to-private deals predominated in the 1980s and 1990s, but became somewhat less important post 2000. The matched sample also shows this pattern. Overall, the patterns in the matched sample are similar to those of all buyouts. Our matched sample shows a smaller share of divisional cases in the post 2000 period relative to all transactions (30 percent compared to 39 percent), but it still captures the rise in the role of divisional cases in the post-2000 period. Recall that divisional transactions are amongst the most complex to match. Table A.3 shows that the industrials became somewhat more important over time, while consumer staples and discretionary sectors became somewhat less important. The matched sample captures these patterns well.

Another set of issues arises for the firm level analysis for divisional buyouts. For divisional buyouts, we could not always identify the correct target firm in the BR after matching the deal to a specific establishment. These instances arose because, in some cases, the Census firm ID associated with the matched establishments did not change to reflect the ownership change of the division or subsidiary involved in the deal. We identified these problematic cases by observing that the matched target establishment remained affiliated with the parent seller firm even after the transaction. It is our understanding that the Census Bureau on occasion had difficulty tracking the new firm in divisional buyouts because of nonresponse on the COS or other survey instruments. In considering these cases, it is important to note that the BR still accurately tracks the activity of the target establishments over time.

We thus had two types of divisional cases. The first are those where we could accurately identify the target firm using our main method. The second are those where we could not accurately identify the target firm using our main method. Even in those cases, we were able to link the matched establishment to at least a part of the target firm through the EIN (taxpayer ID).

The complete target firm may or may not be identified in such cases, because the divisional business involved in the buyout may have operated with multiple EINs. In the main text and this appendix, we refer to such cases as EIN cases. In these EIN cases, we can accurately identify a part of the target firm in the transaction year and at least some of the corresponding target establishments.

Given the presence of EIN cases in our matched data samples, we proceed as follows. In the establishment-level analysis that tracks the pre and post outcomes of target and control establishments, we use both firm ID cases based on our main method and EIN cases. Longitudinal establishment links in the BR allow us to track the pre and post outcomes regardless of ownership, so the inclusion of EIN cases involves no issues for our establishment-level analysis.

We exclude the EIN cases in the firm-level analysis, because the EIN is not suitable for tracking firms over time. For example, a target firm that adds a new establishment may obtain a new EIN for that establishment for accounting or tax reasons. Table 2 in the main text reports statistics for the EIN cases in the sample for the 1980-2003 period. There are 391 EIN cases over this period out of a total of 2265 target firms.

To check the sensitivity of our results to the EIN cases, we repeated the establishment-level analysis in Section 5 of the main text for the subsample that excludes the EIN cases. Figures A.1 to A.3 and Table A.4 below report the results. In all cases, they are quite similar to those reported in the main text. We conclude that omission of the 391 EIN cases is unlikely to cause a serious bias in the firm-level analyses reported in the main text.

We also encountered other matching problems when integrating the Census Business Register and Capital IQ data. In a few case cases where we retimed the transaction forward, we could not accurately identify the target firm in the forward year. These 16 cases are excluded from our analysis.

Figure A.1A: Comparison of Employment Trajectory for Target Establishments to Controls, Buyouts from 1980 to 2000, Excluding EIN Cases

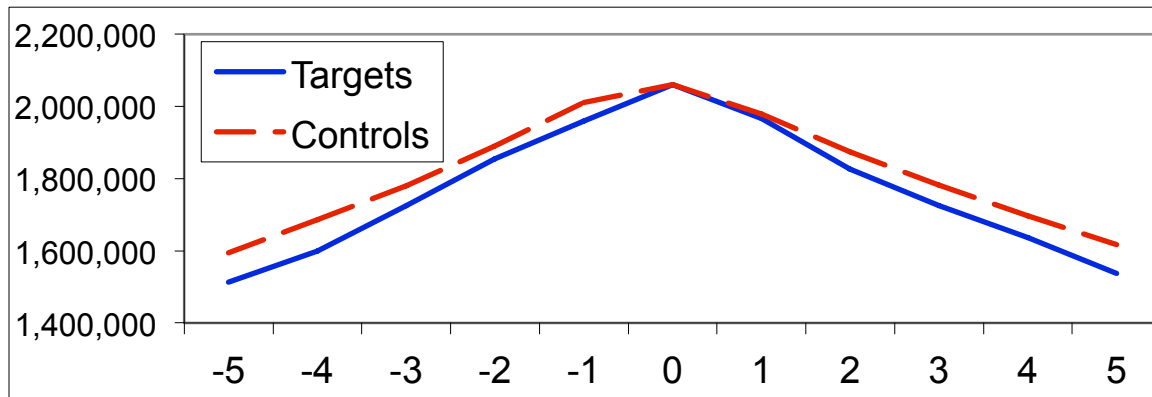


Figure A.1B: Employment Growth Rate Differences before and after the Buyout Year, Target Establishments Minus Controls, Buyouts from 1980 to 2000, Excluding EIN Cases

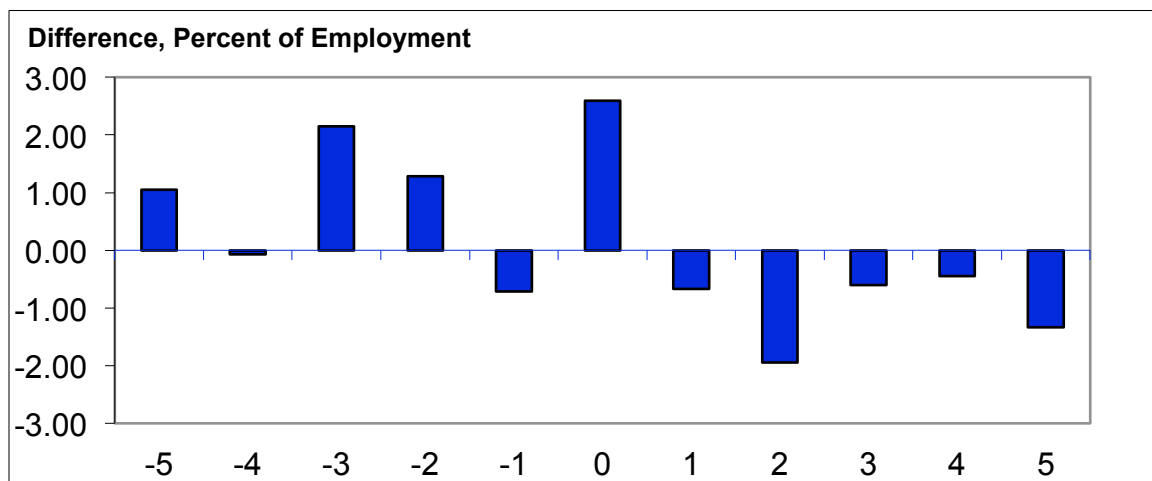


Figure A.2A: Job Creation Rates before and after Buyout Year, Target Establishments Minus Controls, Buyouts from 1980 to 2000, Excluding EIN Cases

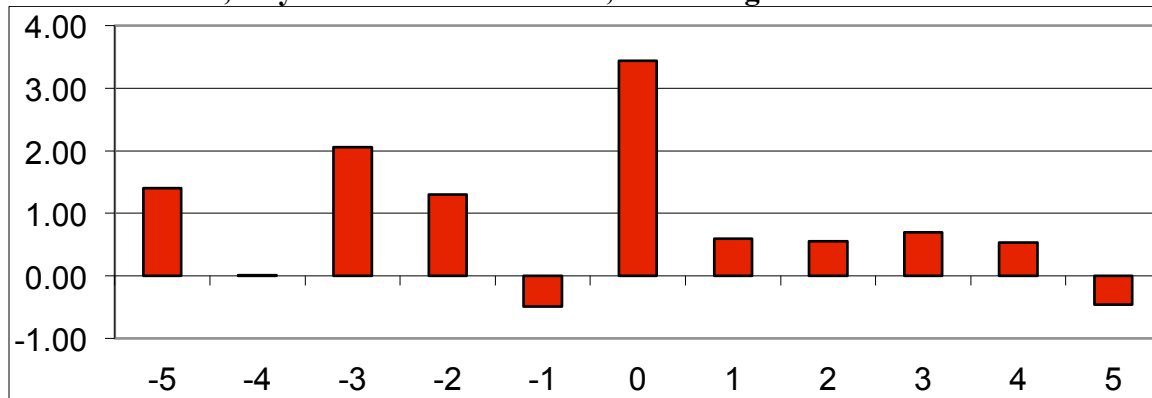


Figure A.2B: Job Destruction Rates before and after Buyout Year, Target Establishments Minus Controls, Buyouts from 1980 to 2000, Excluding EIN Cases

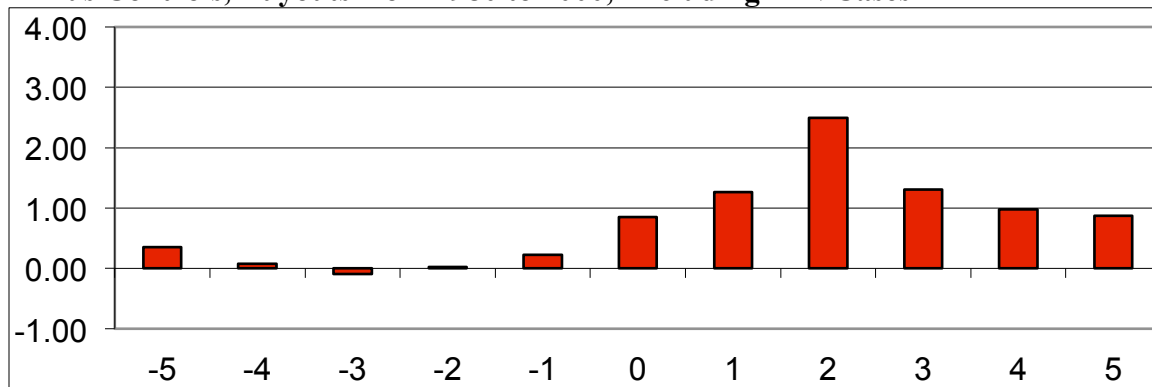


Figure A.3: Employment-Weighted Establishment Exit Rates Post Buyout, Targets Minus Controls, Buyouts from 1980 to 2000, Excluding EIN Cases

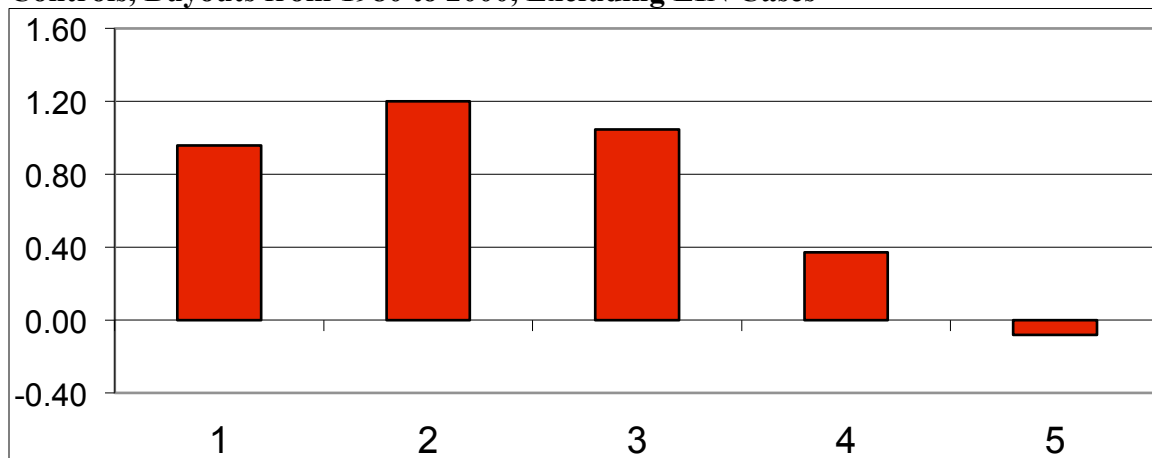


Table A.1. Average Enterprise Value of Private Equity Targets, Total and Matched by Decade (millions of 2000 \$)

	1980-1989	1990-1999	2000-2005
Matched	880	235	169
Total	823	216	154

Table A.2. Share of Transactions by Type of Buyout, Total and Matched by Decade

	1980-1989		1990-1999		2000-2005	
	Matched	Total	Matched	Total	Matched	Total
<i>Public to Private</i>	15	13	12	10	12	9
<i>Private to Private</i>	54	54	51	50	37	33
<i>Divisional Sales</i>	25	28	25	29	30	39
<i>Secondary+Other</i>	5	5	12	11	21	19

Table A.3. Share of Transactions by Broad Sectors, Total and Matched by Decade

	1980-1989		1990-1999		2000-2005	
	Matched	Total	Matched	Total	Matched	Total
<i>Materials</i>	7	7	10	9	9	7
<i>Industrials</i>	14	14	23	20	25	22
<i>Consumer Discretionary</i>	32	36	27	26	26	25
<i>Consumer Staples</i>	11	11	7	6	5	4
<i>Information Technology</i>	12	12	9	10	15	15
<i>All Others</i>	24	20	25	27	21	27

Note: Broad Sector Definitions from Capital IQ.

Table A.4 Post-Buyout Employment Growth Rates at Target Establishments Relative to Controls, Buyouts from 1980 to 2000, Excluding EIN cases.

	Non-Parametric Comparison From Figure A.1B	Regression Approaches	
		ATE=ATE1	ATE1 Heterogeneous
Buyout Year	2.59	2.75	2.97
		(0.18)	(0.19)
Buyout Year +1	-0.67	-0.45	-0.94
		(0.21)	(0.21)
+2	-1.94	-1.39	-1.44
		(0.22)	(0.22)
+3	-0.60	-0.09	-0.01
		(0.22)	(0.23)
+4	-0.45	0.13	0.25
		(0.23)	(0.23)
+5	-1.33	-1.32	-1.55
		(0.24)	(0.24)
Cumulative, Years 1 to 5	-4.99	-3.13	-3.69

Notes:

1. See notes 1, 2 and 3 to Table 3 in the main text.
2. The average number of establishment-level observations in each regression or nonparametric comparison is about 4.3 million. The observation count falls with each successive year following the transaction year because of target deaths and deleted observations for the corresponding control establishments.

B. Supplemental Descriptive Statistics Referenced in Section 4 of the Main Text

Figures B.1 and B.2 referenced in Section 4 of the main text are displayed below.

Figure B.1A: Industry Distribution of Employment, Buyout Targets Compared to the Full LBD, 2002 to 2005

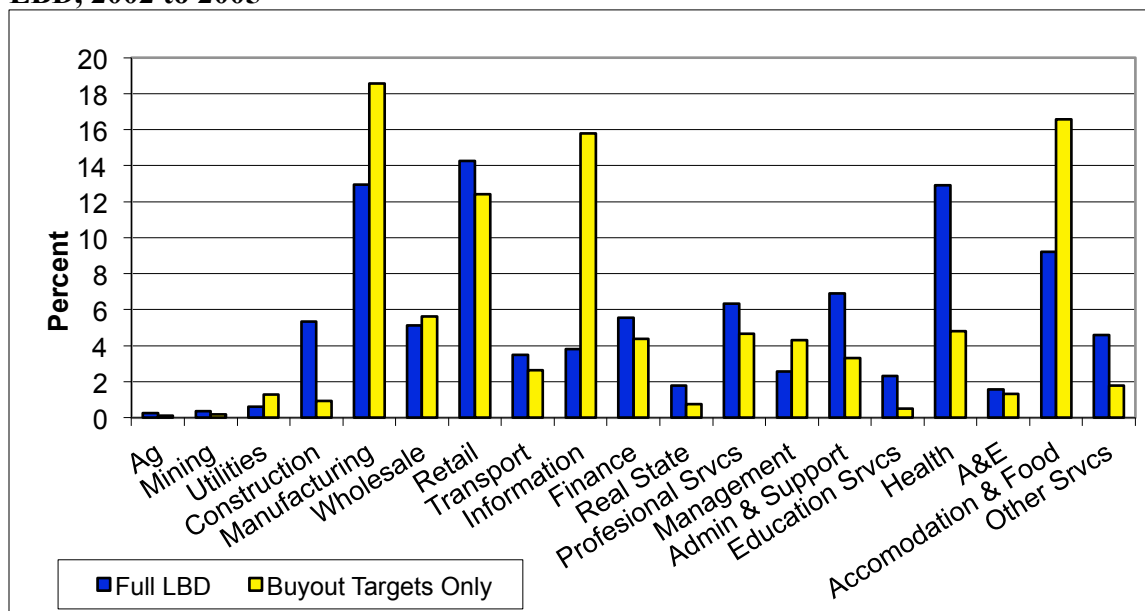


Figure B.1B: Industry Distribution of Employment, Buyout Targets Compared to the Full LBD, 1981 to 2001

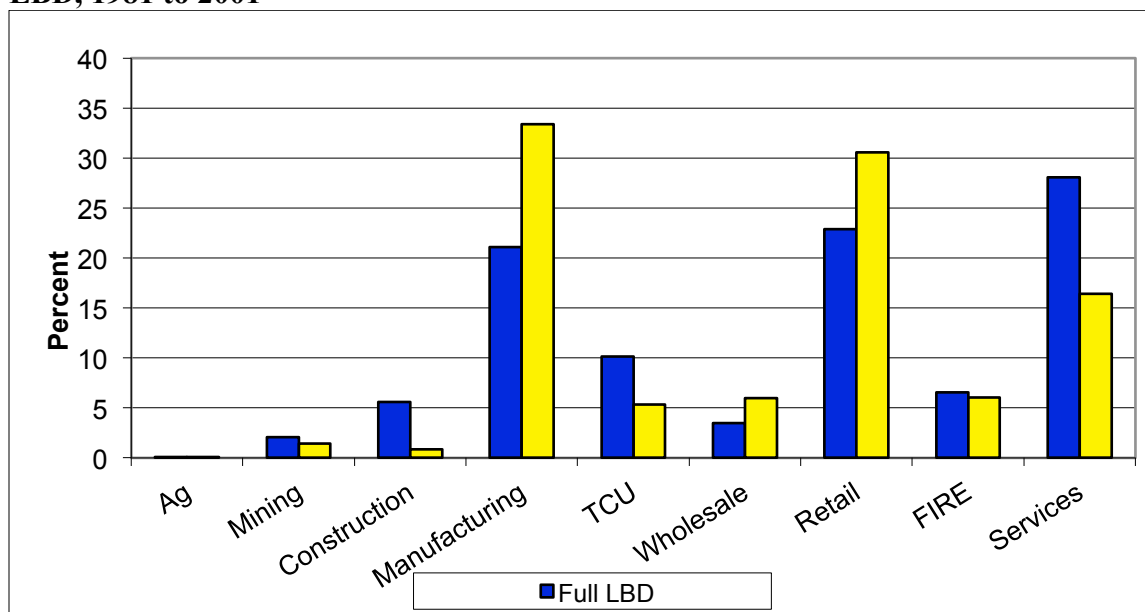


Figure B.2A: Distribution of Employment by Firm Size (Number of Employees), Buyout Targets Compared to Full LBD, 1980-2005

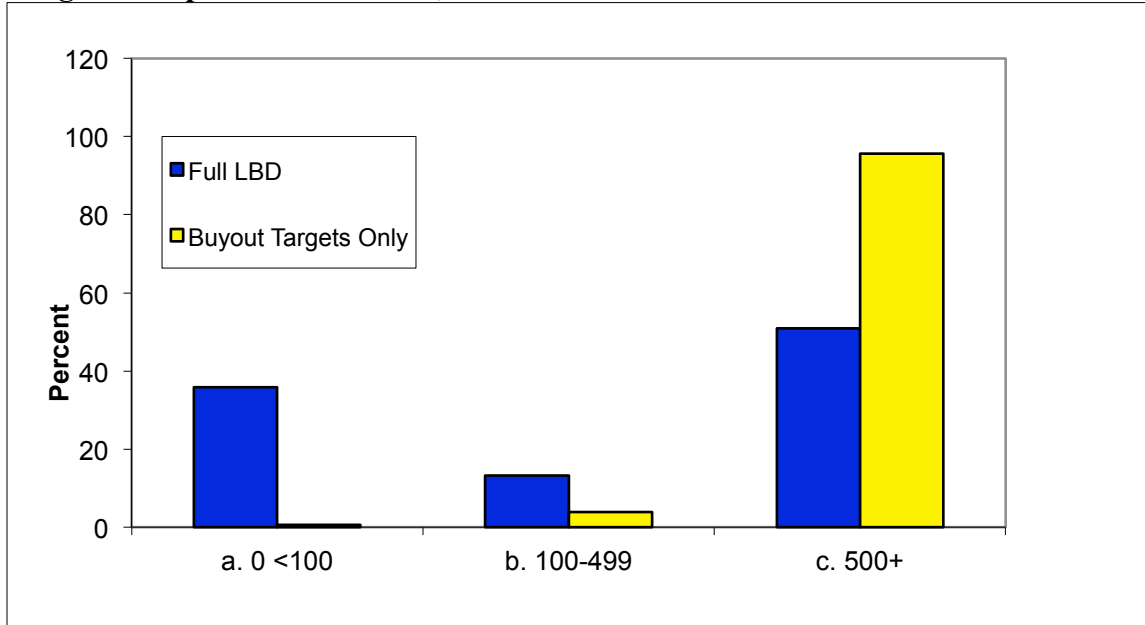
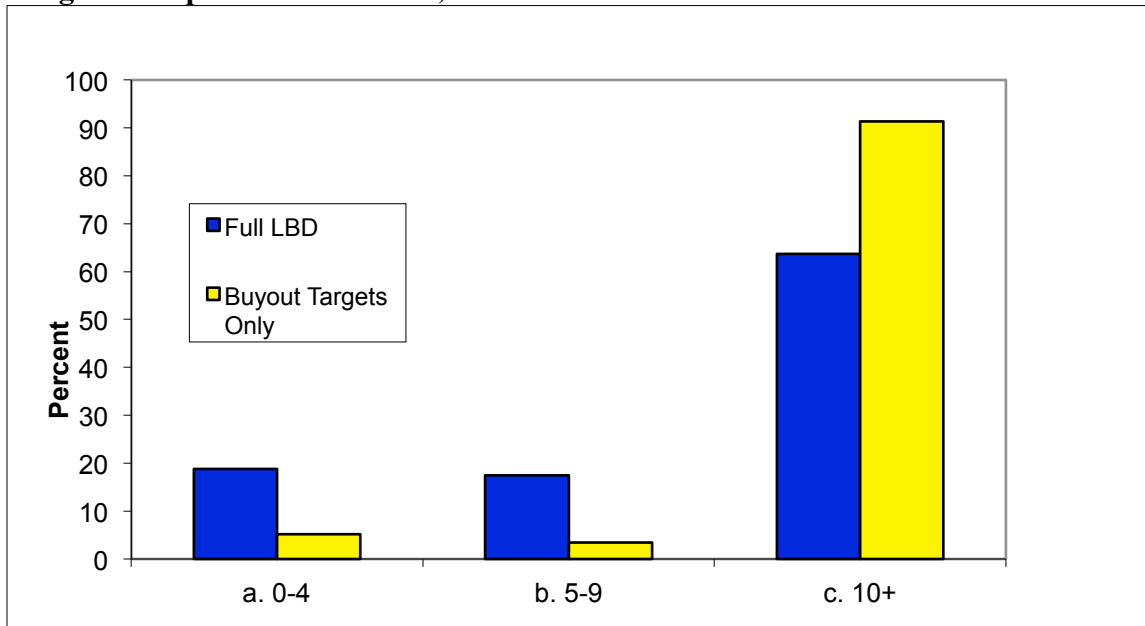


Figure B.2B: Distribution of Employment by Age of Firm's Oldest Establishment, Buyout Targets Compared to Full LBD, 1980-2005



C. Semi-Parametric Regression Specifications and Supplemental Results Referenced in Sections 5, 6 and 7 of the Main Text

Table 3, 4 and 5 report results for two types of semi-parametric regression specifications: an ATE=ATE1 specification that imposes uniform treatment effects and an ATE1 Heterogeneous specification that allows treatment effects to vary by firm size, firm age and our two measures of pre-buyout growth history.

The ATE=ATE1 specification can be written

$$Y_{i,t+j} = \alpha_j + \sum_c D_{cit} \theta_{c,j} + \lambda_{o,j} LFIRM_{it} + \lambda_{1,j} LEST_{it} + \gamma_j PE_{it} + \varepsilon_{i,t+j},$$

where Y_{it} is the outcome variable (e.g., rate of growth, job creation, or job destruction) for firm i at time $t+j$ for some $j \in \{1,2,3,4,5\}$, D_{cit} is a set of dummy variables for cell c for firm i at time t where the cells are defined by the full cross product of buyout year t , industry, firm size category, firm age category and multi-unit status, $LFIRM_{it}$ is the growth rate from $t-3$ to $t-1$ of the parent firm as of $t-3$, $LEST_{it}$ is the growth rate from $t-3$ to $t-1$ for the establishments that constitute the target firm in year t , and PE_{it} is a dummy variable equal to 1 for a target firm.

The ATE1 Heterogeneous specification is

$$Y_{i,t+j} = \alpha_j + \sum_c D_{cit} \theta_{c,j} + \lambda_{o,j} LFIRM_{it} + \lambda_{1,j} LEST_{it} + \sum_k D_{kit} PE_{it} \gamma_{k,j} + \gamma_{o,j} LFIRM_{it} PE_{it} + \gamma_{1,j} LEST_{it} PE_{it} + \varepsilon_{i,t+j}$$

All variables are defined as above, but the ATE1 heterogeneous specification allows the treatment effect to vary by characteristics including a set of cell-based variables k (in practice by firm size and by firm age – not interacted) and the lagged growth terms. To recover the average treatment effect on the treated in this case, we compute a weighted average of the heterogeneous estimated treatment effects, using cell-level employment weights of targets in the buyout year. We calculate standard errors by the Delta method.

As remarked in Section 5 of the main text, on average employment expands at target and control establishments before the buyout year, and it shrinks at both sets of establishments after the buyout. This pattern is evident in Figure C.1 below.

Tables C.1 and C.2 provide additional information related to Table 6 of Section 6. Figures C.2 and C.3 and Table C.3 report results referenced in Section 6.D in the main text. Figure C.2 shows that target-control employment growth rate differences are negative for buyouts that took place in the 1980s, from 1990 to 94, and from 1995 to 2000. Figure C.3 shows the evolution of target-control employment growth rate differences before and after buyouts from 1980 to 2000 in three major industry sectors: Manufacturing, Retail Trade, and Services. Table C.3 shows the robustness of the results in Table 4 in the main text to dropping independent variables firm size and firm age respectively from the specifications. Table C.4 provides an expanded version of

Table 7 in the main text. Table C.5 reports results referenced in Section 7.D for EPW regressions by type of private equity buyout and by major industry sector.

Figure C.1: Employment Growth Rates before and after the Buyout Year, Targets and Controls Compared, Buyouts from 1980 to 2000

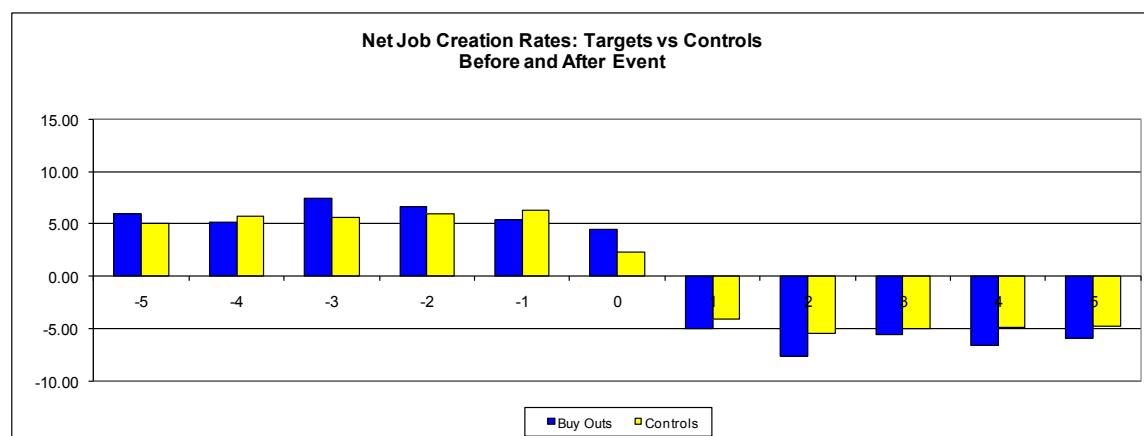


Table C.1: Cumulative Two-Year Reallocation at Target Firms and Controls, Buyouts from 1980 to 2003, Role of Within-Firm/Within-County Reallocation

<i>Rates Expressed as a Percent of Employment</i>	Target Firms	Control Firms	Difference
Organic Changes Only, Excluding Acquisitions and Divestitures			
Job Reallocation	51.85	45.58	6.27
Excess Within-Firm Job Reallocation	33.09	27.02	6.06
Excess Within-Firm/Within-County Job Reallocation	16.10	13.52	2.58
All Adjustment Margins			
Job Reallocation	69.07	55.10	13.97
Excess Within-Firm Job Reallocation	38.82	29.82	9.01
Excess Within Firm/County Job Reallocation	18.08	14.57	3.51

Notes: See notes to Table 6 and Section 6.C in the main text.

Table C.2: Cumulative Two-Year Job Reallocation at Target Firms And Controls, Buyouts from 1980 to 2003, Manufacturing Only

A. Organic Changes, Excluding Acquisitions and Divestitures

<i>Rates Expressed as a Percent of Employment</i>	Target Firms	Control Firms	Difference
Job Creation	13.34	14.62	-1.29
<i>Continuers</i>	7.81	9.25	-1.45
<i>Births</i>	5.53	5.37	0.16
Job Destruction	19.73	19.44	0.29
<i>Continuers</i>	11.35	11.50	-0.15
<i>Deaths</i>	8.38	7.93	0.45
Employment Growth	-6.39	-4.81	-1.58
Job Reallocation	33.07	34.06	-0.99
Excess Within-Firm Reallocation	17.13	17.70	-0.57

B. All Adjustment Margins, Including Acquisitions and Divestitures

<i>Rates Expressed as a Percent of Employment</i>	Target Firms	Control Firms	Difference
Job Creation	22.01	20.17	1.84
Job Destruction	30.22	23.80	6.42
Employment Growth	-8.22	-3.63	-4.58
Job Reallocation	52.23	43.97	8.26
Excess Within-Firm Reallocation	23.63	21.78	1.86

Notes: See notes to Table 6 in the main text.

Figure C.2: Employment Growth Rate Difference before and after the Buyout Year, Target Establishments Minus Controls, by Time Period of Buyout Event

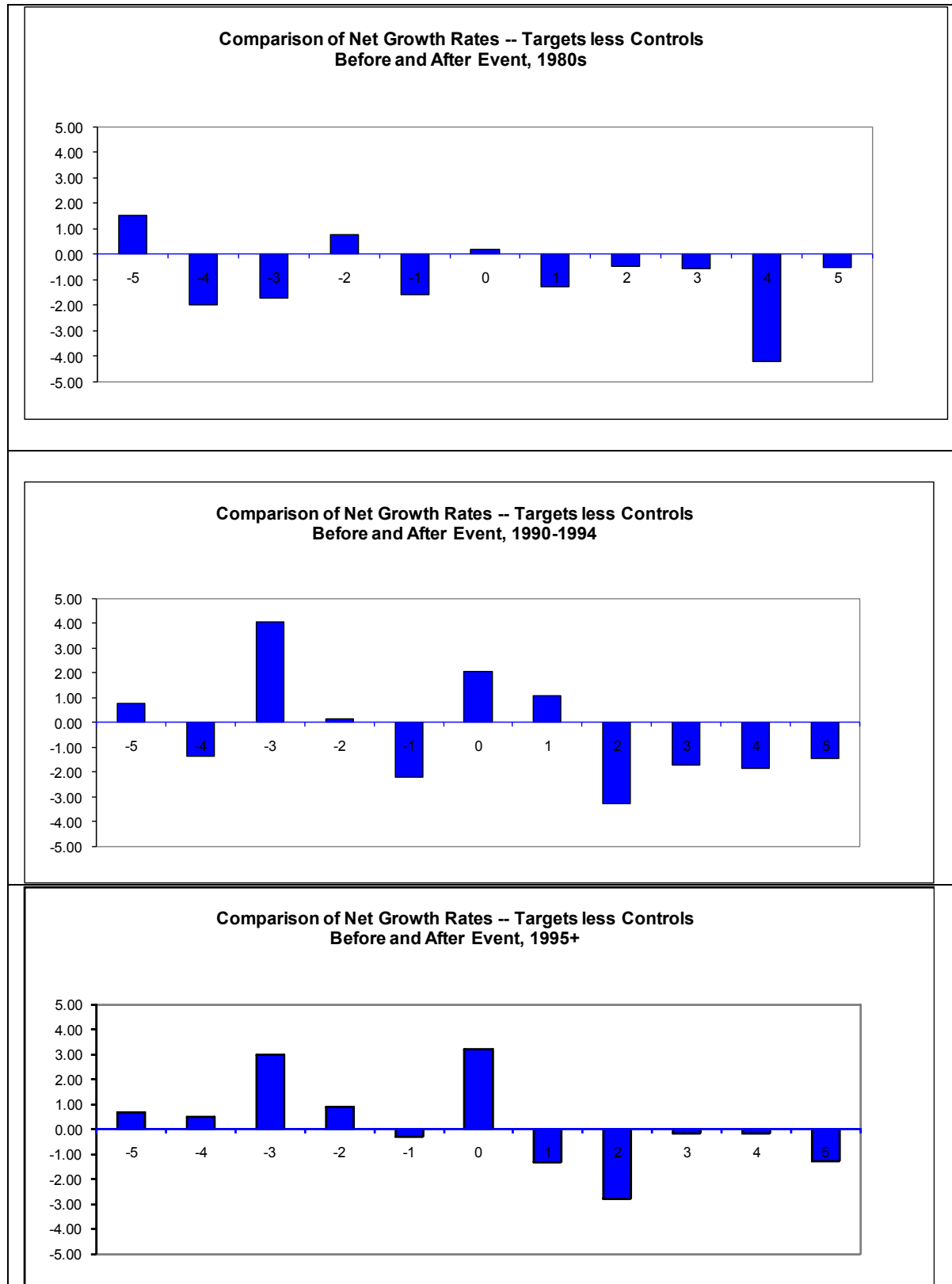


Figure C.3: Employment Growth Rate Difference for Selected Industry Sectors, Target Establishments Minus Controls, Buyouts from 1980 to 2000

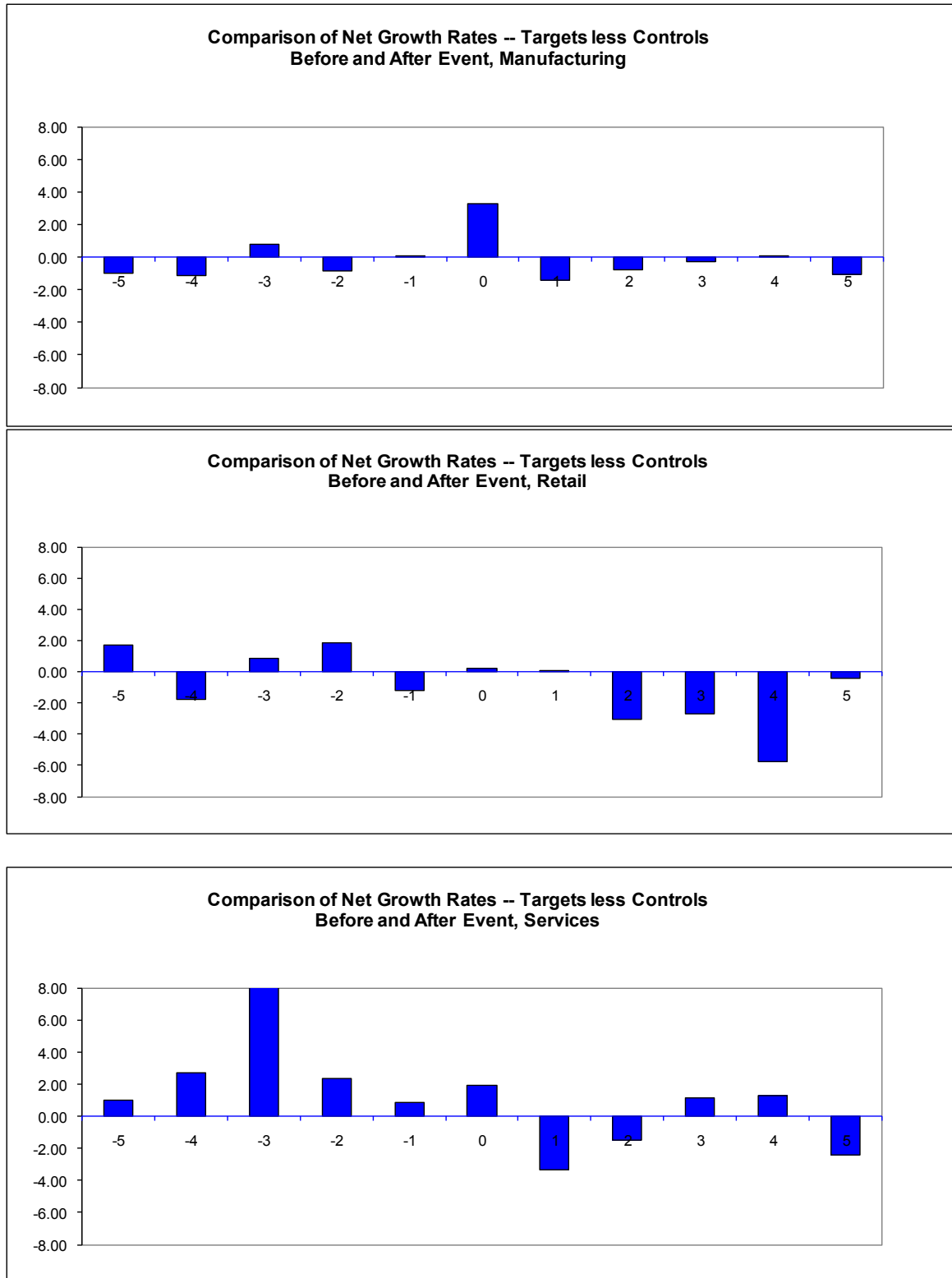


Table C.3. Robustness Check for Table 4 (Buyout Effects on Employment Growth Rate at Target Firms Relative To Controls, Buyouts from 1980 to 2003), Dropping Firm Size (Column 1) and Firm Age (Column 2) Controls

<i>Dependent Variable</i>	Regression Specification ATE1 Heterogeneous			
	Dropping Firm Size		Dropping Firm Age	
Firm-level Employment Growth Rate from Buyout Year t to $t+2$	Buyout Effect	R^2	Buyout Effect	R^2
	-0.45 (0.16)	0.07	-0.93 (0.16)	0.07
<i>By Adjustment Margin</i>				
Continuers	-1.34 (0.11)	0.10	-1.54 (0.11)	0.09
Creation	-0.92 (0.08)	0.16	1.05 (0.08)	0.16
Destruction	0.64 (0.07)	0.09	0.69 (0.07)	0.09
Deaths	4.09 (0.08)	0.06	4.08 (0.08)	0.06
Births	1.92 (0.05)	0.22	1.75 (0.05)	0.22
Acquisitions	5.65 (0.05)	0.13	5.58 (0.05)	0.13
Divestitures	2.73 (0.04)	0.06	2.79 (0.04)	0.06

Notes:

1. Employment-weighted regressions on Target and Control firms, with rates calculated over the two-year horizon from the event year t to $t+2$. Standard errors in parentheses.
2. The first column specifications include fully interacted firm age, industry, year, and multi-unit effects plus additional controls for pre-buyout growth history. The second column drops firm age and replaces it with firm size. The treatment effect is permitted to vary by firm age and the two measures of pre-buyout growth history in the first column. In the second column the treatment effect is permitted to vary by firm size and the two measures of pre-buyout growth history.
3. Each regression has 1,985,000 (rounded to nearest 1000) observations.

Table C.4: Buyout Effects on Target Firms Relative to Controls by Type of Buyout and Adjustment Margin, Buyouts from 1980 to 2003 (An Expanded Version of Table 7)

	<i>Type of Private Equity Buyout</i>				
<i>Dependent Variable</i>	Public to Private	Independent to Private	Divisional Buyout	Secondary Buyout	Other
Employment Growth Rate from Buyout Year t to $t+2$	-10.36 (0.38)	10.51 (0.24)	-1.47 (0.45)	7.15 (0.58)	-6.45 (0.80)
Adjustment Margin					
Continuers	1.41 (0.23)	1.45 (0.16)	-1.44 (0.31)	3.11 (0.38)	-1.84 (0.56)
Divestitures	6.80 (0.11)	0.15 (0.05)	5.34 (0.10)	-0.06 (0.16)	-1.52 (0.19)
Deaths	5.95 (0.17)	1.51 (0.12)	5.97 (0.23)	12.14 (0.30)	9.28 (0.44)
Births	-3.13 (0.13)	-0.38 (0.06)	3.32 (0.12)	17.23 (0.19)	1.5 (0.25)
Acquisitions	3.97 (0.13)	10.97 (0.06)	7.61 (0.12)	-1.21 (0.16)	1.7 (0.21)
Job Creation All	1.15 (0.24)	11.02 (0.14)	12.08 (0.27)	17.22 (0.37)	1.70 (0.50)
Job Destruction All	11.62 (0.26)	0.55 (0.17)	13.81 (0.30)	11.23 (0.40)	8.12 (0.56)
Excess Reallocation All	5.08 (0.21)	4.69 (0.10)	20.32 (0.19)	29.79 (0.27)	6.16 (0.40)
Number of Observations (rounded)	374,000	1,298,000	475,000	169,000	123,000

Notes:

1. The results are based on semi-parametric regressions that include fully interacted industry, year, firm age, firm size and multi-unit effects plus additional controls for pre-buyout growth history. The specification allows the treatment effect to vary by firm size, firm age, and the two measures of pre-buyout growth history.

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**Table C.5: Earnings per Worker (EPW) at Target and Control Establishments, Buyouts from 1980 to 2003,
By Type of Buyout and Selected Industry Sector**

	<i>A. Type of Private Equity Buyout</i>									
	Public to Private		Private to Private		Divisional Buyout		Secondary Buyout		Other	
Dependent Variable: Establishment-Level Log Real EPW in Year t	Targets	Controls	Targets	Controls	Targets	Controls	Targets	Controls	Targets	Controls
Continuers	0.030 (0.006)	Omitted Group	-0.024 (0.003)	Omitted Group	0.184 (0.009)	Omitted Group	0.045 (0.008)	Omitted Group	-0.091 (0.011)	Omitted Group
Exits	-0.039 (0.012)	-0.184 (0.010)	-0.163 (0.010)	-0.106 (0.005)	-0.081 (0.018)	-0.107 (0.011)	0.026 (0.014)	-0.014 (0.010)	-0.075 (0.030)	-0.166 (0.012)
Divestitures	0.079 (0.013)	-0.112 (0.010)	0.251 (0.017)	-0.029 (0.009)	0.178 (0.018)	0.032 (0.014)	0.200 (0.059)	-0.173 (0.017)	0.155 (0.066)	0.136 (0.023)
Dependent Variable: Establishment-Level Log Real EPW in Year $t+2$										
Continuers	-0.057 (0.007)	Omitted Group	-0.060 (0.003)	Omitted Group	0.148 (0.009)	Omitted Group	0.089 (0.008)	Omitted Group	-0.105 (0.011)	Omitted Group
Entrants	0.017 (0.012)	0.008 (0.014)	-0.067 (0.009)	0.039 (0.005)	0.005 (0.017)	-0.217 (0.011)	0.131 (0.012)	-0.001 (0.010)	0.113 (0.030)	-0.024 (0.015)
Acquisitions	-0.238 (0.026)	0.039 (0.016)	0.062 (0.009)	0.038 (0.007)	-0.191 (0.022)	-0.119 (0.013)	0.180 (0.026)	-0.003 (0.013)	-0.040 (0.060)	-0.066 (0.026)
Dependent Variable: Change in Log Real EPW from t to $t+2$										
Continuers from t to $t+2$	-0.072 (0.005)	Omitted Group	-0.023 (0.003)	Omitted Group	-0.004 (0.008)	Omitted Group	0.048 (0.007)	Omitted Group	0.016 (0.009)	Omitted Group

	<i>B. Major Industry Sector</i>									
	Manufacturing		Wholesale Trade		Retail Trade		FIRE		Services	
	Targets	Controls	Targets	Controls	Targets	Controls	Targets	Controls	Targets	Controls
Dependent Variable: Establishment-Level Log Real EPW in Year t										
Continuers in Year t	-0.004 (0.010)	Omitted Group	0.140 (0.008)	Omitted Group	0.032 (0.004)	Omitted Group	-0.090 (0.006)	Omitted Group	0.072 (0.006)	Omitted Group
Deaths	-0.035 (0.017)	-0.079 (0.012)	0.058 (0.025)	-0.070 (0.012)	-0.069 (0.012)	-0.112 (0.007)	-0.176 (0.014)	-0.126 (0.006)	0.096 (0.014)	-0.152 (0.012)
Divestitures	-0.030 (0.015)	-0.017 (0.011)	0.027 (0.074)	0.002 (0.016)	0.324 (0.014)	-0.129 (0.007)	0.107 (0.055)	0.046 (0.012)	0.253 (0.028)	-0.318 (0.017)
Dependent Variable: Establishment-Level Log Real EPW in Year $t+2$										
Continuers in Year $t+2$	-0.012 (0.011)	Omitted Group	0.041 (0.009)	Omitted Group	-0.059 (0.004)	Omitted Group	-0.024 (0.007)	Omitted Group	0.020 (0.007)	Omitted Group
Entrants	0.028 (0.022)	0.016 (0.011)	0.134 (0.030)	-0.124 (0.009)	-0.028 (0.010)	0.030 (0.006)	0.081 (0.012)	0.024 (0.006)	0.184 (0.013)	-0.042 (0.019)
Acquisitions	-0.066 (0.021)	-0.064 (0.017)	0.102 (0.036)	-0.098 (0.016)	0.048 (0.009)	0.152 (0.011)	0.215 (0.058)	-0.039 (0.007)	-0.030 (0.022)	0.071 (0.018)
Dependent Variable: Change in Log Real EPW from t to $t+2$										
Continuers from t to $t+2$	0.009 (0.006)	Omitted Group	-0.081 (0.009)	Omitted Group	-0.074 (0.003)	Omitted Group	0.092 (0.006)	Omitted Group	-0.064 (0.006)	Omitted Group

Notes: See notes to Table 11. Panel A reports results by type of buyout, and Panel B reports results by industry for industries with large numbers of buyouts. In Panel B we assign establishments to the industry of its parent firm, defined by the model industry of the establishments operated by that firm. We exclude single-unit firms and firms that exit in the first two years post buyout. These sample selection criteria have little impact on the results, because target firms are predominantly multi-unit continuers.