

Table 2: Logistic regression: relationship between making the same voting decision and portfolio similarity for a randomly chosen pair of mutual funds. The dependent variable is dummy equal to 1 when votes are the same, and 0 otherwise. First specification requires votes to be exactly the same. Second relaxes the first by treating votes {Against, Abstain, Withhold} as being the same. Third specification is a placebo that treats votes {For, Abstain, Withhold} as being the same.

	Same vote (strict) (1)	Same vote (2)	For/Abs/Wth as a group (3)
Similarity measure (pair)	0.349*** (0.053)	0.348*** (0.053)	0.064 (0.104)
Same family	3.007*** (0.219)	3.084*** (0.225)	3.004*** (0.564)
1 index fund	0.057 (0.036)	0.056 (0.036)	-0.065 (0.073)
2 index funds	0.059 (0.050)	0.053 (0.050)	-0.214** (0.103)
Same MSA	-0.092 (0.059)	-0.098* (0.059)	-0.196* (0.109)
Geometric Averages of Funds Characteristics			
Expense ratio (geom. av.)	0.528*** (0.076)	0.531*** (0.076)	-0.067 (0.142)
Management fee (geom. av.)	0.125 (0.089)	0.123 (0.089)	0.044 (0.180)
Fund turnover ratio (geom. av.)	0.016 (0.037)	0.016 (0.038)	0.205*** (0.080)
Total net assets (log(geom. av.))	-0.023** (0.012)	-0.023* (0.012)	-0.004 (0.022)
Family size (log(geom. av.))	0.224*** (0.011)	0.223*** (0.011)	0.115*** (0.020)
% of Total net assets (geom. av.)	0.025 (0.041)	0.029 (0.041)	0.139** (0.060)
% of Total Equity (geom. av.)	0.002 (0.017)	0.002 (0.017)	0.049 (0.051)
Ratio of expense ratios	0.013*** (0.003)	0.013*** (0.003)	0.001 (0.006)

Table 2, continued

	(1)	(2)	(3)
Absolute Differences of Funds Characteristics			
Management fee (abs. diff.)	0.170*** (0.038)	0.172*** (0.038)	0.002 (0.069)
Fund turnover ratio (abs. diff.)	0.027** (0.011)	0.026** (0.011)	0.063** (0.026)
Total net assets (log(abs. diff.))	0.018** (0.009)	0.019** (0.009)	0.016 (0.017)
Family size (log(abs. diff.))	-0.041*** (0.009)	-0.043*** (0.009)	-0.023 (0.017)
% of Total net assets (abs. diff.)	-0.030** (0.015)	-0.031** (0.015)	-0.036 (0.024)
% of Total Equity (abs. diff.)	0.012** (0.005)	0.012** (0.005)	-0.008** (0.003)
Firm characteristics and ISS Recommendations			
S&P 500	0.115** (0.047)	0.110** (0.047)	-0.496*** (0.089)
ISS Against another item	-0.377*** (0.030)	-0.380*** (0.030)	-0.106* (0.062)
ISS “For” recommendation	2.493*** (0.034)	2.474*** (0.034)	1.884*** (0.074)
log(Total assets)	0.102*** (0.011)	0.103*** (0.011)	-0.221*** (0.022)
Return on assets	-0.001 (0.001)	-0.001 (0.001)	-0.008* (0.004)
Book to market ratio	-0.116*** (0.023)	-0.111*** (0.023)	0.041 (0.068)
Leverage	-0.018 (0.012)	-0.019 (0.012)	0.047* (0.025)
Constant	-2.799*** (0.167)	-2.770*** (0.167)	3.352*** (0.320)
Observations	85099	85099	85099

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Table 5: Relationship between mutual funds portfolio similarity and election outcome at director elections. Dependent variables normalized by the shares outstanding. Standard errors are robust to cluster correlation (clustered by meetings).

	% For	% Against	% Abstain	% Broker Non-Vote	% Other Non-Vote
	(1)	(2)	(3)	(4)	(5)
Similarity measure	-14.151*** (1.086)	-2.448*** (0.359)	0.124** (0.063)	7.218*** (0.674)	14.892*** (0.713)
% owned by index funds	-0.489*** (0.032)	0.149*** (0.011)	0.001 (0.002)	0.265*** (0.020)	0.127*** (0.020)
% owned by non-index funds	0.417*** (0.012)	0.050*** (0.004)	-0.000 (0.001)	-0.228*** (0.008)	-0.213*** (0.007)
ISS "For" recommendation	10.404*** (0.405)	-14.372*** (0.250)	-0.083*** (0.032)	2.159*** (0.174)	3.668*** (0.215)
log(Total assets)	0.264*** (0.063)	-0.018 (0.019)	0.028*** (0.005)	-0.474*** (0.041)	0.464*** (0.042)
Return on assets, %	0.194*** (0.012)	-0.005 (0.004)	-0.001 (0.001)	-0.085*** (0.008)	-0.113*** (0.008)
Book to market ratio	-0.007*** (0.000)	0.001*** (0.000)	-0.000* (0.000)	0.006*** (0.000)	0.001*** (0.000)
Leverage	-0.185* (0.106)	-0.108*** (0.026)	0.008 (0.011)	0.520*** (0.076)	-0.238*** (0.062)
Year controls	Yes	Yes	Yes	Yes	Yes
Observations	95543	95543	95543	95543	95543
R^2	0.222	0.434	0.005	0.252	0.710
F stat.	240.3	248.7	19.4	861.9	3329.8

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Table 6: First stage of 2SLS regression. Standard errors are robust to cluster correlation (clustered by meetings).

	Similarity measure (1)	% owned by index funds (2)
$Russell2000_t$	0.020** (0.008)	1.466*** (0.330)
$Russell2000_{t-1}$	0.010* (0.006)	-0.273 (0.223)
Banded state	-0.001 (0.005)	-0.303 (0.202)
Banded state $\times Russell2000_t$	-0.029*** (0.007)	0.353 (0.314)
Firm controls	Yes	Yes
Year controls	Yes	Yes
Float and mk.cap. controls	Yes	Yes
Observations	29167	29167
R^2	0.238	0.467
Partial F stat.	55.0	177.4

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$