

Table 1: Summary statistics

| Variable                             | Mean     | Std. Dev. | Min. | Max.  |
|--------------------------------------|----------|-----------|------|-------|
| <b><i>Panel A: Full sample</i></b>   |          |           |      |       |
| Price                                | 6165.257 | 2949.496  | 3291 | 15906 |
| Mileage (mpg)                        | 21.297   | 5.786     | 12   | 41    |
| Headroom (in.)                       | 2.993    | 0.846     | 1.5  | 5     |
| Weight (lbs.)                        | 3019.459 | 777.194   | 1760 | 4840  |
| Length (in.)                         | 187.932  | 22.266    | 142  | 233   |
| Turn Circle (ft.)                    | 39.649   | 4.399     | 31   | 51    |
| Displacement (cu. in.)               | 197.297  | 91.837    | 79   | 425   |
| Gear Ratio                           | 3.015    | 0.456     | 2.19 | 3.89  |
| N                                    |          | 74        |      |       |
| <b><i>Panel B: Foreign cars</i></b>  |          |           |      |       |
| Price                                | 6384.682 | 2621.915  | 3748 | 12990 |
| Mileage (mpg)                        | 24.773   | 6.611     | 14   | 41    |
| Headroom (in.)                       | 2.614    | 0.486     | 1.5  | 3.5   |
| Weight (lbs.)                        | 2315.909 | 433.003   | 1760 | 3420  |
| Length (in.)                         | 168.545  | 13.683    | 142  | 193   |
| Turn Circle (ft.)                    | 35.409   | 1.501     | 32   | 38    |
| Displacement (cu. in.)               | 111.227  | 24.881    | 79   | 163   |
| Gear Ratio                           | 3.507    | 0.297     | 2.98 | 3.89  |
| N                                    |          | 22        |      |       |
| <b><i>Panel C: Domestic cars</i></b> |          |           |      |       |
| Price                                | 6072.423 | 3097.104  | 3291 | 15906 |
| Mileage (mpg)                        | 19.827   | 4.743     | 12   | 34    |
| Headroom (in.)                       | 3.154    | 0.916     | 1.5  | 5     |
| Weight (lbs.)                        | 3317.115 | 695.364   | 1800 | 4840  |
| Length (in.)                         | 196.135  | 20.046    | 147  | 233   |
| Turn Circle (ft.)                    | 41.442   | 3.968     | 31   | 51    |
| Displacement (cu. in.)               | 233.712  | 85.263    | 86   | 425   |
| Gear Ratio                           | 2.807    | 0.336     | 2.19 | 3.58  |
| N                                    |          | 52        |      |       |

**Note:** Table shows summary statistics for cars in different estimation samples.

Table 2: Estimates of cars

|                                      | (1)<br>Base<br>(1)         | (2)<br>+trunk<br>(2)        | (3)<br>+headroom<br>(3)     | (4)<br>+length<br>(4)    |
|--------------------------------------|----------------------------|-----------------------------|-----------------------------|--------------------------|
| <b><i>Panel A: Full sample</i></b>   |                            |                             |                             |                          |
| Mileage (mpg)                        | -2.39e+02***<br>(53.07669) | -2.20e+02***<br>(65.59262)  | -2.24e+02***<br>(65.27511)  | -1.74e+02*<br>(87.75118) |
| $N$                                  | 74                         | 74                          | 74                          | 74                       |
| $R^2$                                | 0.22                       | 0.22                        | 0.24                        | 0.25                     |
| Mean of outcome                      | 6165.26                    | 6165.26                     | 6165.26                     | 6165.26                  |
| St. dev. of outcome                  | 2949.50                    | 2949.50                     | 2949.50                     | 2949.50                  |
| <b><i>Panel B: Foreign cars</i></b>  |                            |                             |                             |                          |
| Mileage (mpg)                        | -2.50e+02***<br>(68.77435) | -2.33e+02***<br>(70.27696)  | -2.36e+02***<br>(72.35055)  | -55.64738<br>(66.96059)  |
| $N$                                  | 22                         | 22                          | 22                          | 22                       |
| $R^2$                                | 0.40                       | 0.43                        | 0.44                        | 0.73                     |
| Mean of outcome                      | 6384.68                    | 6384.68                     | 6384.68                     | 6384.68                  |
| St. dev. of outcome                  | 2621.92                    | 2621.92                     | 2621.92                     | 2621.92                  |
| <b><i>Panel C: Domestic cars</i></b> |                            |                             |                             |                          |
| Mileage (mpg)                        | -3.29e+02***<br>(79.74034) | -3.07e+02***<br>(107.81282) | -3.18e+02***<br>(107.09054) | -2.12e+02<br>(155.49704) |
| $N$                                  | 52                         | 52                          | 52                          | 52                       |
| $R^2$                                | 0.25                       | 0.26                        | 0.28                        | 0.30                     |
| Mean of outcome                      | 6072.42                    | 6072.42                     | 6072.42                     | 6072.42                  |
| St. dev. of outcome                  | 3097.10                    | 3097.10                     | 3097.10                     | 3097.10                  |

**Note:** Table reports regression estimates about cars. Significance levels are indicated by \* < .1, \*\* < .05, \*\*\* < .01.