Table I: Sorting: Firm Size and Local Density

	Baseline $M = 12$	*Baseline* $M = 48$	*Firms with* ≥ 100 *plants*	*Industries in which largest firms has* ≥ 100 *plants*	*HQ fixed effects Firms with* ≥ 100 *plants*
	(1)	(2)	(3)	(4)	(5)
	$\ln \bar{L}_j$	$\ln \bar{L}_j$	$\ln \bar{L}_j$	$\ln \bar{L}_j$	$\ln \bar{L}_j$
$\ln L_j$	0.165***	0.0952***	0.146***	0.172***	0.0791**
	(0.000975)	(0.000848)	(0.0249)	(0.00164)	(0.0350)
Observations	3,670,994	3,673,053	876	1,387,742	652
R-squared	0.139	0.099	0.384	0.080	0.664
SIC8 FE	Yes	Yes	Yes	Yes	Yes
HQ Location FE	No	No	No	No	Yes
M	12	48	12	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table II: Sorting by Major Industry

By major industry	*All*	*Manufacturing*	*Services*	*Retail Trade*	*FIRE*
	(1)	(2)	(3)	(4)	(5)
	$\ln \bar{L}_j$	$\ln \bar{L}_j$	$\ln \bar{L}_j$	$\ln \bar{L}_j$	$\ln \bar{L}_j$
$\ln L_j$	0.165***	0.0523***	0.160***	0.150***	0.234***
	(0.000975)	(0.00272)	(0.00153)	(0.00247)	(0.00320)
Observations	3,670,994	274,478	1,479,391	856,860	244,048
R-squared	0.139	0.192	0.097	0.068	0.122
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table III: National size of the largest firm in town

	Baseline $M = 12$	*Baseline* $M = 48$	*Firms with* ≥ 100 *plants*	*Industries in which largest firms has* ≥ 100 *plants*
	(1)	(2)	(3)	(4)
	$\ln L_{j^*(s)}$	$\ln L_{j^*(s)}$	$\ln L_{j^*(s)}$	$\ln L_{j^*(s)}$
$\ln \mathcal{L}_s$	0.395***	0.594***	0.131***	0.516***
	(0.00266)	(0.00461)	(0.00811)	(0.00366)
Observations	1,984,474	1,006,305	211,517	616,248
R-squared	0.616	0.644	0.554	0.600
SIC8 FE	Yes	Yes	Yes	Yes
M	12	48	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table IV: Span of control

	Baseline $M = 12$	*Baseline* $M = 48$	*Firms with* ≥ 100 *plants*	*Industries in which largest firms has* ≥ 100 *plants*
	(1)	(2)	(3)	(4)
	$\ln \bar{l}_{js}$	$\ln \bar{l}_{js}$	$\ln \bar{l}_{js}$	$\ln \bar{l}_{js}$
$\ln L_{j,-js}$	0.114***	0.131***	0.275***	0.104***
	(0.000897)	(0.000962)	(0.00296)	(0.000911)
$\ln n_{js}$	0.137***	0.172***	-0.168***	0.0720***
	(0.00897)	(0.00682)	(0.0111)	(0.00883)
$(\ln n_{js})^2$	-0.0813***	-0.0811***	-0.00158	-0.0564***
	(0.00447)	(0.00251)	(0.00528)	(0.00431)
Observations	409,364	386,094	126,999	336,424
R-squared	0.573	0.511	0.746	0.588
SIC8-location FE	Yes	Yes	Yes	Yes
M	12	48	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table V: Sorting: Firm Size and Local Density

	(1) $\ln \bar{L}_j$	(2) $\ln \bar{L}_j$	(3) $\ln \bar{L}_j$	(4) $\ln \bar{L}_j$	(5) $\ln \bar{L}_j$
Baseline					
$\ln L_j$	0.222***	0.196***	0.165***	0.129***	0.0952***
	(0.00104)	(0.00101)	(0.000975)	(0.000926)	(0.000848)
Observations	3,645,763	3,665,497	3,670,994	3,672,721	3,673,053
R-squared	0.159	0.153	0.139	0.120	0.099
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	3	6	12	24	48
Firms with at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln L_j$	0.165***	0.134***	0.132***	0.135***	0.146***
	(0.000975)	(0.00655)	(0.00982)	(0.0153)	(0.0249)
Observations	3,670,994	11,203	4,904	1,892	876
R-squared	0.139	0.385	0.391	0.405	0.384
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
Controlling for HQ location, firms with at least X plants	*X = 2*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln L_j$	0.0229***	0.0347***	0.0396***	0.0516***	0.0791**
	(0.00171)	(0.00563)	(0.00863)	(0.0159)	(0.0350)
Observations	145,186	9,700	4,182	1,534	652
R-squared	0.705	0.665	0.676	0.693	0.664
SIC8 FE	Yes	Yes	Yes	Yes	Yes
HQ Location FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
Industries where largest firm has at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln L_j$	0.165***	0.178***	0.176***	0.176***	0.172***
	(0.000975)	(0.00109)	(0.00119)	(0.00140)	(0.00164)
Observations	3,670,994	2,861,609	2,424,907	1,829,818	1,387,742
R-squared	0.139	0.114	0.102	0.091	0.080
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
Controlling for HQ location, industries where largest firm has at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln L_j$	0.0229***	0.0252***	0.0244***	0.0222***	0.0201***
	(0.00171)	(0.00179)	(0.00190)	(0.00214)	(0.00244)
Observations	145,186	124,065	106,163	81,372	62,957
R-squared	0.705	0.711	0.720	0.729	0.735
SIC8 FE	Yes	Yes	Yes	Yes	Yes
HQ Location FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
	Baseline	*Excluding Own Contribution*	*Unweighted*	*Weighted by Employment*	*Non-imputed*
$\ln L_j$	0.165***	0.164***	0.161***	0.164***	0.202***
	(0.000975)	(0.000975)	(0.000974)	(0.000981)	(0.00112)
Observations	3,670,994	3,668,734	3,670,994	3,670,994	2,605,050
R-squared	0.139	0.138	0.138	0.139	0.169
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table VI: The national size of the largest firm in town

	(1) $\ln L_{j^*(s)}$	(2) $\ln L_{j^*(s)}$	(3) $\ln L_{j^*(s)}$	(4) $\ln L_{j^*(s)}$	(5) $\ln L_{j^*(s)}$
Baseline					
$\ln \mathcal{L}_s$	0.194***	0.293***	0.395***	0.486***	0.594***
	(0.00169)	(0.00206)	(0.00266)	(0.00350)	(0.00461)
Observations	3,131,324	2,551,226	1,984,474	1,473,278	1,006,305
R-squared	0.593	0.608	0.616	0.630	0.644
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	3	6	12	24	48
Firms with at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln \mathcal{L}_s$	0.395***	0.239***	0.191***	0.158***	0.131***
	(0.00266)	(0.00620)	(0.00659)	(0.00729)	(0.00811)
Observations	1,984,474	356,238	308,839	253,996	211,517
R-squared	0.616	0.561	0.564	0.560	0.554
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
Industries where largest firm has at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln \mathcal{L}_s$	0.395***	0.411***	0.430***	0.471***	0.516***
	(0.00266)	(0.00276)	(0.00291)	(0.00325)	(0.00366)
Observations	1,984,474	1,390,883	1,125,690	813,539	616,248
R-squared	0.616	0.613	0.609	0.605	0.600
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
By major industry	*Baseline*	*Manufacturing*	*Services*	*Retail Trade*	*FIRE*
$\ln \mathcal{L}_s$	0.395***	0.0746***	0.279***	0.562***	0.557***
	(0.00266)	(0.00549)	(0.00489)	(0.00491)	(0.00729)
Observations	1,984,474	245,343	647,569	421,352	133,956
R-squared	0.616	0.256	0.347	0.679	0.557
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
	Baseline	*Excluding Own Contribution*	*Discarding Ties*	*Largest Firm Among Ties*	*Non-imputed*
$\ln \mathcal{L}_s$	0.395***	0.372***	0.617***	0.694***	0.404***
	(0.00266)	(0.00491)	(0.00386)	(0.00276)	(0.00288)
Observations	1,984,474	568,124	1,449,578	1,984,474	1,666,909
R-squared	0.616	0.550	0.604	0.585	0.618
SIC8 FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table VII: Span of Control

	(1) $\ln l_{js}$	(2) $\ln l_{js}$	(3) $\ln l_{js}$	(4) $\ln l_{js}$	(5) $\ln l_{js}$
Baseline					
$\ln L_{j,-js}$	0.0925***	0.103***	0.114***	0.123***	0.131***
	(0.00101)	(0.000918)	(0.000897)	(0.000911)	(0.000962)
$\ln n_{js}$	0.131***	0.109***	0.137***	0.163***	0.172***
	(0.0171)	(0.0114)	(0.00897)	(0.00753)	(0.00682)
$(\ln n_{js})^2$	0.00245	-0.0502***	-0.0813***	-0.0852***	-0.0811***
	(0.0135)	(0.00715)	(0.00447)	(0.00316)	(0.00251)
Observations	311,244	376,723	409,364	408,521	386,094
R-squared	0.632	0.608	0.573	0.542	0.511
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	3	6	12	24	48
Firms with at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln L_{j,-js}$	0.114***	0.154***	0.187***	0.233***	0.275***
	(0.000897)	(0.00157)	(0.00190)	(0.00241)	(0.00296)
$\ln n_{js}$	0.137***	-0.0121	-0.0765***	-0.132***	-0.168***
	(0.00897)	(0.00960)	(0.00990)	(0.0104)	(0.0111)
$(\ln n_{js})^2$	-0.0813***	-0.0339***	-0.0188***	-0.00932*	-0.00158
	(0.00447)	(0.00457)	(0.00465)	(0.00494)	(0.00528)
Observations	409,364	233,744	197,273	157,980	126,999
R-squared	0.573	0.658	0.686	0.714	0.746
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
Industries where largest firm has at least X plants	*Baseline*	*X = 10*	*X = 20*	*X = 50*	*X = 100*
$\ln L_{j,-js}$	0.114***	0.114***	0.112***	0.108***	0.104***
	(0.000897)	(0.000897)	(0.000898)	(0.000901)	(0.000911)
$\ln n_{js}$	0.137***	0.133***	0.127***	0.102***	0.0720***
	(0.00897)	(0.00895)	(0.00894)	(0.00888)	(0.00883)
$(\ln n_{js})^2$	-0.0813***	-0.0797***	-0.0768***	-0.0673***	-0.0564***
	(0.00447)	(0.00446)	(0.00444)	(0.00438)	(0.00431)
Observations	409,364	405,623	394,807	369,321	336,424
R-squared	0.573	0.573	0.574	0.577	0.588
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12
By major industry	*Baseline*	*Manufacturing*	*Services*	*Retail Trade*	*FIRE*
$\ln L_{j,-js}$	0.114***	0.154***	0.130***	0.124***	0.0627***
	(0.000897)	(0.0104)	(0.00214)	(0.00118)	(0.00180)
$\ln n_{js}$	0.137***	1.127***	0.325***	-0.0506***	0.126***
	(0.00897)	(0.145)	(0.0281)	(0.0109)	(0.0159)
$(\ln n_{js})^2$	-0.0813***	-0.252**	-0.121***	-0.0451***	-0.0398***
	(0.00447)	(0.102)	(0.0164)	(0.00544)	(0.00720)
Observations	409,364	8,864	95,301	164,941	84,798
R-squared	0.573	0.541	0.506	0.665	0.442
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	12	12	12	12	12

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table VIII: Span of Control: Additional Exercises

	(1) $\ln \bar{l}_{js}$	(2) $\ln \bar{l}_{js}$	(3) $\ln \bar{l}_{js}$	(4) $\ln \bar{l}_{js}$	(5) $\ln \bar{l}_{js}$
$\ln L_j$	0.216***	0.240***	0.277***	0.318***	0.371***
	(0.000531)	(0.000495)	(0.000501)	(0.000528)	(0.000571)
$\ln n_{js}$	-0.367***	-0.548***	-0.636***	-0.714***	-0.814***
	(0.0156)	(0.00924)	(0.00679)	(0.00558)	(0.00486)
$(\ln n_{js})^2$	0.0807***	0.0737***	0.0544***	0.0560***	0.0605***
	(0.0131)	(0.00598)	(0.00341)	(0.00240)	(0.00187)
Observations	2,033,197	2,574,018	3,009,650	3,343,237	3,592,041
R-squared	0.597	0.568	0.550	0.544	0.552
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	3	6	12	24	48
$\ln L_{j,-js}$	0.0925***	0.103***	0.114***	0.123***	0.131***
	(0.00101)	(0.000918)	(0.000897)	(0.000911)	(0.000963)
$\ln n_{js}$	-0.0310	0.206***	0.319***	0.319***	0.339***
	(0.0497)	(0.0335)	(0.0256)	(0.0211)	(0.0186)
$(\ln n_{js})^2$	0.268***	-0.211***	-0.344***	-0.278***	-0.274***
	(0.0890)	(0.0570)	(0.0398)	(0.0297)	(0.0235)
$(\ln n_{js})^3$	-0.102**	0.0688**	0.0953***	0.0575***	0.0559***
	(0.0430)	(0.0278)	(0.0183)	(0.0125)	(0.00901)
$(\ln n_{js})^4$	0.00909	-0.00757**	-0.00840***	-0.00367**	-0.00385***
	(0.00558)	(0.00385)	(0.00248)	(0.00156)	(0.00103)
Observations	311,244	376,723	409,364	408,521	386,094
R-squared	0.632	0.608	0.573	0.542	0.512
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	3	6	12	24	48
Non-Imputed					
$\ln L_{j,-js}$	0.0854***	0.0947***	0.106***	0.115***	0.125***
	(0.00114)	(0.00104)	(0.00101)	(0.00102)	(0.00107)
$\ln n_{js}$	0.193***	0.153***	0.154***	0.174***	0.173***
	(0.0208)	(0.0138)	(0.0104)	(0.00863)	(0.00770)
$(\ln n_{js})^2$	-0.0165	-0.0546***	-0.0777***	-0.0830***	-0.0795***
	(0.0169)	(0.00898)	(0.00527)	(0.00372)	(0.00294)
Observations	227,058	280,597	310,989	317,407	306,306
R-squared	0.647	0.625	0.592	0.563	0.535
SIC8-location FE	Yes	Yes	Yes	Yes	Yes
M	3	6	12	24	48

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1

Table X: Sorting: Firm Size and Local Density in a solved example

	$\Delta = 9$	$\Delta = 9$	$\Delta = 1$	$\Delta = 1$
	(1) $\ln \bar{L}_{(q)}$	(2) $\ln \bar{L}_{(q)}$	(3) $\ln \bar{L}_{(q)}$	(4) $\ln \bar{L}_{(q)}$
$\ln L_{(q)}$	0.0150	-0.0343	0.0167***	0.0172***
	(0.00938)	(0.0215)	(0.00500)	(0.00480)
Observations	15	15	15	15
R-squared	0.180	0.180	0.429	0.473
M	2	3	2	3

Robust standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1