Online Appendix for “‘One Discriminatory Rent’ or ‘Double Jeopardy’: Multi-component Negotiation for New Car Purchases” by Meghan R. Busse and Jorge M. Silva-Risso

Figure 1 below shows the ratio of trade-in margin differences to new car margin differences. The spike at 0 arises in part from the fact that there is a non-negligible share of transactions in which the customer is paid exactly the “actual cash value” for his or her trade-in. Since the difference between the new car margins of two customers can be arbitrarily small, and the data set is large, the observed range of this ratio is very large. Figure 1 presents the truncated distribution of this ratio between 2 and -2.

**Figure 1**

![Figure 1](image)

Figure 2 below shows the ratio of financing and insurance (F&I) margin differences to new car margin differences. The spike at 0 arises in part from the fact that there is a non-negligible share of transactions in which the dealer does not mark up the customer’s interest rate above the rate offered by the financing institution. Since the difference between the new car margins of two customers can be arbitrarily small, and the data set is
large, the observed range of this ratio is very large. Figure 2 presents the truncated distribution of this ratio between 2 and -2.

Figure 2