Instructions:

We perform all the automatic data cleaning in SAS and perform all the manual data inspection in Excel 2013. We extracted Orbis data from two sources. The most recent 10 years up to 2012 was extracted from the Orbis web interface and data for an earlier 10 years was provided to us on CDs.

- We cleaned the web-extracted Orbis data for the most recent ten years up to 2012.[1] All firm-level variables are quoted in USD and are expressed in millions. Due to a file export constraint in Orbis (i.e., in each data inquiry, we were only allowed to extract up to 1,883 rows), we extracted 1,443 separate files in this step. This download was performed in November 2013 by two undergraduate research assistants: Yining Zhang and Yilan Cai at Queen's University. We then compiled the 1,443 individual files and transposed the raw Orbis data into a Compustat-like file. We also renamed variables using Compustat conventions (e.g., *Total_assets_mil_USD_* was renamed *AT*).

- We cleaned the CD-based Orbis data for the earlier ten years (1993-2002). We obtained the CD in the form of Blu-ray media in November 2013. Note that the raw CD-based Orbis data does not directly specify the fiscal year of each variable (i.e., the account name is not indexed by the fiscal year, like *Total_assets_mil_USD_2000*). Instead, in the database, all variables are referenced to the last year (i.e., *Total_assets_mil_last_avail_year*, *Total_assets_mil_last_avail_year-1*, *Total_assets_mil_last_avail_year-2*, etc.). Therefore, we needed to use the variable *last available year* for each firm to determine the values for the remaining fiscal years. To do so, we used the computer to automatically identify firms with the last available year in 2002, 2001, 2000, etc., and produced individual files for each *last available year* which we labelled CD2002, CD2001, CD2000, etc. Then, for each CD*Year* file, we manually renamed variables into Accountname*year*. For example, for the CD2002 file, *Total_assets_mil_last_avail_year* is then renamed *AT2002*. We used the Compustat conventions when we renamed the variables. Finally, similar to the last step, in this step, we also transposed the raw Orbis data downloaded from CDs into a Compustat-like file.

- From our private communication with BvD, we were advised that BvD uses different firm IDs (i.e., the BvDID variable) for a subset of firms between the CD-based data and the web-extracted data. To fix this problem, we sent our list of firm IDs to BvD and obtained a translation file between the old firm IDs and the new firm IDs. We then replaced the old BvDID with the new BvDID.

- We assembled the CD-based Orbis data and the web-extracted Orbis together to form a panel database.

- We calculate the accruals as well as additional firm characteristics using this sample which we labelled EUUniverse.

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[1] The updated link (accessed January 2, 2017) for this is located at: https://orbis.bvdinfo.com/version-20161215/home.serv?product=orbisneo.

- We applied the matching software provided by BvD to find the firm ID in the Orbis database. Specifically, we entered the firm names and country names specified in the World Bank data and used the matching software to search for the potential matches with the closest firm names in Orbis from the specified country. The matching software returned potential matches with a matching quality variable that takes a value from "A" (the best quality) to "E" (the poorest quality). We initially retained all matches.

- We attached the trade investigation initiation dates to all matches from the last step. We then entered these matches (i.e., investigation initiation date-firm ID combinations) into the EUUniverse database to find the event-year firm's fundamental financial characteristics. Keep in mind that at this stage we have retained all matches from quality "A" (the best quality) to "E" (the poorest quality).

- We assessed the matching quality by manually inspecting the file generated in the last step. We compared the firm names reported in the World Bank file with the firm names reported in the Orbis data. When a match was ambiguous or there were multiple potential matches, we performed key word searches in google to verify the products manufactured by the chosen event firm matched the products of interest in the corresponding import relief investigation.

- We inserted additional hand collected variables into the file resulting from the last step (i.e., the percentage of injury-implied duty; the geographic distance; the retaliation intensity). Refer to our response to Question #2 for details.

- We separated the EUUniverse into two groups: petitioning firms and potential control firms (all other firms).

- We performed the matching algorithm suggested in Ecker, Francis, Olsson and Schipper (2013) that is described in the paper.

- We identified the years around the trade investigation year as Event year -3 to Event year +3.

- We constructed one of our control variables *Return* as the median contemporaneous annual excess stock return (annual raw return minus the market index return) for all public firms from the same Fama-French 30 industry from the country that is home to the petitioning firm. We utilized the Worldscope database for these return data. The raw output file downloaded from Worldscope was similar to the raw output from the Orbis database. We used a similar strategy to clean the data (i.e., transpose and rename the variables, etc.).

- We calculated necessary control variables using Orbis data. We also included all fixed effects (year, industry, country).

- Finally, we winsorized all continuous variables at the 1% and 99% percentiles to remove the effect of outliers. We exported our final data to Stata to execute the analysis and tabulate regression results.