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APPENDIX A

ADOPTER COMPANIES BY INDUSTRY GROUP

BANK AND NON-BANK FINANCIAL

ALLEGHANY-CORP
AMERICAN-EXPRESS
BANC-ONE-CORP
BANK-OF-NEW-YORK-CO-INC
BANKAMERICA-CORP
BANKERS-TRUST-NEW-YORK-CORP
BENEFICIAL-CORP
CALIFORNIA-LIFE-CORP
CHEMICAL-BANKING-CORP
COMERICA-INC
CONTINENTA-BANK-CORP
CONTINENTAL-CORP
DIME-SVGS-BANK-NEW-YORK-FSB
FIRST-CHICAGO-CORP
FIRST-CITY-BANCORP-TEX-DEL
FIRST-INTERSTATE-BANCORP
HALL-(FRANK-B.)-&-CO
IMPERIAL-CORP-OF-AMERICA
INA-CORP
MELLON-BANK-CORP
MIDLAND-CO
MNC-FINANCIAL-INC
MORGAN-STANLEY-GROUP-INC
NATIONAL-CITY-CORP
PAINE-WEBBER-GROUP
PNC-BANK-CORP
SECURITY-PACIFIC-CORP
SUNTRUST-BANKS-INC
TICOR
TRAVELERS-CORP
VALLEY-NATIONAL-BANCORP
WACHOVIA-CORP
WASHINGTON-NATL-CORP

CHEMICAL MANUFACTURING & DISTRIBUTION

ABBOTT-LABORATORIES
BAXTER-INTERNATIONAL-INC
BRISTOL-MYERS-SQUIBB

CARLISLE-COS-INC
CELANESE-CORP
CERTAINTEED-CORP
DOW-CHEMICAL
FIRESTONE-TIRE-&-RUBBER-CO
FIRST-MISSISSIPPI-CORP
FMC-CORP
GENERAL-REFRACTORIES-CO
GIFFORD-HILL-&-CO
GOODRICH-(B.F.)-CO
GRACE-(W.R.)-&-CO
GUARDSMAN-PRODUCTS-INC
HANNA-(M.A.)-CO
HANNA-(MA)-CO
HERCULES-INC
ILLINOIS-TOOL-WORKS
LILLY-(ELI)-&-CO
LONE-STAR-INDUSTRIES
MANVILLE-CORP
MERCK-&-CO
MINNESOTA-MINING-&-MFG-CO
MONSANTO-CO
NALCO-CHEMICAL-CO
NL-INDUSTRIES
OLIN-CORP
OWENS-CORNING-FIBRGLAS
PFIZER-INC
PPG-INDUSTRIES-INC
ROHM-&-HAAS-CO
SCM-CORP
SHERWIN-WILLIAMS-CO
SQUIBB-CORP
THIOKOL-CORP
UNION-CARBIDE-CORP
UPJOHN-CO
WARNER-LAMBERT-CO

CONSUMER PRODUCTS

AMES-DEPT-STORES
AMF-INC
AVON-PRODUCS
BARRY-WRIGHT-CORP
BEST-PRODUCTS

CARTER-HAWLEY-HALE-STORES
CHARTER-CO
CLOROX-CO
COLE-NATIONAL-CORP
DAYTON-HUDSON-CORP
DI-GIORGIO-CORP
ECKERD-(JACK)-CORP
GELCO-CORP
GILLETTE-CO
GRAINGER-INC
GREYHOUND-LINES-INC
K-MART-CORP
LEVI-STRAUSS-ASSOC-CL-L
LIONEL-CORP
MAYTAG-CORP
MCDONALDS-CORP
NASHUA-CORP
NORTH-AMERICAN-PHILIPS-CORP
PENNEY-(J.C.)
REVLON-INC
SCOVILL-INC
SEARS-ROEBUCK-&-CO
STANDARD-BRANDS
WARNACO-GROUP-INC-CL-A
WARNER-COMMUNICATIONS-INC
WHITE-CONSOLIDATED-INDS-INC

**ELECTRICAL, ELECTRONICS & RELATED
EQUIPMENT**

AMERICAN-HOSPITAL-SUPPLY
BELL-&-HOWELL-CO
COMBUSTION-ENGINEERING-INC
CONTROL-DATA-CORP
COOPER-INDUSTRIES-INC
DATAPRODUCTS-CORP
EASTMAN-KODAK-CO
EMERSON-ELECTRIC-CO
ESTERLINE-TECHNOLOGIES
FOXBOBO-CO
GENERAL-ELECTRIC-CO
GENERAL-SIGNAL-CORP
HEWLETT-PACKARD-CO
HONEYWELL-INC

JOHNSON-CONTROLS-INC
MCGRAW-EDISON-CO
MEDTRONIC-INC
PITNEY-BOWES-INC
POLAROID-CORP
RANCO-INC
SANDERS-ASSOCIATES-INC
SCIENTIFIC-ATLANTA-INC
SIMMONDS-PRECISION-PRODS-INC
SPERRY-CORP
TEKTRONIX-INC
TEXAS-INSTRUMENTS-INC
UNISYS-CORP
UNITRODE-CORP
WESTINGHOUSE-ELECTRIC-CORP
XEROX-CORP

FOOD PROCESSING

BEATRICE-COS-INC
BORDEN-INC
CAMPBELL-SOUP-CO
CENTRAL-SOYA-CO-INC
COCA-COLA-CO
CPC-INTERNATIONAL-INC
DR-PEPPER-CO
ESMARK-INC
FLOWERS-INDUSTRIES-INC
GENERAL-FOODS-CORP
GENERAL-MILLS-INC
HANNAFORD-BROTHERS
HANNAFORD-BROTHERS-CO
HEINZ-(H.J.)-CO
HERSHEY-FOODS-CORP
HORMEL-GEO-A-&-CO
IC-PRODUCTS-CO
KANE-MILLER-CORP
KRAFT-INC
KROGER-CO
NASH-FINCH-CO
NORTON-SIMON-INC
PEPSICO-INC
PILLSBURY-CO
QUAKER-OATS-CO

RALSTON-PURINA-GROUP
RJR-NABISCO
SARA-LEE-CORP
SEAGRAM-CO-LTD
SUPER-FOOD-SERVICES-INC
SUPERVALU-INC
WHITMAN-CORP
WINN-DIXIE-STORES-INC

HEAVY MANUFACTURING

ALLIEDSIGNAL-INC
BENDIX-CORP
BRUNSWICK-CORP
CHRYSLER-CORP
COLT-INDUSTRIES-INC-DEL
CUMMINS-ENGINE
DANA-CORP
DEERE-&-CO
DONALDSON-CO-INC
DOVER-CORP
DRESSER-INDUSTRIES-INC
EATON-CORP
ECHLIN-INC
EX-CEL-CORP
FLEETWOOD
FLEETWOOD-ENTERPRISES
FORD-MOTOR-CO
GENERAL-DYNAMICS-CORP
GENERAL-MOTORS-CORP
GRUMMAN-CORP
HEIN-WERNER-CORP
INGERSOLL-RAND-CO
LOCKHEED-CORP
MCDERMOTT-INTL-INC
MCDONNELL-DOUGLAS-CORP
NORTHROP-GRUMMAN-CORP
RAYMOND-CORP
ROCKWELL-INTL-CORP
SPX-CORP
TEXTRON-INC
TRW-INC
UNITED-TECHNOLOGIES-CORP
US-INDUSTRIES

MINING & EXTRACTIVE

ALUMINUM-CO-OF-AMERICA
AMACAN-RESOURCES-CORP
AMERADA-HESS-CORP
ARMCO-INC
ASARCO-INC
ASHLAND-OIL-INC
ATLANTIC-RICHFIELD-CO
BETHLEHEM-STEEL-CORP
BRITISH-PETROLEUM-PLC-ADR
BUNDY-CORP
BURLINGTON-INDS-INC
CHEVRON-CORP
DIAMOND-SHAMROCK-INC
EXXON-CORP
FREEPORT-MCMORAN-INC
GULF-RESOURCES-&-CHEMICAL
INLAND-STEEL-INDUSTRIES-INC
KERR-MCGEE-CORP
KOPPERS-CO
LTV-CORP
MAPCO-INC
MOBIL-CORP
NATIONAL-STEEL-CORP-CLB
OCCIDENTAL-PETROLEUM-CORP
PENNZOIL-CO
PHELPS-DODGE-CORP
PHILLIPS-PETROLEUM-CO
QUAKER-STATE-CORP
REPUBLIC-RESOURCES-INC-TEXAS
REVERE-COPPER-&-BRASS-INC
ROBLIN-INDUSTRIES
SHELL-OIL-CO
STANDARD-OIL-CO
SUN-CO-INC
TEXACO-INC
UNOCAL-CORP
VULCAN-MATERIALS-CO

NON-FINANCIAL SERVICES

AMERICAN-NATURAL-RESOURCES

AMERICAN-PRESIDENT-COS-LTD
ARCATA-CORP
AT&T-CORP
CHICAGO-&-NO-WESTN-HLDGS-CP
CINCINNATI-BELL-INC
COASTAL-CORP
DATAPOINT-CORP
DELTA-AIR-LINES-INC
DOW-JONES-&-CO-INC
DUN-&-BRADSTREET-CORP
EASTERN-AIR-LINES
GANNET-CO
GATX-CORP
HOLIDAY-CORP
HOUGHTON-MIFFLIN-CO
LOGICON-INC
MACMILLAN-INC
MCGRAW-HILL-INC
MCI-COMMUNICATIONS
MEREDITH-CORP
NEW-ENG-TEL-&-TEL
NEW-YORK-TIMES-CO-CL-A
NORFOLK-SOUTHERN-RAILWAY-VA
PHILADELPHIA-SUBURBAN-CORP
QUESTAR-CORP
RYDER-SYSTEM-INC
SCA-SERVICES
SCA-SERVICES-INC
SOUTHERN-CO
TENNECO-INC
TEXAS-UTILITIES-CO
TIME-WARNER-INC
UGI-CORP
USAIR-GROUP
VIACOM-INC-CL-A

TEXTILES, PAPER AND FOREST PRODUCTS

BALLY-MFG-CORP
BEMIS-CO
BLACK-&-DECKER-CORP
BOISE-CASCADE-CORP
CHAMPION-INTERNATIONAL-CORP
CHELSEA-INDUSTRIES-INC

CINCINNATI-MILACRON-INC
CONTINENTAL-GROUP
CORNING-INC
CROWN-ZELLERBACH
DILLINGHAM-CORP
FEDERAL-PAPER-BOARD-CO
FIELDCREST-CANNON
GEORGIA-PACIFIC-CORP
HILLENBRAND-INDUSTRIES
INTL-PAPER-CO
JAMES-RIVER-CORP
MASONITE-CORP
MEAD-CORP
MORRISON-KNUDSEN-CORP
NEW-HAMPSHIRE-BALL-BEARINGS
OWENS-ILLINOIS-INC
PERINI-CORP
REXHAM-CORP
SCOTT-PAPER-CO
SOUTHWEST-FOREST-INDUSTRIES
SPS-TECHNOLOGIES-INC
ST-REGIS-CORP
STANLEY-WORKS
STEVENS-(J.P.)-&-CO
STONE-CONTAINER-CORP
TRANE-CO
UNION-CAMP-CORP
USG-CORP
WEST-POINT-PEPPERELL
WEYERHAEUSER-CO
WILLIAMHOUSE-REGENCY-INC

APPENDIX B

Pearson Correlations

Panel A
Bank and Non-Bank Financial

Adopters

Variable	ROE1	CAPGRW1	OHCTRL1	ROE2	CAPGRW2	OHCTRL2
CAPGRW1	-0.126					
OHCTRL1	0.103	-0.388				
DIV1	-0.179	0.065	0.013			
CAPGRW2				-0.120		
OHCTRL2				0.053	-0.199	
DIV2				-0.093	0.459	0.035

Adopters and Non-Adopters

Variable	ROE1	CAPGRW1	OHCTRL1	ROE2	CAPGRW2	OHCTRL2
CAPGRW1	0.743					
OHCTRL1	0.299	0.045				
DIV1	0.027	0.077	0.088			
CAPGRW2				0.261		
OHCTRL2				0.115	-0.125	
DIV2				0.021	0.352	0.043

Adopters and Peers

Variable	ROE1	CAPGRW1	OHCTRL1	ROE2	CAPGRW2	OHCTRL2
CAPGRW1	0.436					
OHCTRL1	0.410	0.151				
DIV1	-0.024	0.158	0.050			
CAPGRW2				0.060		
OHCTRL2				0.021	0.149	
DIV2				-0.266	0.338	0.078

Pearson Correlations

Panel B
Chemical Manufacturing and Distribution

Adopters

Variable	ROE1	INV/SLS1	RD/SLS1	ROE2	INV/SLS2	RD/SLS2
INV/SLS1	-0.128					
RD/SLS1	-0.169	-0.249				
CAPSP1	-0.049	-0.205	-0.149			
INV/SLS2				-0.313		
RD/SLS2				0.032	-0.311	
CAPSP2				0.515	-0.294	-0.191

Adopters and Non-Adopters

Variable	ROE1	INV/SLS1	RD/SLS1	ROE2	INV/SLS2	RD/SLS2
INV/SLS1	0.102					
RD/SLS1	-0.067	0.080				
CAPSP1	0.315	-0.122	-0.506			
INV/SLS2				0.257		
RD/SLS2				0.166	0.030	
CAPSP2				0.480	-0.138	-0.569

Adopters and Peers

Variable	ROE1	INV/SLS1	RD/SLS1	ROE2	INV/SLS2	RD/SLS2
INV/SLS1	-0.227					
RD/SLS1	-0.059	-0.067				
CAPSP1	0.225	-0.337	0.085			
INV/SLS2				-0.299		
RD/SLS2				-0.575	-0.095	
CAPSP2				0.416	-0.313	0.073

Pearson Correlations

Panel C
Consumer Products Manufacturing & Distribution

Adopters

Variable	ROE1	AD/SLS1	INVTURN 1	ROE2	AD/SLS2	INVTURN 2
AD/SLS1	0.076					
INVTURN1	-0.193	-0.399				
SLSGRW1	-0.183	-0.151	0.313			
AD/SLS2				-0.428		
INVTURN2				0.110	0.006	
SLSGRW2				-0.228	0.195	-0.340

Adopters and Non-Adopters

Variable	ROE1	AD/SLS1	INVTURN 1	ROE2	AD/SLS2	INVTURN 2
AD/SLS1	-0.006					
INVTURN1	-0.259	-0.358				
SLSGRW1	-0.339	-0.092	0.384			
AD/SLS2				-0.385		
INVTURN2				0.092	-0.062	
SLSGRW2				-0.192	0.242	-0.427

Adopters and Peers

Variable	ROE1	AD/SLS1	INVTURN 1	ROE2	AD/SLS2	INVTURN 2
AD/SLS1	-0.193					
INVTURN1	0.092	-0.095				
SLSGRW1	0.242	-0.130	0.381			
AD/SLS2				-0.477		
INVTURN2				0.070	-0.040	
SLSGRW2				0.239	-0.175	-0.064

Pearson Correlations

Panel D
Electrical, Computer and Related Equipment

Adopters

Variable	ROE1	RD/SLS1	SLSGRW1	ROE2	RD/SLS2	SLSGRW2
RD/SLS1	-0.149					
SLSGRW1	0.114	0.032				
INVTURN1	0.002	0.064	0.226			
RD/SLS2				-0.116		
SLSGRW2				0.052	-0.045	
INVTURN2				0.069	0.101	-0.468

Adopters and Non-Adopters

Variable	ROE1	RD/SLS1	SLSGRW1	ROE2	RD/SLS2	SLSGRW2
RD/SLS1	-0.141					
SLSGRW1	-0.122	-0.381				
INVTURN1	-0.285	-0.064	0.527			
RD/SLS2				-0.023		
SLSGRW2				0.033	0.091	
INVTURN2				0.024	-0.372	-0.523

Adopters and Peers

Variable	ROE1	RD/SLS1	SLSGRW1	ROE2	RD/SLS2	SLSGRW2
RD/SLS1	-0.110					
SLSGRW1	-0.047	0.311				
INVTURN1	0.038	0.295	0.416			
RD/SLS2				-0.065		
SLSGRW2				-0.103	0.365	
INVTURN2				0.235	0.135	-0.110

Pearson Correlations

Panel E
Food Processing & Distribution

Adopters

Variable	ROE1	AD/SLS1	WRKCAP1	ROE2	AD/SLS2	WRKCAP2
AD/SLS1	0.267					
WRKCAP1	0.466	-0.049				
SLSGRW1	0.314	0.002	0.505			
AD/SLS2				-0.046		
WRKCAP2				0.077	-0.111	
SLSGRW2				-0.210	-0.160	0.616

Adopters and Non-Adopters

Variable	ROE1	AD/SLS1	WRKCAP1	ROE2	AD/SLS2	WRKCAP2
AD/SLS1	0.268					
WRKCAP1	0.162	0.065				
SLSGRW1	0.229	0.095	0.387			
AD/SLS2				0.009		
WRKCAP2				0.054	0.042	
SLSGRW2				-0.008	0.007	0.463

Adopters and Peers

Variable	ROE1	AD/SLS1	WRKCAP1	ROE2	AD/SLS2	WRKCAP2
AD/SLS1	-0.052					
WRKCAP1	-0.069	0.041				
SLSGRW1	0.417	-0.038	0.232			
AD/SLS2				0.021		
WRKCAP2				-0.072	0.083	
SLSGRW2				0.387	0.071	0.359

Pearson Correlations

Panel F
Heavy Manufacturing

Adopters

Variable	ROE1	RD/SLS1	OPEX/REV1	ROE2	RD/SLS2	OPEX/REV2
RD/SLS1	-0.250					
OPEX/REV1	0.194	-0.005				
EMP/SLS1	0.010	0.289	0.123			
RD/SLS2				-0.470		
OPEX/REV2				0.060	0.033	
EMP/SLS2				-0.095	0.135	0.073

Adopters and Non-Adopters

Variable	ROE1	RD/SLS1	OPEX/REV1	ROE2	RD/SLS2	OPEX/REV2
RD/SLS1	-0.281					
OPEX/REV1	0.083	0.401				
EMP/SLS1	-0.035	0.372	0.302			
RD/SLS2				-0.374		
OPEX/REV2				0.161	0.173	
EMP/SLS2				-0.154	0.199	0.214

Adopters and Peers

Variable	ROE1	RD/SLS1	OPEX/REV1	ROE2	RD/SLS2	OPEX/REV2
RD/SLS1	-0.046					
OPEX/REV1	0.145	-0.271				
EMP/SLS1	-0.127	0.148	0.073			
RD/SLS2				0.033		
OPEX/REV2				0.100	-0.219	
EMP/SLS2				-0.095	0.080	0.039

Pearson Correlations

Panel G
Mining and Extractive

Adopters

Variable	ROE1	SLSGRW1	CAPEX1	ROE2	SLSGRW2	CAPEX2
SLSGRW1	0.289					
CAPEX1	0.392	0.356				
OPEX/REV1	0.592	0.328	0.674			
SLSGRW2				0.169		
CAPEX2				0.335	0.315	
OPEX/REV2				0.196	0.301	0.212

Adopters and Non-Adopters

Variable	ROE1	SLSGRW1	CAPEX1	ROE2	SLSGRW2	CAPEX2
SLSGRW1	0.401					
CAPEX1	0.003	0.343				
OPEX/REV1	0.679	0.301	0.352			
SLSGRW2				0.083		
CAPEX2				0.392	0.322	
OPEX/REV2				0.347	0.217	0.237

Adopters and Peers

Variable	ROE1	SLSGRW1	CAPEX1	ROE2	SLSGRW2	CAPEX2
SLSGRW1	0.162					
CAPEX1	0.089	0.656				
OPEX/REV1	-0.167	-0.198	0.162			
SLSGRW2				0.106		
CAPEX2				0.132	0.540	
OPEX/REV2				-0.002	-0.133	0.090

Pearson Correlations

Panel H
Non-Financial Services

Adopters

Variable	ROE1	OPEX/REV1	AD/SLS1	ROE2	OPEX/REV2	AD/SLS2
CAPGRW1	-0.047					
OHCTRL1	-0.329	0.033				
DIV1	0.086	-0.207	-0.093			
CAPGRW2				0.106		
OHCTRL2				-0.254	0.031	
DIV2				0.282	0.034	-0.177

Adopters and Non-Adopters

Variable	ROE1	OPEX/REV1	AD/SLS1	ROE2	OPEX/REV2	AD/SLS2
CAPGRW1	-0.152					
OHCTRL1	0.545	-0.113				
DIV1	-0.153	-0.161	-0.287			
CAPGRW2				0.026		
OHCTRL2				0.015	0.023	
DIV2				0.252	-0.041	-0.453

Adopters and Peers

Variable	ROE1	OPEX/REV1	AD/SLS1	ROE2	OPEX/REV2	AD/SLS2
CAPGRW1	-0.009					
OHCTRL1	0.802	0.041				
DIV1	0.026	-0.168	-0.078			
CAPGRW2				0.106		
OHCTRL2				0.070	0.327	
DIV2				0.047	-0.012	-0.307

Pearson Correlations

Panel I
Textiles, Paper and Forest Products

Adopters

Variable	ROE1	OPEX/REV1	INVTURN1	ROE2	OPEX/REV2	INVTURN2
OPEX/REV1	0.088					
INVTURN1	-0.076	0.016				
CAPEX1	0.384	0.106	-0.374			
OPEX/REV2				0.110		
INVTURN2				0.106	-0.165	
CAPEX2				-0.201	0.309	-0.200

Adopters and Non-Adopters

Variable	ROE1	OPEX/REV1	INVTURN1	ROE2	OPEX/REV2	INVTURN2
OPEX/REV1	-0.169					
INVTURN1	-0.036	0.003				
CAPEX1	0.527	-0.168	-0.103			
OPEX/REV2				0.028		
INVTURN2				0.074	-0.123	
CAPEX2				0.397	0.276	0.031

Adopters and Peers

Variable	ROE1	OPEX/REV1	INVTURN1	ROE2	OPEX/REV2	INVTURN2
OPEX/REV1	-0.268					
INVTURN1	-0.029	0.033				
CAPEX1	0.046	0.123	0.076			
OPEX/REV2				0.051		
INVTURN2				-0.023	0.068	
CAPEX2				0.060	-0.107	0.028

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Patricia Graybeal Lobingier was born on February 21, 1962, and grew up in the mountains of southwest Virginia. She graduated from Radford University in 1989 with a Bachelors of Business Administration degree with a double major in Accounting and Finance. In 1991, she received her Masters of Accountancy degree with a concentration in Taxation from Virginia Tech. Prior to graduate school she was a divisional accountant for a healthcare firm in Blacksburg, VA. Since 1995, she has been an assistant professor of accounting at Wake Forest University.