

Incomplete Disclosure: Evidence of Signaling
and Countersignaling
Online Appendix

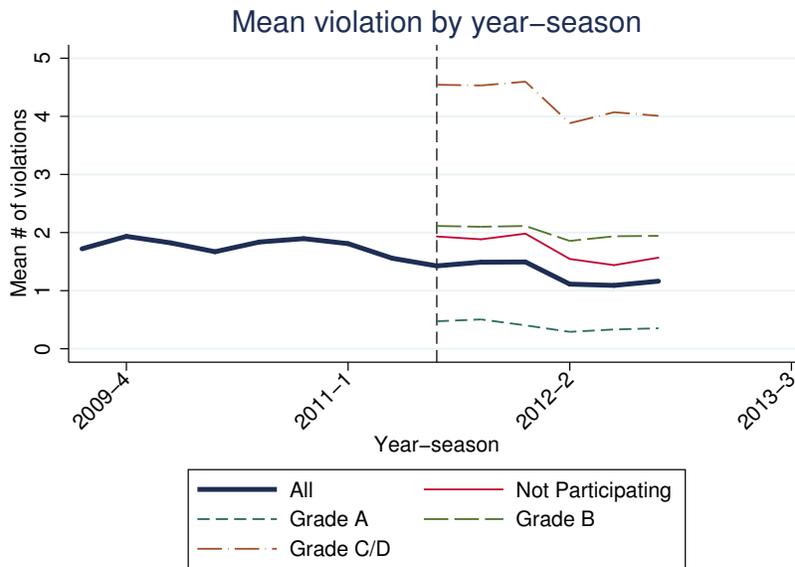
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Appendix Figures and Tables

Figure A: Examples of Offline Posting

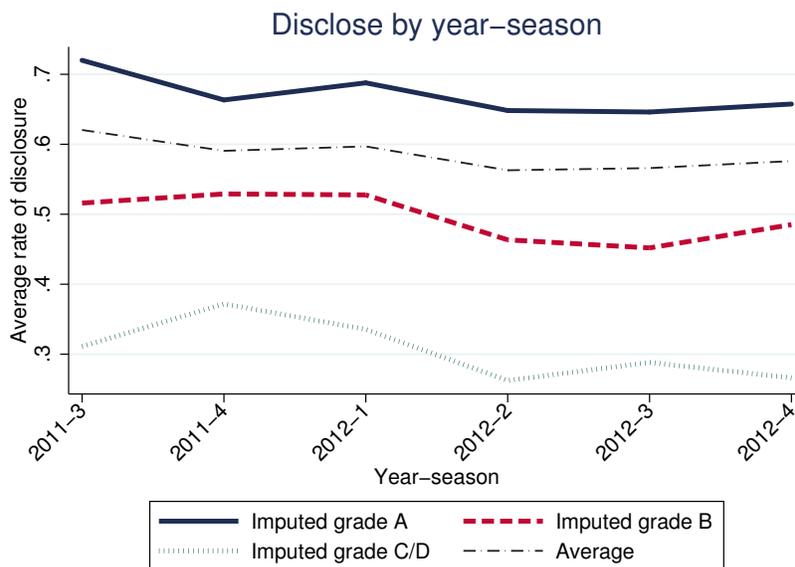


Figure B: Mean Number of Violations by Year-Quarter



Note: Each line represents the mean number of violations for inspections that took place in a specific year-quarter for each letter grade.

Figure C: Average Disclosure Status by Year-Quarter and Imputed Grade



Note: Each line represents the average disclosure rate for inspections with a specific imputed grade.

Table A: Disclosure by Imputed Grade - Half Grades Defined within ZIP Code

<i>deprvar</i> = disclosure in current inspection	(1)	(2)	(3)	(4)	(5)	(6)
A+ in current inspection (β_{A+})	0.335*** (0.050)	0.254*** (0.037)	0.227*** (0.036)	0.265*** (0.037)	0.298*** (0.034)	0.321*** (0.032)
A- in current inspection (β_{A-})	0.380*** (0.027)	0.293*** (0.040)	0.250*** (0.038)	0.307*** (0.039)	0.326*** (0.037)	0.363*** (0.026)
B+ in current inspection (β_{B+})	0.193*** (0.028)	0.116*** (0.038)	0.084** (0.036)	0.131*** (0.037)	0.169*** (0.036)	0.185*** (0.026)
B- in current inspection (β_{B-})	0.139*** (0.025)	0.076** (0.035)	0.044 (0.033)	0.089** (0.034)	0.124*** (0.035)	0.138*** (0.024)
C/D+ in current inspection	0.087*** (0.021)	0.039 (0.030)	0.033 (0.029)	0.054* (0.029)	0.086*** (0.029)	0.077*** (0.022)
mean WSUMVIOL of own past inspections		-0.015*** (0.002)	-0.010** (0.004)	-0.011*** (0.003)	0.002 (0.002)	
stdev WSUMVIOL of own past inspections		0.003 (0.007)	-0.001 (0.003)	0.009 (0.006)	0.015*** (0.005)	
mean WSUMVIOL of ZIP restaurants			-0.043*** (0.010)			
fraction of ZIP restaurants in first batch			0.050 (0.105)			
# of restaurants in ZIP ($\times 1,000$)			-0.304*** (0.019)			
A in previous inspection				0.107*** (0.020)		
B in previous inspection				0.040** (0.016)		
latest disclosing grade is A					0.417*** (0.011)	
A+ in previous inspection (ϕ_{A+})						0.137*** (0.037)
A- in previous inspection (ϕ_{A-})						0.151*** (0.027)
B+ in previous inspection (ϕ_{B+})						0.085*** (0.026)
B- in previous inspection (ϕ_{B-})						0.048* (0.026)
C/D+ in previous inspection						0.061** (0.030)
year-season FE	X	X	X	X	X	X
<i>N</i>	19097	17915	17915	17864	16534	18168
<i>R</i> ²	0.054	0.054	0.086	0.057	0.209	0.063
$\beta_{A+} > \beta_{A-}$ (<i>p</i> -value)	0.106	0.070	0.057	0.048	0.057	0.045
$\beta_{B+} > \beta_{B-}$ (<i>p</i> -value)	1.000	0.997	0.997	0.998	0.998	0.999
$\phi_{A+} > \phi_{A-}$ (<i>p</i> -value)						0.291
$\phi_{B+} > \phi_{B-}$ (<i>p</i> -value)						0.990

Note: The sample includes last observed inspections in the post-GC period. Half grades are defined relative to the median WSUMVIOL of all the disclosed inspections in the same letter grade in the same ZIP code. All columns also include a dummy indicating whether the restaurant belongs to the first batch, a dummy indicating whether the restaurant is listed on Yelp, and a dummy indicating whether it belongs to a restaurant chain, and the number of consumer observable violations. Observations for restaurants in ZIP codes that contain fewer than 3 disclosed inspections in any letter grade are dropped. Standard errors reported in parentheses are clustered at the ZIP code level. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table B: Consumer Observable Violations (OBSVIOL=1)

OBSVIOL	Description
1	Food-contact surfaces: cleaned and sanitized
1	Consumer advisory provided for raw or undercooked foods
1	Food properly labeled; original container
1	Insects, rodents and animals not present; no unauthorized persons
1	Personal cleanliness
1	Food and non-food contact surfaces cleanable, properly designed, constructed and used
1	Warewashing facilities: installed, maintained and used; test strips
1	Non-food contact surfaces clean
1	Toilet facilities: properly constructed, supplied, and cleaned
1	Garbage and refuse properly disposed; facilities maintained
1	Physical facilities installed, maintained, and clean
1	Adequate ventilation and lighting; designated areas used
0	Food received at proper temperature
0	Food in good condition, safe, and unadulterated
0	Required records available: shellstock tags, parasite destruction
0	Food separated and protected
0	Proper disposition of returned, previously served, reconditioned, and unsafe food
0	Proper cooking time and temperature
0	Proper reheating procedures for hot holding
0	Proper cooling time and temperature
0	Proper hot holding temperatures
0	Proper cold holding temperatures
0	Proper cold holding temperatures
0	Proper date marking and disposition
0	Time as a public health control: procedures and record
0	Pasteurized foods used; prohibited foods not offered
0	Food additives: approved and properly used
0	Toxic substances properly identified, stored, and used
0	Compliance with variance, specialized process, and HACCP plan
0	Pasteurized eggs used where required
0	Water and ice from approved source
0	Variance obtained for specialized processing methods
0	Proper cooling methods used; adequate equipment for temperature control
0	Plant food properly cooked for hot holding
0	Approved thawing methods used
0	Thermometers provided and accurate
0	Contamination prevented during food preparation, storage, and display
0	Wiping cloths: properly used and stored
0	Washing fruits and vegetables
0	In-use utensils: properly stored
0	Utensils, equipment, and linens: proper stored, dried, and handled
0	Single-use and single-service articles: properly stored and used
0	Gloves used properly
0	Hot and cold water available; adequate pressure
0	Plumbing installed; proper backflow devices
0	Sewage and waste water properly disposed