Online Appendix

The Labor Market Consequences of Acquisitions

Jakob Beuschlein Jósef Sigurdsson Horng Chern Wong[†]

September 25, 2025

[†]Jakob Beuschlein: RFBerlin, Humboldt University of Berlin. Email: j.beuschlein@rfberlin.com. Jósef Sigurdsson: Stockholm University, CEPR, CESifo, and IZA. Email: josef.sigurdsson@su.se. Horng Chern Wong: Stockholm University. Email: horng-chern.wong@su.se.

A1 Data Sources

Worker Sample. Information on labor income and workers' employment as well as the geographic location and industry of the workplace are derived from the matched employer-employee data (RAMS). Industries follow the Swedish Standard Industrial classification (SNI). We link these to demographic information on age, gender, and education from the Longitudinal Integrated Database for Health Insurance and Labor Market Studies (LISA), covering the full adult population of Swedish residents. We merge this sample with data on full-time equivalent monthly wages, contracted working hours, and occupations from the Structure of Earnings Survey (SES). The SES covers the full set of public sector employees in Sweden and a random subsample of around 50 percent of the private sector workforce, stratified by industry and firm size, and is typically collected in September - November every year. Labor income and wages are reported in 2018 Swedish Krona (SEK). The main employment of a worker is defined as the worker-firm spell with the highest earnings in a given year. Employment status is defined as having annual labor income exceeding 10,000 SEK. Occupation codes follow Statistics Sweden's (SCB) 4-digit SSYK classification. In a robustness check, we define local labor markets based on educational degrees. These degrees follow SCB's SUN group classification and contain 97 different categories, combining both vertical (e.g. vocational school vs. university) and horizontal (e.g. STEM vs. business) aspects of degrees.

Firm Sample. In our firm sample, we merge firms' employment, measured by the number of employed workers according to the employer-employee data, with information on revenues and operating profits from the Structural Business Statistics (FEK), which contain annual balance sheet data for all non-financial, limited liability companies in Sweden since 1997. Operating profit equals net sales plus other operating income, minus personnel expenses, depreciation and amortization, and other operating expenses. This corresponds to earnings before interest and taxes (EBIT). We winsorize balance sheet outcomes at the 0.5th and 99.5th percentiles for each year. All monetary variables are expressed in 2018 SEK.

We keep all firms with, on average, five employees over our sample period. In our main estimation sample, we restrict the data to cases where we observe both the acquiring and the target firms in the employer-employee data and the acquiring firm in the balance sheet data. All our results on acquiring firms' outcomes and on the joint employment of acquirer and target firms refer to this sample. Results on joint revenues and profits of acquiring and target firms are based on a subsample where both firms are observed in the employer-employee data and the balance sheet data.[1] If an acquiring firm undergoes more than one acquisition, we keep one of the events at random.[2] We balance our sample by ensuring that the acquiring firm is observed throughout the full event window surrounding the acquisition.

[1] Target firms are on average substantially smaller than acquiring firms, both in terms of employment and revenue, and less likely to be a limited liability company. Therefore, the sample with balance sheet information for acquiring and target firms is smaller than the one with such information for at least the acquiring firm.

[2] Relaxing this restriction does not meaningfully change our results in both the worker and firm sample.

We complement the firm sample with data on board members and CEOs from the Serrano data, linked to the administrative data. We define acquiring and target firms as having a common manager if, in the year before the acquisition, an employee of the acquiring firm sits on the target's board. Among these employees, 34 percent are classified as CEOs of the acquiring firm. Of the remainder, 58 percent are classified as managers based on their 1-digit occupation code, followed by high-skilled professionals (17 percent). Their median within-firm income rank is at the 96th percentile, suggesting they hold senior managerial or executive positions. For brevity, we refer to these individuals as managers or, sometimes, CEOs.

A2 Descriptives Sample

In Appendix Table A6.1, we report average firm and worker characteristics in the firm sample, measured in the year before the acquisition. Columns 1 and 2 report descriptives for the full sample of acquisitions, while 3 and 4 report descriptives for the sample where we observe both acquirer and target firms in the balance sheet data. Acquiring firms are around four times larger than target firms in terms of employment and nearly twice as large in terms of revenue. They pay, on average, 17 percent higher salaries, but value-added per worker and average educational attainments are similar. For comparison, in column 5, we report the characteristics of the average Swedish firm not involved in acquisitions. We reweight the calendar time distributions of these firms to match the distribution of acquisition events. Overall, both acquiring and target firms are substantially larger, more productive and profitable, and pay higher salaries than firms not involved in acquisitions. Appendix Figure A5.1 shows the annual distribution of events in the worker and the firm sample. In Appendix Figure A5.2, we report the 2-digit industries of acquiring firms in both samples. The two most common industries are Retail and Manufacturing. In 57 percent of all acquisitions, the acquiring and target firms are within the same 2-digit industry, and in 39 percent of cases, the two firms are within the same 5-digit industry. In about 60 percent of cases, workers initially employed at the acquiring and target firms remain in separate plants after the acquisition (see Appendix Figure A5.3).

A3 Heterogeneity Worker Results

Which types of workers are most affected by acquisitions? To the extent that acquisitions lead to corporate restructuring, one would expect the worst-performing workers to be most at risk of being laid off. Similarly, to the extent that wages are backloaded, high-tenure, older workers are likely most at risk. To examine differences between workers in the effects of acquisitions, we split the sample based on workers' characteristics and estimate our main effects separately within each group. Appendix Figure A5.9 presents the respective average effects on employment for all workers and labor income for those who stay at the acquiring firm post-acquisition. Older workers above age 50 experience larger income losses of about 1.3 percent,

conditional on staying at the acquiring firm—twice as large as for younger peers. Employment effects differ even more: the likelihood of remaining employed falls by 4.8 percentage points for older workers, compared to 2.5 percentage points for younger workers. We then split the sample by residual pay in the year before the acquisition.[3] Effects on labor income for stayers are similar across high and low residual pay groups, but employment losses are much larger for low residual pay workers (5.6 percentage points) than for high residual pay workers (1.5 percentage points).[4] We then split the sample into four broad occupational groups. Managers and professional workers experience little or no decline in labor income, conditional on staying, and face somewhat smaller risks of unemployment. In contrast, declines are larger for blue-collar workers and for those in administrative and customer service roles. Finally, women are somewhat more likely to become unemployed (3.4 percentage points) than men (2.6 percentage points), while income losses conditional on staying are similar across genders.

A4 What Explains Income Declines Among Displaced Workers?

Declines in labor income among switchers might reflect changes in firm quality, i.e., transition to lower-paying and less-productive employers. On the other hand, these declines could result from a reduction in worker-firm match quality or a loss in firm-specific productivity. To investigate this, we first study four firm-level outcomes. First, using the universe of workers and firms in the Swedish data, we estimate firm pay premia as firm fixed effects in the AKM model (Abowd et al., 1999)

$$y_{it} = \phi_i + \psi_{j(i,t)} + X_{it}^{'}\delta + u_{it} \tag{5}$$

where ϕ_i are worker fixed effects, $\psi_{j(i,t)}$ are firm effects of the firm j where worker i is employed in year t, and X_{it} includes year fixed effects and a squared term of workers' labor market experience.[5] We then rank firms according to the estimated fixed effects $\hat{\psi}_{j(i,t)}$ from 0 to 100, where the firm with the lowest firm premium is assigned the value 0 and the firm with the highest pay premium is assigned rank 100. Second, we follow Sorkin (2018) and estimate overall job quality provided by firms from voluntary firm-to-firm worker transitions.[6] This measure captures both pay-related factors as well as non-pay amenities such as flexible working hours, training opportunities, or pleasant colleagues. As before, we rank firms from 0 (worst) to 100 (best). Finally, we examine the effects on firm size in terms of employment and firms' profits. Appendix Figure A5.7c plots the effects of acquisitions on these four firm-level measures for firm switchers. We find that acquisitions lead to transitions to firms that score

[3] Residual pay is obtained from a Mincer regression of log income on fixed effects for the interaction of calendar year, age bins, gender, region of residence, and educational degree.

[4] Older and less educated workers are also found to experience larger income losses and slower recovery following mass layoffs (e.g. Davis and von Wachter, 2011; Athey et al., 2024).

[5] We use the largest connected set of workers and firms in the employer-employee data to estimate firm fixed effects.

[6] We exclude transitions following mass layoffs, acquisitions, and firm closures. See Sorkin (2018) for further details.

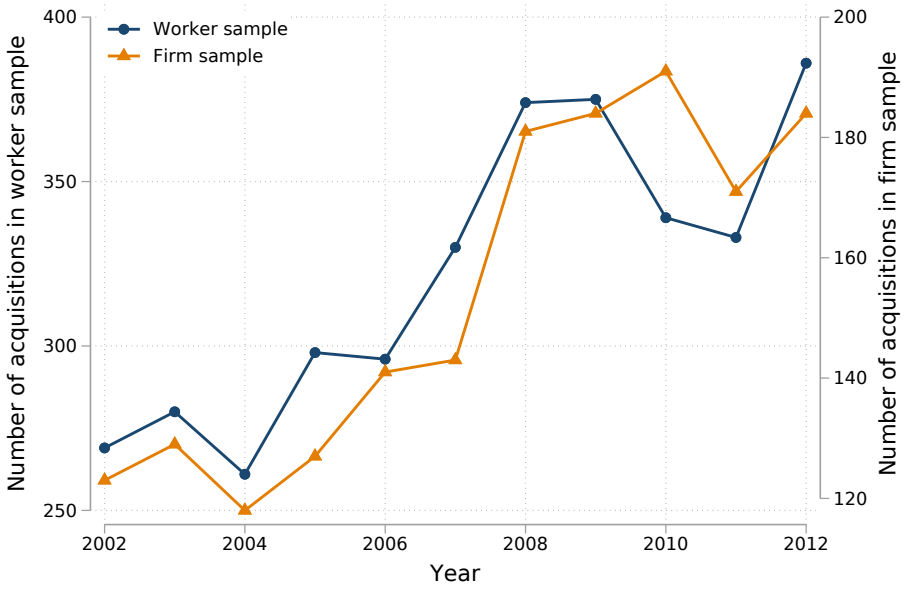
lower on all measures. The firm pay premium rank drops by 3.1, the overall job value rank decreases by 4, firm size drops by 33.2 percent, and profits by 16.3 percent.

To investigate the role of firm-specific human capital, we follow Woodcock (2015) and estimate worker-firm match effects as average spell-level residuals, after controlling for worker and firm fixed effects.[7] We find that acquisitions have a small and statistically insignificant effect on worker-firm match effects, especially when compared to the impact of acquisitions on firm fixed effects (see Appendix Table A6.3). Our results are consistent with (Lagaras, 2024) for Brazil, but differ from (Arnold et al., 2024) for Canada, who find that losses of firm-specific human capital are an important driver of earnings losses following layoffs triggered by mergers and acquisitions. In the mass layoff literature, European studies tend to find a limited role of worker-firm match effects, compared to firm effects (Schmieder et al., 2023; Bertheau et al., 2023) while US studies find the opposite (Lachowska et al., 2020). Overall, these results suggest that workers who separate from the acquiring firm transition to substantially lower-quality employers, contributing to the large losses we find.

[7] Specifically, match effects are estimated as $\hat{\mu}_{ij} = \bar{y}_{ij} - \hat{\phi}_i - \hat{\psi}_{j(i,t)}$ where $\bar{y}_{ij}$ is a worker's average log labor income within an employment spell. See also e.g. Lachowska et al. (2020) for more details.

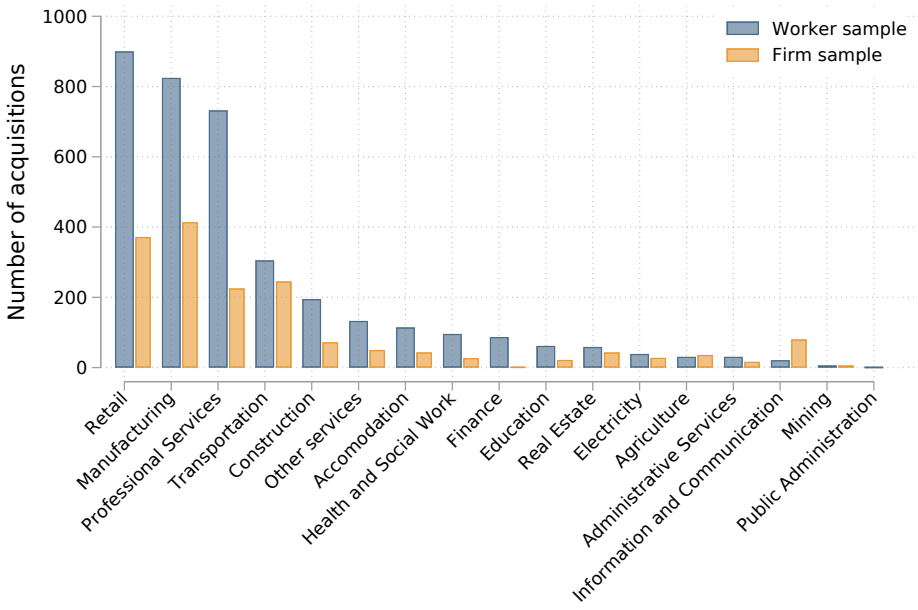
A5 Supplementary Figures

Figure A5.1: Acquisitions over Time



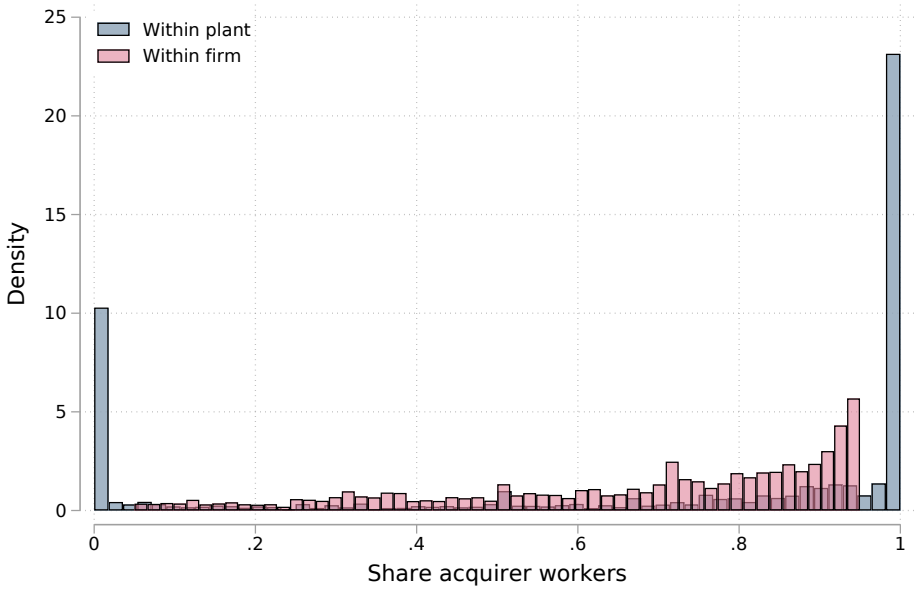
Notes: This figure shows the annual distribution of acquisition events in the worker sample and the firm sample.

Figure A5.2: Acquisitions across 2-digit Industries



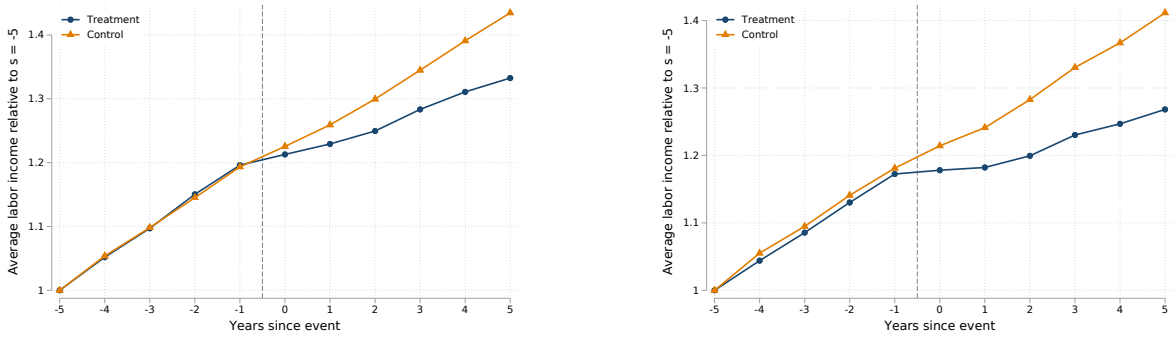
Notes: This figure shows the distribution of acquisition events across 2-digit industries in the worker sample and the firm sample.

Figure A5.3: Share of acquirer workers within firms and plants



Notes: This figure plots the share of workers initially employed at the acquiring firm, relative to the combined initial workforce of acquirer and target, over the five years following the acquisition. The blue bars show the same share within plant. The sample is restricted to cases where this acquirer firm-share lies between 5% and 95%.

Figure A5.4: The Empirical Design

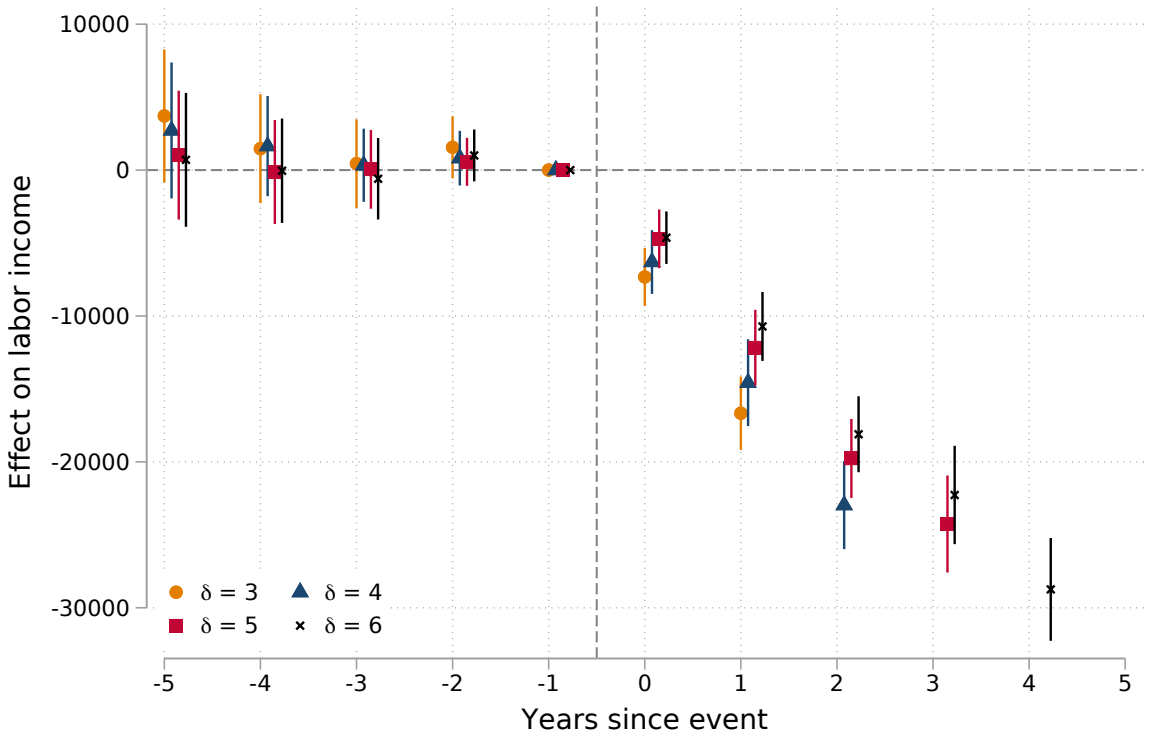


(a) Labor Income: Acquirer Workers

(b) Labor Income: Target Workers

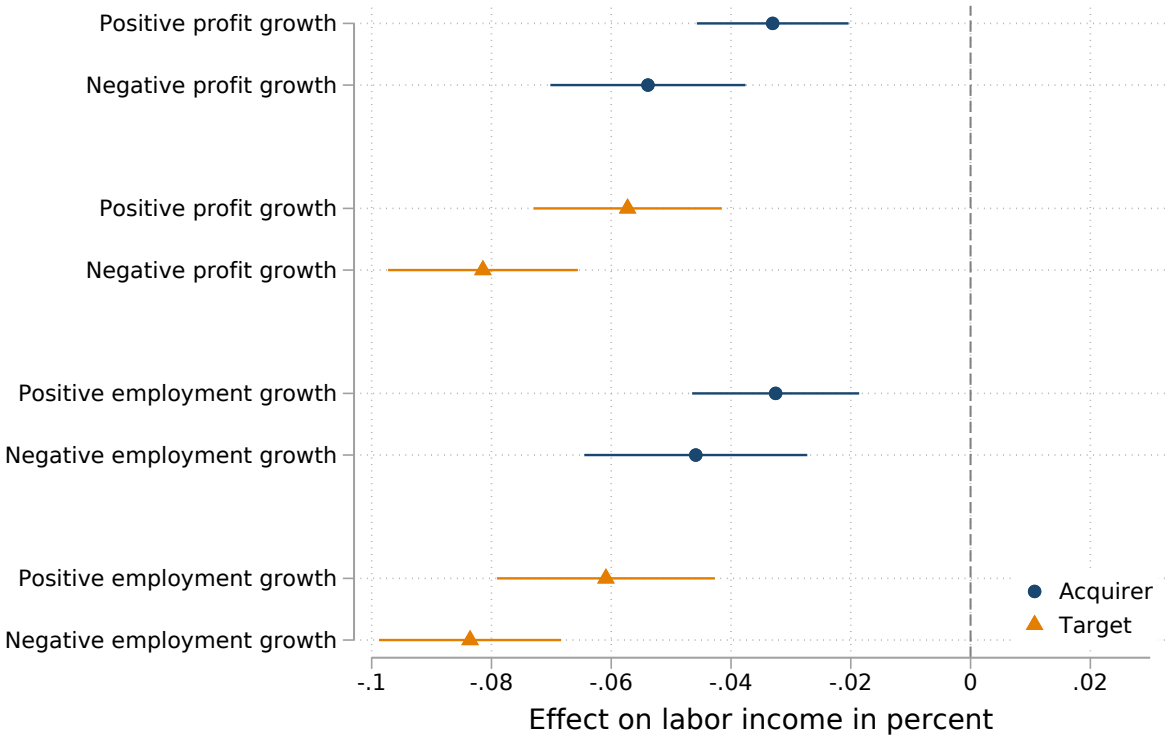
Notes: This figure illustrates our empirical design, plotting average labor income of treatment —which experiences an acquisition at time 0— and the control group which experiences an acquisition at time 7. We normalize labor income by dividing by average income in $s = -5$ for both treated and control workers, respectively **Panel (a)** plots averages for workers who were initially employed at the acquiring firm, and **panel (b)** for those who were initially employed at the target firm.

Figure A5.5: Effects on Labor Income and Robustness to Timing



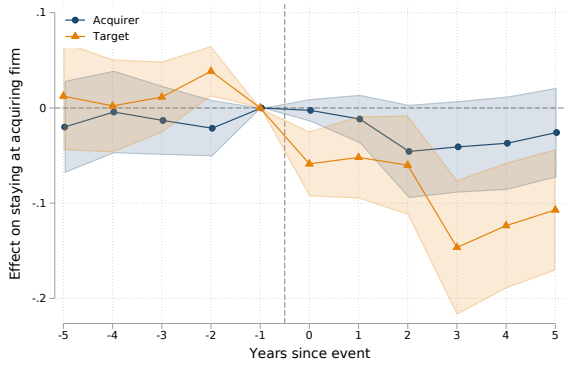
Notes: This figure plots the effects of acquisitions on workers' labor market income. Coefficient estimates are based on stacked DiD event studies according to specification (1), estimated in the worker sample. Control units are workers who experience an acquisition δ years after the treated units. In each panel, we vary δ from 3 to 6 and plot post-event estimates for all periods up to and including two years before control workers undergo the acquisition. Whiskers are 95% confidence intervals and standard errors are two-way clustered at the worker and event level. In all panels, we reweight control units to match the distribution of treatment units based on gender, age, and education, measured in period $s = -5$.

Figure A5.6: Effects on Labor Income by Target Firm Growth

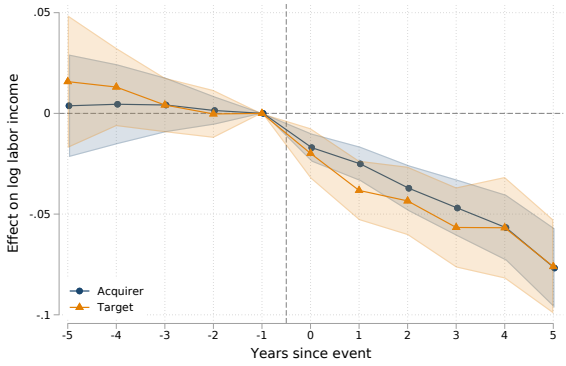


Notes: This figure shows the effects of acquisitions on annual labor market income divided by average labor income of treated units in the year before the acquisition. Coefficient estimates are based on stacked DiD models according to specification (2), estimated in the worker sample. Control units are workers who experience an acquisition seven years after the treated units. We reweight control units to match the distribution of treatment units based on gender, age, and education, measured in period $s = -5$. We report estimates separately for workers who were employed at the acquirer firm in the year prior to the acquisition and those who were employed at the target firm. We split the sample based on whether the target firm experienced negative or positive growth in employment or profit between period $s = -3$ and period $s = -1$. The split by profit growth is only available for events where we observe the target firm in the balance sheet data. Whiskers are 95% confidence intervals where standard errors are two-way clustered at the worker and event level.

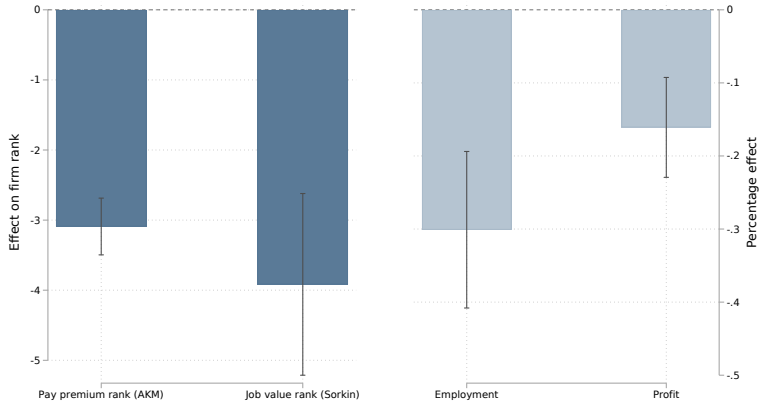
Figure A5.7: Firm Switching



(a) Staying at the Firm



(b) Labor Income of Firm Switchers



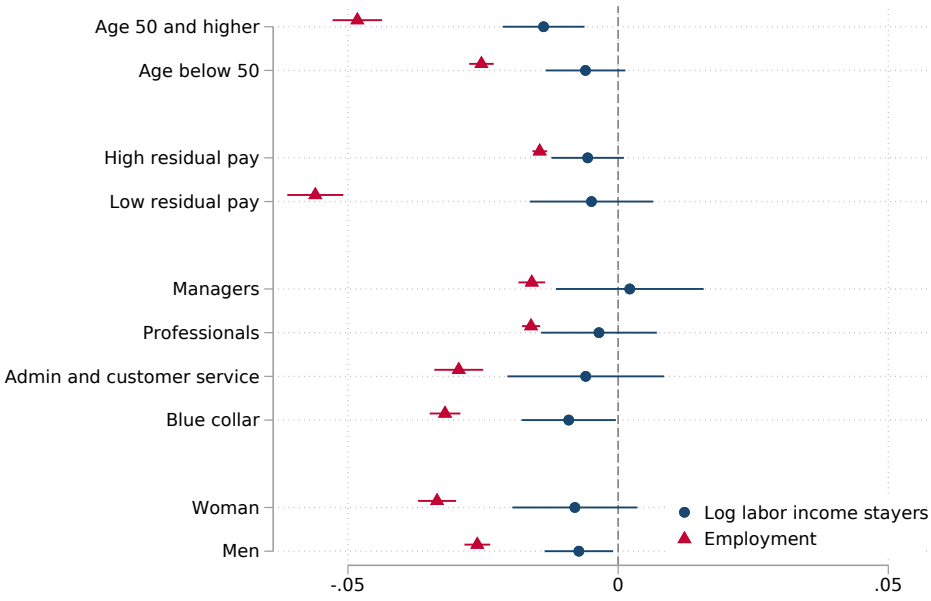
(c) Characteristics of New Employers

Notes: This figure shows the effects of acquisitions on workers who separate from the acquiring firm post-acquisition. Coefficient estimates are based on stacked DiD event studies according to specifications (1) and (2). Control units are workers who experience an acquisition seven years after the treated units. We reweight control units to match the distribution of treatment units based on gender, age, and education, measured in period $s = -5$. **Panel (a)** shows effects on staying at the acquiring firm. In **Panel (b)**, we plot the estimated effects on annual log labor market income for workers who switched to another firm at some point after the acquisition, conditional on employment. **Panel (c)** shows the effects of characteristics of switchers' new employers. The rightmost bar shows the estimate of AKM firm fixed effect ranks (Abowd et al., 1999) of workers' employers, ranging from 0 (lowest) to 100 (highest). The second bar shows the estimate of job value rank based on Sorkin (2018), ranging from 0 (lowest) to 100 (highest). The third bar displays the coefficient on workers' employers' log employment. The last bar shows the estimate on profits of workers' employers, divided by the average profits of treated units in the year before the acquisition. Shaded areas and whiskers are 95% confidence intervals where standard errors are two-way clustered at the worker and event level.

Figure A5.8: Wages and Hours

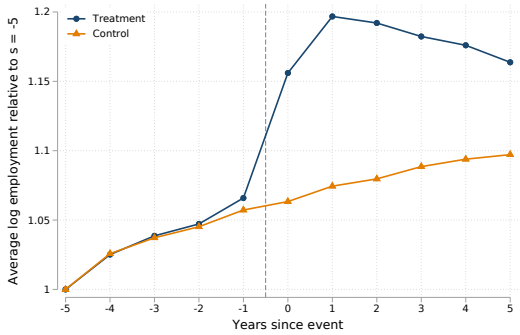
Notes: This figure shows the effects of acquisitions on log hourly wages and log contracted working hours. Coefficient estimates are based on stacked DiD event studies according to specification (1), estimated in the worker sample for workers we observe in the Structure of Earnings dataset (see Appendix Section A1 for details). See also Appendix Table A6.2 for differences between this sample and our main estimation sample. Control units are workers who experience an acquisition seven years after the treated units. Shaded areas are 95% confidence intervals where standard errors are two-way clustered at the worker and event level.

Figure A5.9: Heterogeneity in Effects on Labor Market Outcomes

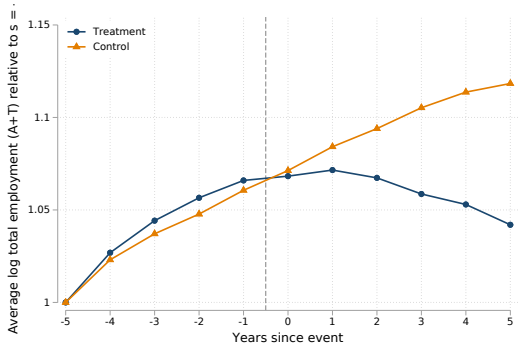


Notes: This figure shows heterogeneity in effects of acquisitions on labor market outcomes. Coefficient estimates are based on the stacked DiD models according to specification (2), estimated in the worker sample. Control units are workers who experience an acquisition seven years after the treated units. The outcomes are log annual labor income for stayers who remain at the acquiring firm after the event, conditional on having worked throughout the sample period, and an indicator for employment, defined as having annual labor income exceeding 10,000 SEK for all workers involved in the acquisition. In the first two rows, we split the sample by age in the year before the acquisition. Then, we split the sample based on whether the worker's mincer residual in the year before the acquisition was above the 67th percentile or below the 33rd percentile. We estimate Mincer residuals by regressing log labor income in the total population on fixed effects for the interaction of calendar year, 10 age bins, gender, region of residence, and educational degree. In the next four rows, we split the sample by broad occupational categories, and in the last two rows, we split the sample by gender. Whiskers are 95% confidence intervals where standard errors are two-way clustered at the worker and event level.

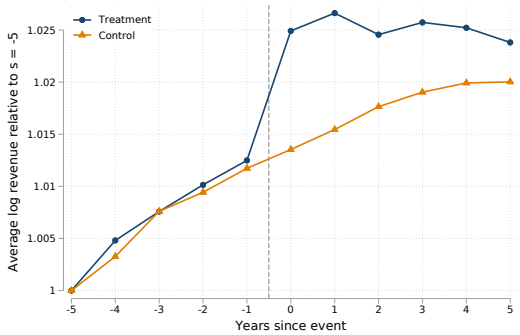
Figure A5.10: Average Firm Outcomes



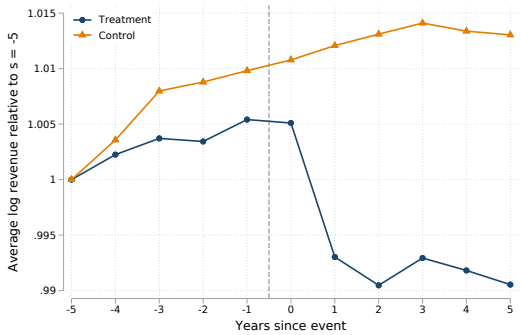
(a) Employment: Acquirer



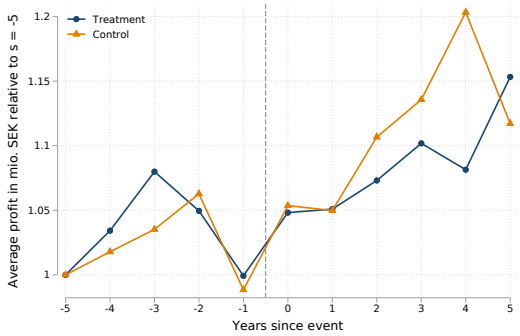
(b) Employment: Acquirer + Target



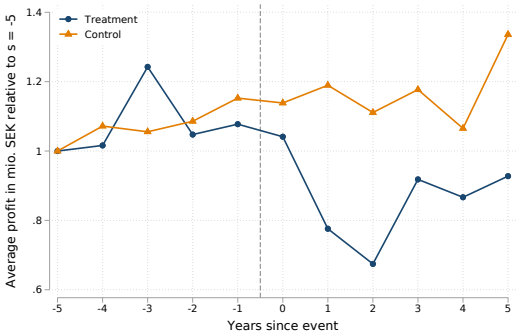
(c) Revenue: Acquirer



(d) Revenue: Acquirer + Target



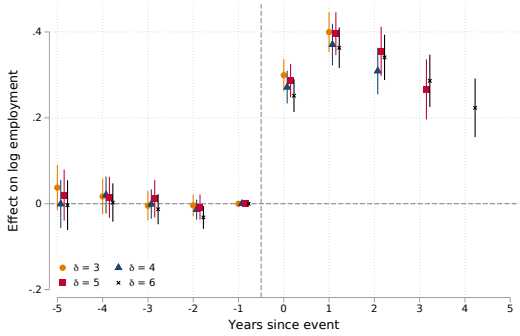
(e) Profit: Acquirer



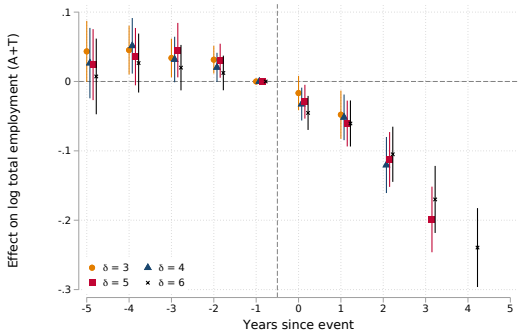
(f) Profit: Acquirer + Target

Notes: This figure shows average firm outcomes for treated and control units in the years before and after an acquisition. We normalize each outcome by dividing by the average outcome for treated and control firms, respectively. **Panel (a)** plots average log employment of acquiring firms, and **panel (b)** the same for joint employment of the acquiring and target firms. **Panel (c)** plots average log revenue of acquiring firms, and **panel (d)** the same for joint revenues of acquiring and target firms. **Panel (e)** plots average profit of acquiring firms in millions of SEK, and **panel (f)** the same for joint profit of acquiring and target firms. We reweight control units to match the distribution of treatment units based on 2-digit industries and 20 employment bins, measured in period $s = -5$.

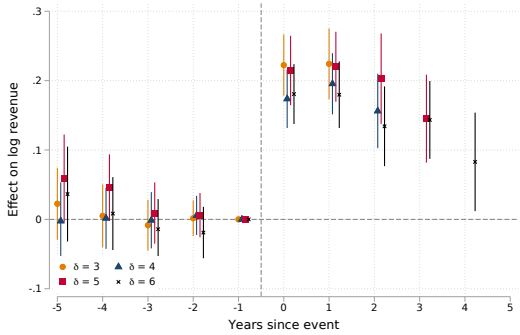
Figure A5.11: The Effects of Acquisitions on Firm Outcomes - Robustness to Timing



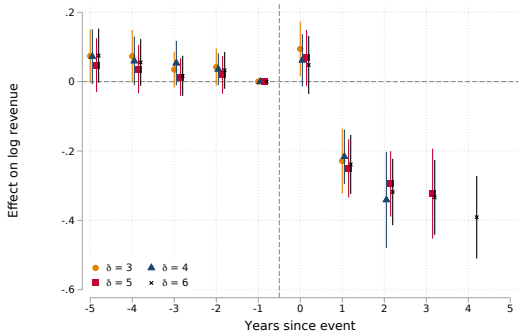
(a) Employment: Acquirer



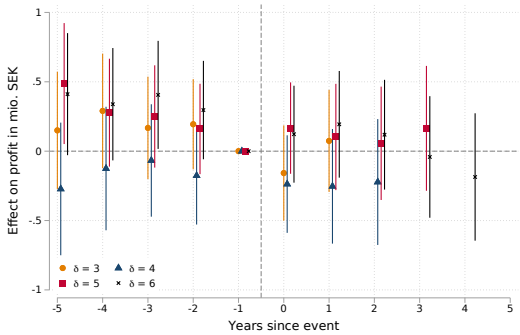
(b) Employment: Acquirer + Target



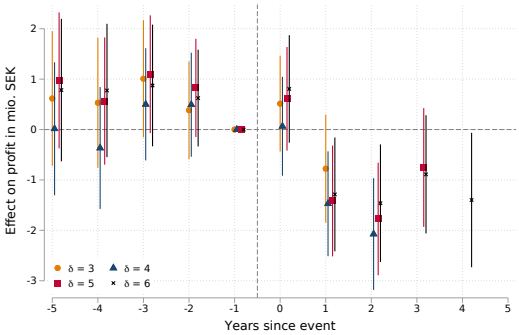
(c) Revenue: Acquirer



(d) Revenue: Acquirer + Target



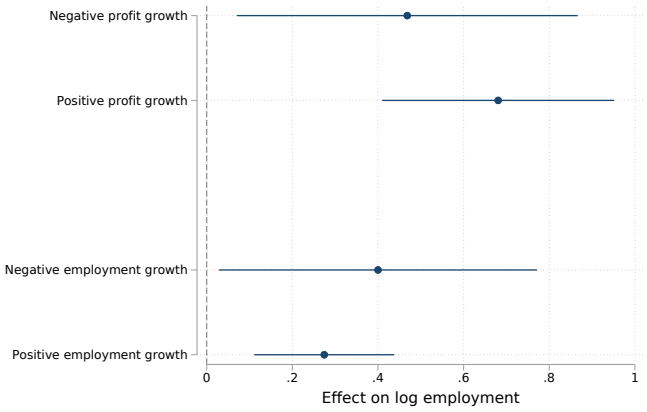
(e) Profit: Acquirer



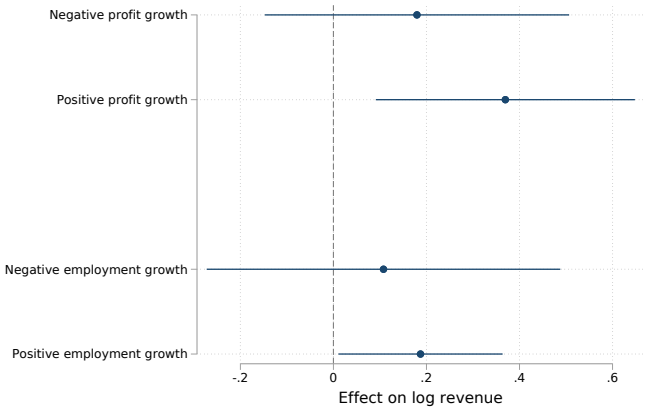
(f) Profit: Acquirer + Target

Notes: This figure shows the effects of acquisitions on firm outcomes, where coefficient estimates are based on stacked DiD event studies according to specification (1), estimated in the firm sample. Control units are firms that undergo an acquisition δ years after the treated units. In each panel, we vary δ from 3 to 6 and plot post-event estimates for all periods up to and including two years before control firms undergo the acquisition. **Panel (a)** plots estimated effects on the acquiring firm's log employment, and **panel (b)** the same for joint employment of the acquiring and target firms. **Panel (c)** plots estimated effects on the acquiring firm's log revenue, and **panel (d)** the same for joint revenues of acquiring and target firms. **Panel (e)** plots estimated effects on the acquiring firm's profit in millions of SEK, and **panel (f)** the same for joint profit of acquiring and target firms. We reweight control units to match the distribution of treatment units based on 2-digit industries and 20 employment bins, measured in period $s = -5$. Whiskers are 95% confidence intervals and standard errors are clustered at the firm level.

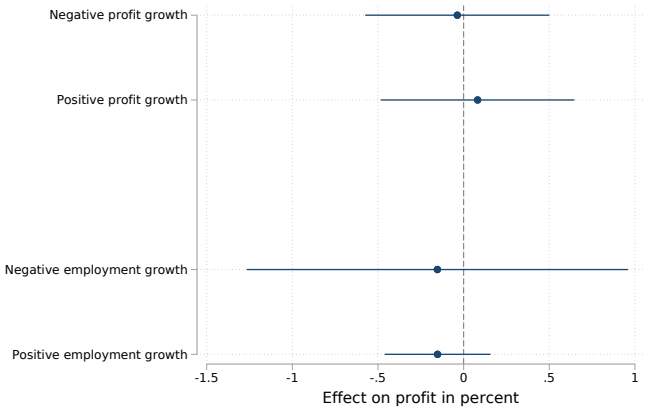
Figure A5.12: Effects on Firm Outcomes by Target Firm Growth



(a) Employment: Acquirer



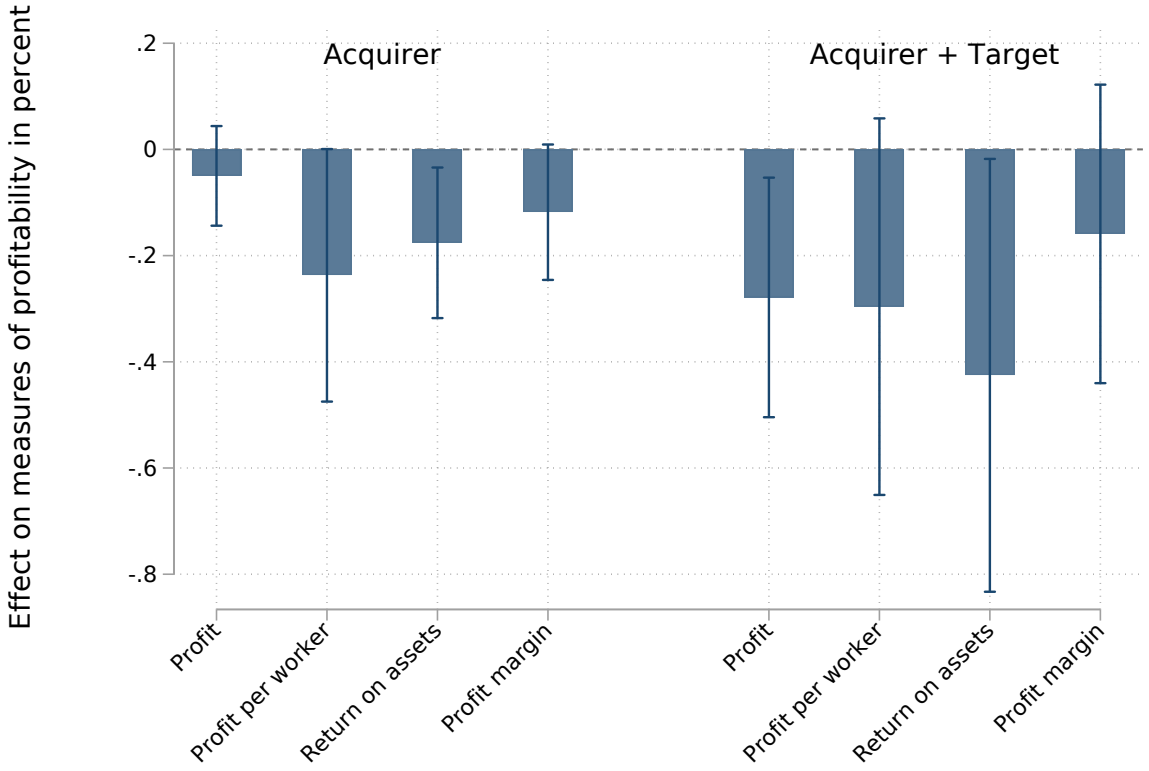
(b) Revenue: Acquirer



(c) Profit: Acquirer

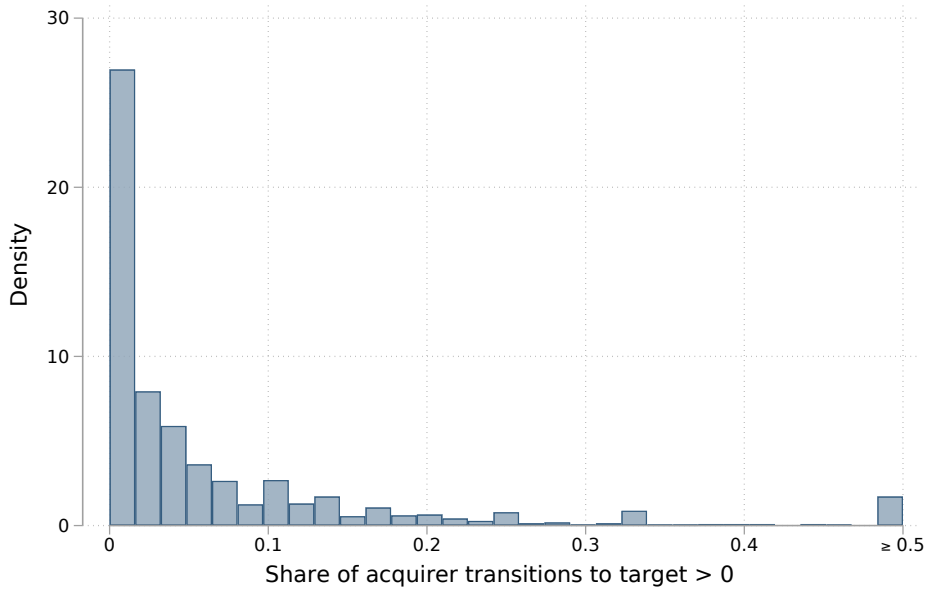
Notes: This figure shows the effects of acquisitions on firm outcomes. Coefficient estimates are based on stacked DiD models according to specification (2), estimated in the firm sample. Control units are firms who undergo an acquisition seven years after the treated units. We reweight control units to match the distribution of treatment units based on 2-digit industries and 20 employment bins, measured in period $s = -5$. **Panel (a)** shows results for the acquiring firm's log employment, **panel (b)** for the acquiring firm's log revenue, and **panel (c)** for the acquiring firm's profit divided by the average profit of treated firms in the year before the acquisition. We split the sample based on whether the target firm experienced negative or positive growth in employment or profit between period $s = -3$ and period $s = -1$. The split by profit growth is only available for events where we observe the target firm in the balance sheet data. Whiskers are 95% confidence intervals where standard errors are clustered at the firm level.

Figure A5.13: Different Measures of Profitability



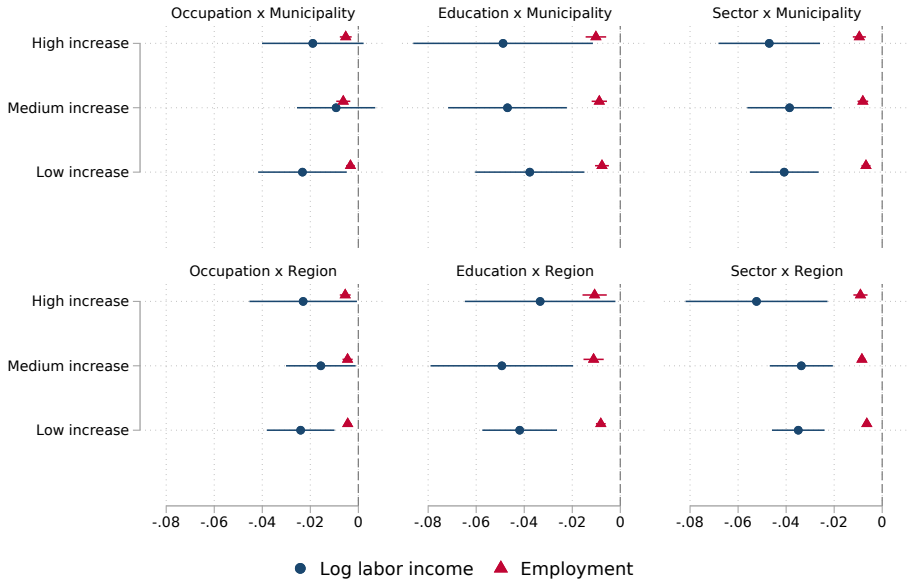
Notes: This figure shows the effects of acquisitions on different measures of firm profitability. These measures are: (operating) profit, profit per worker, return on assets – defined as profit divided by total assets, and profit margin – defined as profit divided by revenue. All outcomes are evaluated relative to the average outcome of treated firms in the year before the acquisition. Coefficient estimates are based on stacked DiD models according to specification (2), estimated in the firm sample. Control units are firms that undergo an acquisition seven years after the treated units. We reweight control units to match the distribution of treatment units based on 2-digit industries and 20 employment bins, measured in period $s = 5$. The first four estimates show results for the acquiring firm and the last four estimates for joint acquiring and target firm outcomes. To account for some severe outliers, we residualize profit margins for the acquiring firm at the 1st and 99th percentile. Whiskers are 95% confidence intervals where standard errors are two-way clustered at the worker and event level.

Figure A5.14: Acquirer-Target Transitions Before Acquisition

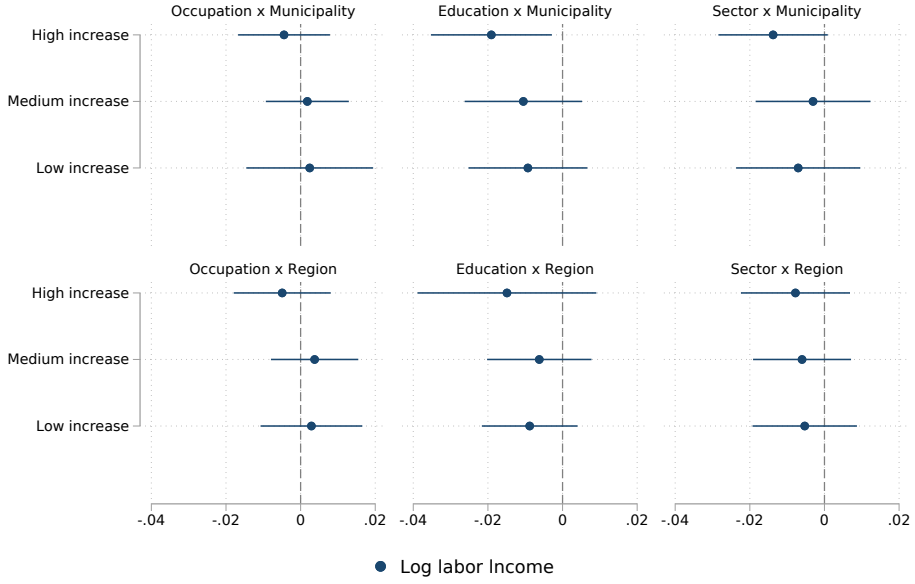


Notes: This figure shows the distribution of worker transitions from the acquiring firm to the target firm, relative to all transitions from the acquiring firm in the seven years leading up to the acquisition. We restrict the distribution to the 17% of events in which there were any acquirer-target transitions. The final bin contains all values greater or equal to 0.5.

Figure A5.15: By Increase in Labor Market Concentration - Alternative Market Definitions



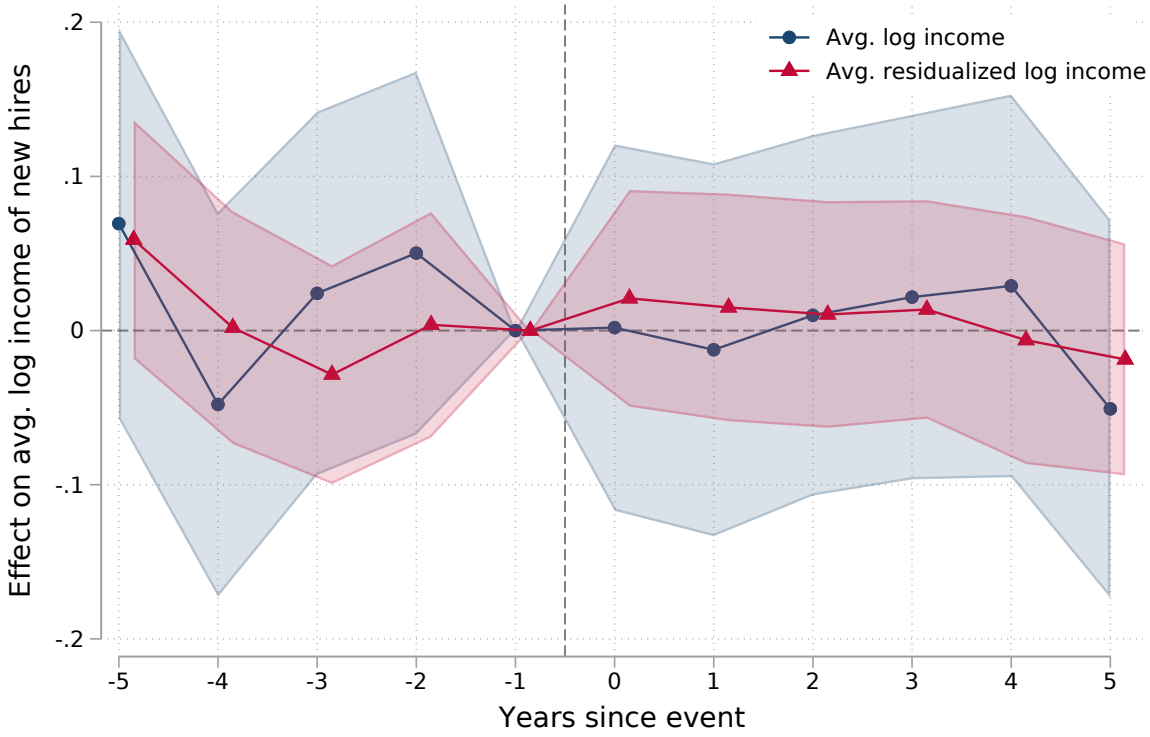
(a) Labor Income and Employment: All Workers



(b) Labor Income: Stayers

Notes: This figure shows the effects of acquisitions on labor market outcomes, where coefficient estimates are based on stacked DiD models according to specification (2), estimated in the worker sample. Control units are workers who experience an acquisition seven years after the treated units. The outcomes in **panel (a)** are log annual labor market income, conditional on employment, and an indicator for employment, defined as having annual labor market earnings above 10,000 SEK. The sample is split into tertiles by the predicted increase in the acquiring firm's employment share in the worker's labor market. We define this increase as the target firm's employment share in the respective labor market. The six panels plot results for different definitions of local labor markets. We interact a geographic identifier with a worker type. As geographic identifiers we use either one out of 290 municipalities or one out of 21 regions in Sweden. Worker characteristics are either one out of 97 educational degrees, one out of 148 3-digit occupations or one out of 16 2-digit sectors the worker is employed in. **Panel (b)** repeats this exercise for workers who stay at the acquiring firm post-acquisition. Whiskers are 95% confidence intervals and standard errors are two-way clustered at the worker and event level.

Figure A5.16: Average incomes of new hires



Notes: This figure shows the effects of acquisitions on average log incomes of new hires at the acquiring firm. Coefficient estimates are based on stacked DiD event studies according to specification (1), estimated in the firm sample. Control units are firms who experience an acquisition seven years after the treated units. We report two outcomes: the average log income of all workers who join the acquiring firm in a given year and the average of residualized log incomes of new hires. We residualize log incomes in the full employer-employee sample by regressing log income on fixed effects for calendar year, gender, age, and educational degrees. Shaded areas are 95% confidence intervals where standard errors are clustered at the firm level.

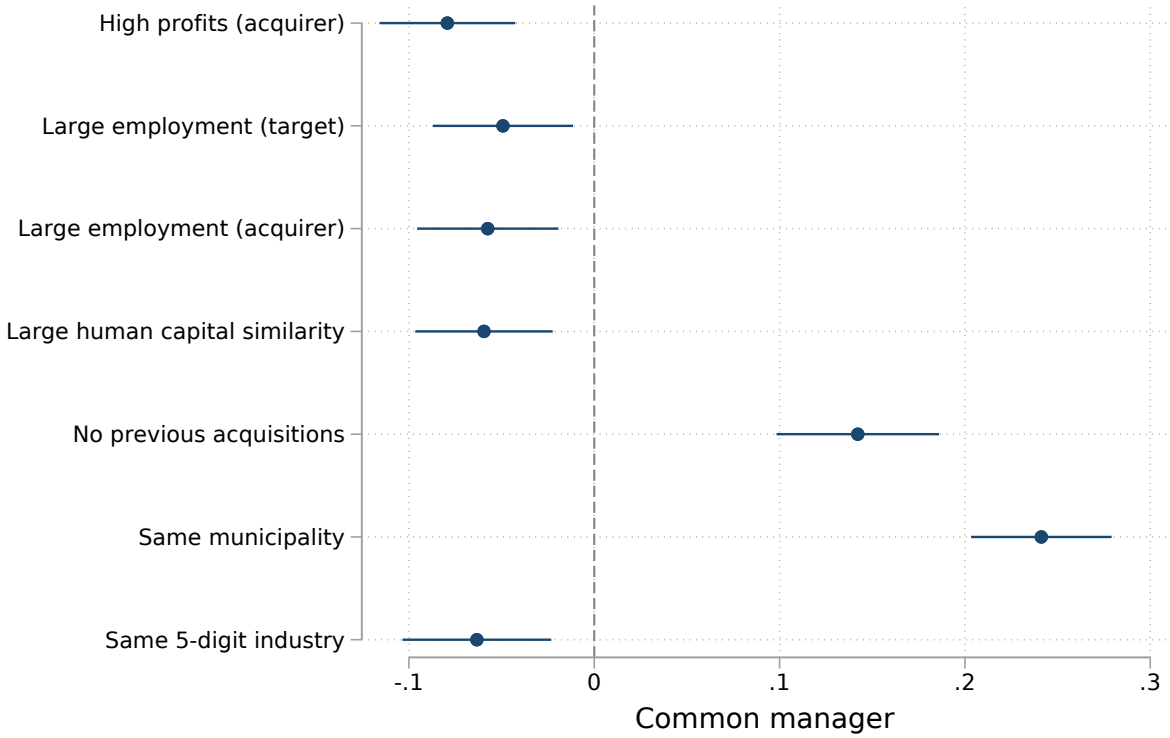
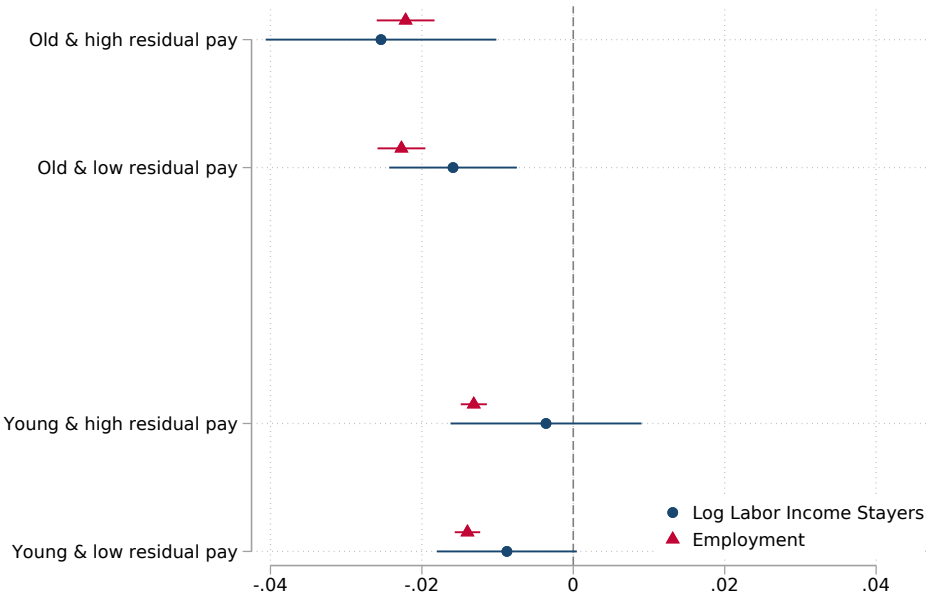


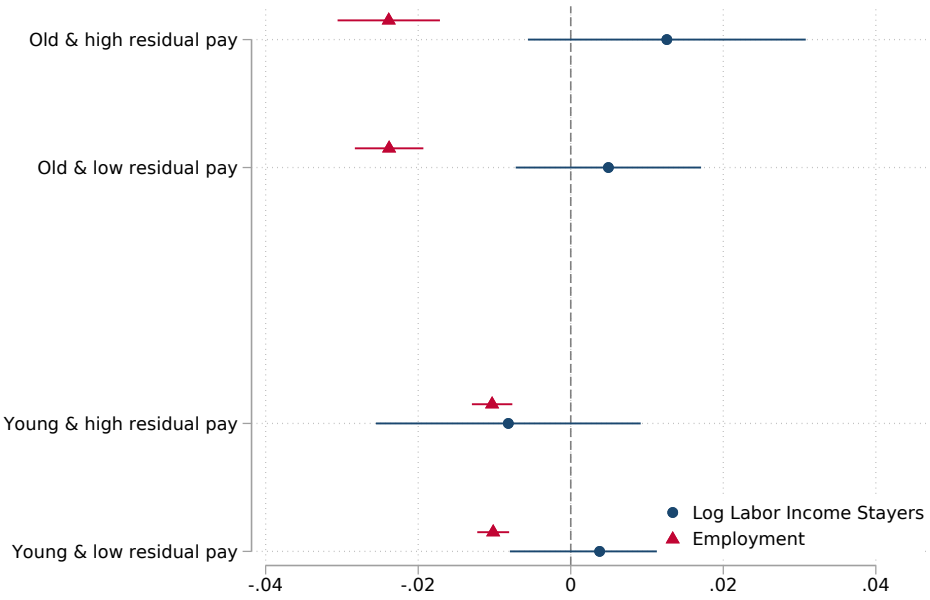
Figure A5.17: Common Manager - by Event Characteristics

Notes: This figure shows the difference in the probability of an acquisition having a common manager in the year prior to the acquisition by various event characteristics. These characteristics include above-median profits at the acquirer, above-median employment at the target, above-median employment at the acquirer, above-median human capital similarity between firms, no prior acquisitions by the acquirer, same municipality, and same 5-digit industry. Whiskers are 95% confidence intervals where standard errors are clustered at the firm level.

Figure A5.18: Effects by Worker Age and Pay



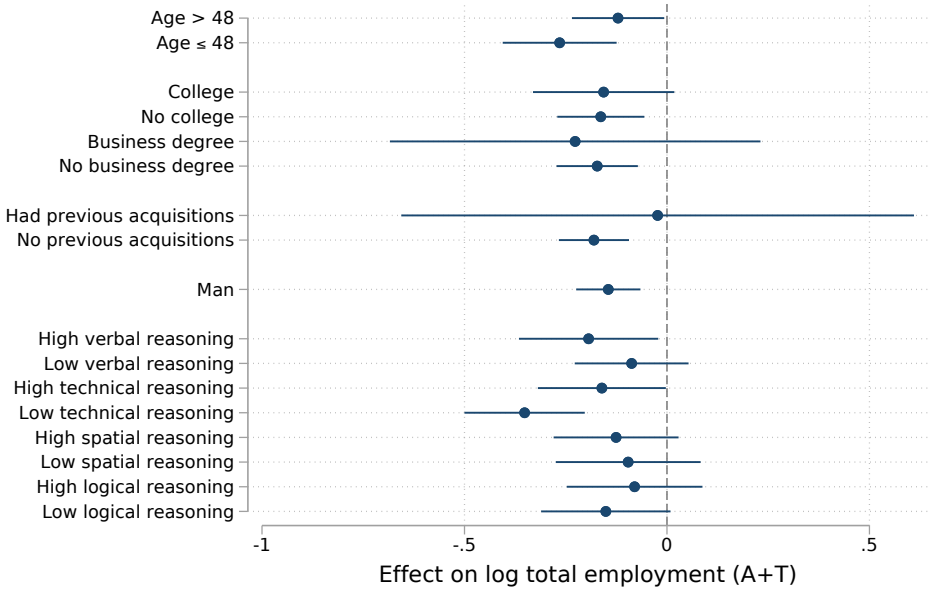
(a) Common manager



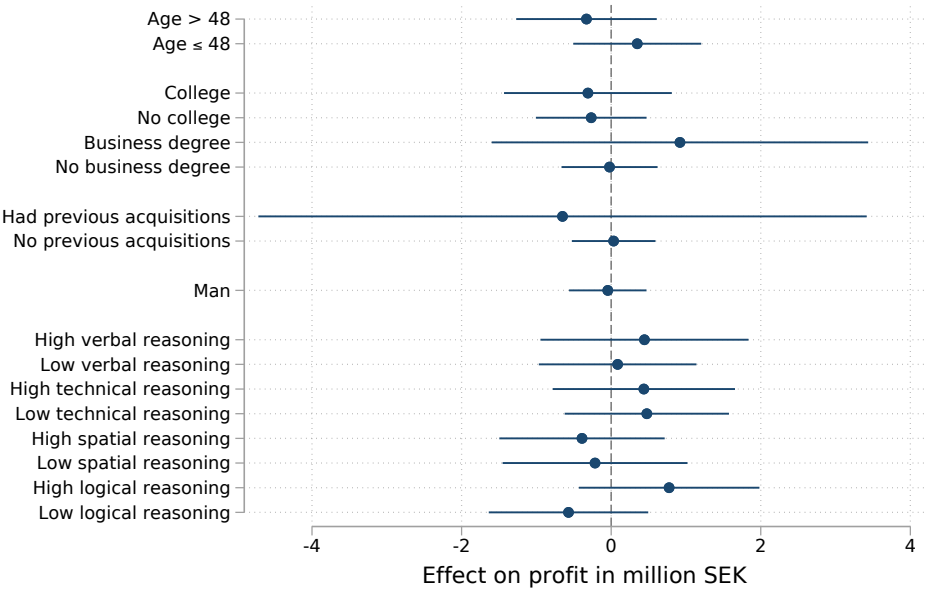
(b) No common manager

Notes: This figure shows heterogeneity in effects of acquisitions on labor market outcomes. Coefficient estimates are based on the stacked DiD models according to specification (2), estimated in the worker sample. Control units are workers who experience an acquisition seven years after the treated units. The outcomes are log annual labor income for stayers who remain at the acquiring firm after the event, conditional on having worked throughout the sample period, and an indicator for employment, defined as having annual labor income exceeding 10,000 SEK for all workers involved in the acquisition. We split the sample into four disjoint groups based on whether workers were old (50 years and above) or young (below 50 years), and based on whether they had high (above 66th percentile) or low (below 33rd percentile) residual pay in the year prior to the acquisition. We estimate Mincer residuals by regressing log labor income in the total population on fixed effects for the interaction of calendar year, 10 age bins, gender, region of residence, and educational degree. **Panel (a)** shows estimates for acquisitions with common manager and **panel (b)** for those without common manager. Common manager acquisitions are defined as events for which an acquiring firm manager was on the board of the target firm in the year before the acquisition. Whiskers are 95% confidence intervals where standard errors are two-way clustered at the worker and event level.

Figure A5.19: The Effects of Acquisitions on Firm Outcomes by CEO Characteristics



(a) Employment: Acquirer + Target



(b) Profit: Acquirer

Notes: This figure shows the effects of acquisitions on firm outcomes, where coefficient estimates are based on stacked DiD models according to specification (2), estimated in the firm sample. Control units are firms that undergo an acquisition δ years after the treated units. The outcome in **panel (a)** is the log joint employment of acquiring and target firms. In **panel (b)**, we plot estimates for acquiring firms' profits in millions of SEK. In both panels, we split the sample based on characteristics of the acquiring firm's CEO in the year before the acquisition: age (above or below 48), college degree, business college degree, prior acquisition experience as CEO, gender, and cognitive skills (above or below median verbal, technical, spatial, or logical reasoning scores from military enlistment data). We do not display coefficients for female CEOs due to small sample size. We reweight control units to match the distribution of treatment units based on 2-digit industries and 20 employment bins, measured in period $s = -5$. Whiskers are 95% confidence intervals and standard errors are clustered at the firm level.

A6 Supplementary Tables

Table A6.1: Firm Sample: Descriptives

	Full sample		Balance sheet sample		
	Acquirer	Target	Acquirer	Target	Other Firms
Profit in mio. SEK	3.36	–	3.18	1.55	0.94
Revenue in mio. SEK	78.43	–	82.32	45.37	22.96
VA per worker in 1000 SEK	1,450	–	1,887	1,831	957
Number of employees	155.63	32.42	171.46	41.16	27.82
Avg. earnings	307,120	275,259	320,193	273,844	215,921
Avg. years of educ.	11.79	11.67	11.93	11.72	11.50
Avg. age	40.36	42.14	40.29	40.20	37.51

Note: This table reports average firm and worker characteristics in the year before the acquisition. **Columns 1** and **2** show acquiring and target firms in the full sample, where we observe all firms in the employer-employee data and acquiring firms in the balance sheet data. **Columns 3** and **4** restrict to the subsample where acquirer and target firms appear in both data sources. **Column 5** reports characteristics of all firms in the balance sheet data, regardless of acquisition status, reweighted to match the calendar time distribution of acquiring firms.

Table A6.2: Full Worker Sample vs. Wage Sample

	Full sample	**Wage sample**		
	(1) Log Labor Income	(2) Log Labor Income	(3) Log Wage	(4) Log Hours
Post x Treatment	-0.0287***	-0.00587	-0.00534	-0.00875***
	(0.00469)	(0.00450)	(0.00387)	(0.00185)
Constant	12.69***	12.76***	10.33***	4.557***
	(0.00134)	(0.00151)	(0.00130)	(0.000622)
Person FE	Yes	Yes	Yes	Yes
Event-time FE	Yes	Yes	Yes	Yes
Observations	3714832	1904131	1904131	1904131

Standard errors in parentheses

$^{*}\ p < 0.05$, $^{**}\ p < 0.01$, $^{***}\ p < 0.001$

Note: This table reports effects of acquisitions on workers' labor income, wages and working hours. Coefficient estimates are based on stacked DiD models according to specification (2), estimated in the worker sample. Control units are workers who experience an acquisition seven years after the treated units. **Column 1** reports the estimated effect on log annual labor income in the full worker sample, conditional on being employed throughout the sample period. In **columns 2 - 4**, we restrict the sample to those workers whom we observe in the Structure of Earnings data (see Section 2) and report estimated coefficients on log labor income, log wages, and log working hours. Standard errors are two-way clustered at the worker and event level.

Table A6.3: Effects on Firm and Match Effects of Firm Switchers

	(1) Log Labor Income	(2) Firm Effect	(3) Match Effect
Post x Treatment	-0.0456***	-0.0632***	-0.0145
	(0.00662)	(0.00523)	(0.0125)
Constant	12.66***	0.231***	0.0625***
	(0.00194)	(0.00153)	(0.00367)
Person FE	Yes	Yes	Yes
Event-time FE	Yes	Yes	Yes
Observations	2121537	2121537	2121537

Standard errors in parentheses

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Note: This table reports effects of acquisitions on switchers' labor income, firm effects and firm-worker match effects. Coefficient estimates are based on stacked DiD models according to specification (2), estimated in the worker sample. Control units are workers who experience an acquisition seven years after the treated units. We estimate firm effects from an AKM model (Abowd et al., 1999) and worker-firm match effects as average spell-level residuals following Woodcock (2015). Standard errors are two-way clustered at the worker and event level.

Bibliography

ABOWD, J., F. KRAMARZ, AND D. MARGOLIS (1999): "High Wage Workers and High Wage Firms," *Econometrica*, 67, 251–333.

ARNOLD, D., K. MILLIGAN, T. MOON, AND A. TAVAKOLI (2024): "Job Transitions and Employee Earnings After Acquisitions: Linking Corporate and Worker Outcomes," *Working paper*.

ATHEY, S., L. K. SIMON, O. N. SKANS, J. VIKSTRÖM, AND Y. YAKYMOVYCH (2024): "The Heterogeneous Earnings Impact of Job Loss Across Workers, Establishments, and Markets," *Working Paper*.

BERTHEAU, A., E. M. ACABBI, C. BARCELÓ, A. GULYAS, S. LOMBARDI, AND R. SAGGIO (2023): "The Unequal Consequences of Job Loss across Countries," *American Economic Review: Insights*, 5, 393–408.

DAVIS, S. J. AND T. VON WACHTER (2011): "Recessions and the costs of job loss," *Brookings Papers on Economic Activity*.

LACHOWSKA, M., A. MAS, AND S. WOODBURY (2020): "Sources of Displaced Workers' Long-Term Earnings Losses," *American Economic Review*, 110, 3231–3266.

LAGARAS, S. (2024): "M&As, Employee Costs and Labor Reallocation," *Journal of Finance*.

SCHMIEDER, J., T. VON WACHTER, AND J. HEINING (2023): "The Costs of Job Displacement over the Business Cycle and Its Sources: Evidence from Germany," *American Economic Review*, 113, 1208–1254.

SORKIN, I. (2018): "Ranking Firms Using Revealed Preference," *Quarterly Journal of Economics*, 133, 1331–1393.

WOODCOCK, S. D. (2015): "Match Effects," *Research in Economics*, 69, 100–121.