

Online Appendix A. Triple-differences Analysis of Fox Introduction

This table presents results of the triple difference regression analysis of corporate investment and financing decision for the sample of firm-year observations over the years of 1999, 2001, 2002, and 2004. The dependent variables are a firm's annual investment expenditures-to-total assets ratio times 100 and leverage ratio times 100 in Columns 1 and 3 and 2 and 4, respectively. Columns 1 and 2 present the results of the triple differences regression analysis where RL is classified based on managements' contributions to Republican candidates in 2000. Columns 3 and 4 present the results of the triple differences analysis where RL is classified based on the county majority votes in the 2000 presidential election. *Treated* is a dummy variable that takes the value of one if Fox was introduced to firm *i*, and zero otherwise. *Post* is a dummy variable that takes the value of one if the firm-year observation is in year 2001 or 2004, and zero otherwise. *RL* is a dummy variable that takes the value of one if the managers of the firm are Republican-leaning, and zero otherwise. Other variables are defined in Appendix A. All regressions control for industry (four-digit GICS industry code) \times year and firm fixed effects. Standard errors are clustered at the firm level. The coefficients of the constant, industry \times year, and firm dummies are omitted for brevity. The p-values are reported in parentheses. ***, **, and * indicate significance at 1%, 5%, and 10%, respectively.

Dependent Variables	Managerial Political Contribution		County Presidential Votes	
	(1) Investment Expenditure (%)	(2) Leverage (%)	(3) Investment Expenditure (%)	(4) Leverage (%)
Treated \times Post \times RL	2.343* (0.09)	2.728** (0.02)	2.395* (0.10)	1.335** (0.02)
Treated \times Post	-0.508 (0.50)	0.237 (0.71)	-0.619 (0.41)	0.612 (0.29)
Post \times RL	0.105 (0.91)	-0.016 (0.98)	0.328 (0.78)	1.101 (0.26)
Controls	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes
Industry \times Year Fixed Effects	Yes	Yes	Yes	Yes
Observations	3,371	3,263	3,371	3,263
Adj. R^2	0.584	0.824	0.583	0.824

Online Appendix B. Differences-in-Differences Analysis of Investment and Financing Decisions and Fox News Introduction in 2003

This table presents results of the differences-in-differences regression analysis of corporate investment and financing decisions against *FoxIntro* and various control variables for firm-year observations over the period of 2002 through 2005. The dependent variables are a firm's annual investment expenditures-to-total assets ratio times 100 and leverage ratio times 100 in Columns 1 and 3 and 2 and 4, respectively. Panel A presents the results where a firm is classified as RL based on managements' contributions to Republican candidates in 2000. Panel B presents the results where a firm is classified as RL based on the county majority votes in the 2000 presidential election. Variables are defined in Appendix A. All regressions control for industry (four-digit GICS industry code) \times year and firm fixed effects. Standard errors are clustered at the firm level. The coefficients of the constant, industry \times year, and firm dummies are omitted for brevity. The p-values are reported in parentheses. ***, **, and * indicate significance at 1%, 5%, and 10%, respectively.

Panel A. RL firms classified based on managerial political contributions

Dependent Variables	Managerial Political Contribution - RL		Managerial Political Contribution - Non-RL	
	(1)	(2)	(3)	(4)
	Investment Expenditure (%)	Leverage (%)	Investment Expenditure (%)	Leverage (%)
FoxIntro	2.546*** (0.00)	1.991** (0.04)	-0.368 (0.58)	-0.897 (0.18)
Controls	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes
Industry \times Year Fixed Effects	Yes	Yes	Yes	Yes
Observations	1,169	1,150	2,121	2,012
Adj. R^2	0.412	0.790	0.602	0.901

Panel B. RL firms classified based on county presidential votes

Dependent Variables	County Presidential Votes - RL		County Presidential Votes - Non-RL	
	(1)	(2)	(3)	(4)
	Investment Expenditure (%)	Leverage (%)	Investment Expenditure (%)	Leverage (%)
FoxIntro	2.309** (0.02)	1.514** (0.04)	0.589 (0.33)	-0.696 (0.12)
Controls	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes
Industry \times Year Fixed Effects	Yes	Yes	Yes	Yes
Observations	955	883	2,335	2,279
Adj. R^2	0.416	0.794	0.573	0.889

Online Appendix C. Differences-in-Differences Analysis of Investment and Financing Decisions and MSNBC Introduction

This table presents results of the differences-in-differences regression analysis of corporate investment and financing decisions against *MSNBCIntro* and various control variables for firm-year observations over the period of 1998 through 2005. The dependent variables are a firm's annual investment expenditures-to-total assets ratio times 100 and leverage ratio times 100 in Columns 1 and 3 and 2 and 4, respectively. Columns 1 and 2 present the results of where RL is classified based on managements' contributions to Republican candidates in 2000. Columns 3 and 4 present the results of where RL is classified based on the county majority votes in the 2000 presidential election. Variables are defined in Appendix A.1. All regressions control for industry (four-digit GICS industry code) \times year and firm fixed effects. Standard errors are clustered at the firm level. The coefficients of the constant, industry \times year, and firm dummies are omitted for brevity. The p-values are reported in parentheses. ***, **, and * indicate significance at 1%, 5%, and 10%, respectively.

Dependent Variables	Managerial Political Contribution		County Presidential Votes	
	(1)	(2)	(3)	(4)
	Investment Expenditure (%)	Leverage (%)	Investment Expenditure (%)	Leverage (%)
MSNBCIntro	0.048 (0.97)	0.946 (0.24)	-0.506 (0.54)	0.821 (0.23)
Controls	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes
Industry \times Year Fixed Effects	Yes	Yes	Yes	Yes
Observations	2,572	2,548	2,014	1,885
Adj. R^2	0.641	0.814	0.611	0.827

Online Appendix D. Additional Robustness Tests

We also conduct tests using different specifications of the data and the variables. First, to ensure that the results are not due to outlier observations, we estimate the RL regressions in Tables III and IV after winsorizing all continuous variables at the 1st and 99th percentile. Second, because we do not use non-RL firms from *Compustat*, we drop the 128 supplemental RL firms from *Compustat* and re-estimate the RL regressions in Tables III and IV. Third, because a large number of firms have zero R&D, we estimate the R&D regressions with RL firms in Tables III and IV using a Tobit model. Fourth, rather than using market value leverage, we use book value leverage and re-estimate the RL regressions in Table III. Fifth, we had dropped 15 firms within the *Execucomp* universe that are missing our proxy for top management compensation (i.e., CEO compensation). We include these firms inserting the sample average value of these variables. Sixth, in all regressions we cluster standard errors at the firm-level to account for the time-series correlation in the dependent variables. Sixth, we conduct our analyses by including various combinations of fixed effects to control for unobserved time-invariant heterogeneity including year and firm fixed effects, state-year and firm fixed effects, and year and industry fixed effects. We also conduct our analyses by clustering standard errors at the township level, state level, industry level, and by bootstrapping the standard errors. In all cases, the coefficient of $FoxIntro_{i,t}$ is positive with a p-value less than 0.05.