



MERCER CAPITAL'S

# Value Matters™

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## Customary and Not-So-Customary Services in the Litigation Arena

We have worked with many attorneys over the last 25+ years on a broad range of projects for purposes ranging from gift and estate tax to financial reporting to employee stock ownership plans (ESOPs) to fair value determinations. In addition, a growing number of assignments have been related to litigation support. As such, this article relates our experience in the litigation support arena and highlights not only those services well known to attorneys, but other services that business valuation professionals can provide with which some attorneys may not be as familiar.

### CUSTOMARY SERVICES

Customary services a business valuation professional can provide in a litigated situation are summarized below:

- » Consultants in litigated matters
- » "Fair value" determinations in dissenting minority shareholder situations in numerous states
- » Estimates of damages and lost profits
- » Valuation in marital dissolutions
- » Valuation in corporate dissolutions
- » Buy-sell agreement litigation
- » Bankruptcy matters
- » Valuation in U.S. Tax Court
- » Formal appraisal review under Standards Rule 3 of *Uniform Standards of Professional Appraisal Practice*
- » Determining value in condemnation situations
- » Securities fraud
- » Corporate tax matters
- » Analysis of complex business issues from a valuation perspective
- » Numerous other matters

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The Buy-Sell Agreement  
Resource Kit

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## NOT-SO CUSTOMARY SERVICES

Attorneys familiar with valuation-related litigation understand that an expert for one side is often called upon to review or critique the report of the expert on the other side. In other cases, an independent business appraiser is retained to provide the needed review and analysis, either for attorney preparation or for rebuttal at trial. We mention these customary services as a prelude to less customary services listed below (over the years, we have worked with many attorneys to provide these additional services):

- » Analyzing the work of other experts to ascertain reasonableness (or not) prior to filing litigation
- » Preparation of preliminary damages analyses, or developing initial damages theories, prior to the filing of damages litigation
- » Preparation of questions to assist counsel in the deposition of expert and/or appropriate fact witnesses
- » Developing follow-up questions based on counsel's deposition preparation ("If the response is \_\_\_\_, then ask \_\_\_\_.")
- » Assistance in developing discovery requests

We or any other business valuation professional cannot provide these services unless we are retained in time. It is frustrating as an expert to be retained *after* the discovery has closed or after the depositions of fact and expert witnesses have been taken. For more information, see our article, "Good Things Come to Those Who Don't Wait," originally published in the December 2007 issue of *Value Matters*<sup>™</sup>, which can be found in the Knowledge Center section of our website at [www.mercercapital.com](http://www.mercercapital.com).

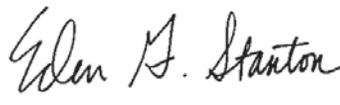
What are the benefits of these not-so-customary services?

- » Making the attorney's job easier and leveraging his or her expertise
- » Developing realistic expectations for damages and/or value in the preliminary stages of litigation (and assisting with managing client expectations)
- » Enhancing the understanding of the strengths and weaknesses of the opposing expert's position(s)
- » If appropriate strategically, pointing out errors or logical problems in the opposing expert's work at the deposition stage
- » Enhancing the prospects of timely settlement

Whatever your needs in the litigation arena, please do not hesitate to contact us if you have questions or desire to have initial discussions in complete confidence.



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## MERCER CAPITAL'S E-BOOK LIBRARY

TITLE	DESCRIPTION	INVESTMENT	RELEASE DATE
<b>UPDATED</b>			
<b>The QMDM Companion, Version 4.0 (2008)</b>	The Quantitative Marketability Discount Model (QMDM) presents a practical model to assist business appraisers in developing, quantifying and defending marketability discounts under the income approach. The very latest version of the QMDM now includes a revised and expanded explanatory manual. The model and manual are delivered as a .zip file electronically via email.	<b>\$125.00</b>	<i>Currently Available</i>
<b>Valuing Financial Institutions</b>	We are responding to requests to put this 1992 book back into print and we are doing so as an E-Book	<b>\$65.00</b>	<i>Currently Available</i>
<b>Are S Corporations Worth More Than C Corporations?</b>	An e-booklet that adds to the S Corp vs. C Corp debate.	<b>\$19.95</b>	<i>Currently Available</i>
<b>Embedded Capital Gains</b>	A closer look at the Embedded Capital Gains issue.	<b>\$19.95</b>	<i>Currently Available</i>
<b>Rate &amp; Flow: An Alternative Approach to Determining Active/Passive Appreciation in Marital Dissolutions</b>	In this e-book, we present an alternative model for determining active / passive appreciation in a marital dissolution.	<b>Complimentary</b>	<i>Currently Available</i>
<b>QMDM Fact Sheet</b>	The latest information about the QMDM in a pdf format	<b>Complimentary</b>	<i>Currently Available</i>

Visit our website at [www.mercercapital.com](http://www.mercercapital.com) for more information or to download an e-book.

## NEW WHITEPAPER SERIES: "UNDERSTAND THE VALUE OF ..."

TITLE	DESCRIPTION	INVESTMENT	RELEASE DATE
<b>NEW</b>			
<b>Understand the Value of Your Local Exchange Carrier</b>	Over the past decade, the telecommunications industry has been characterized both by rapid innovation and obsolescence. Whether through selling, acquiring, divesting, or any other major strategic change, it is important to realize the value of your telecommunications company as it stands today.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Electrical Distributorship</b>	Electrical equipment wholesalers operate in a highly fragmented industry, consisting largely of family-owned business with a few locations within a relatively close proximity. This article provides insight into the situational (when and why) and analytical (how) aspects of valuing electrical distributors.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Start-Up Business</b>	Valuation for start-up enterprises can be a tricky proposition. Regardless of industry, start-ups generally share a common set of operational characteristics and valuation needs that are distinct from mature firms. This article discusses specific valuation considerations relevant to start-up companies.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Independent Trust Company</b>	Due to their variance in size, there is no one-size-fits-all definition of an independent trust company, and recognition of the particular attributes of independent trust companies is significant to understanding their value.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Brick Business</b>	This article provides an informative overview regarding the valuation of businesses operating in the brick industry, including a discussion of value as it relates generally to both manufacturers and wholesalers, as understanding how brick businesses are valued may help you understand how to grow the value of your business.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Insurance Brokerage</b>	For the past several years, insurance brokerages have been in a period of consolidation, and the current soft market is expected to persist for at least the near term. As such, it is an opportune time for business owners to have an idea of what their brokerage business is worth.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Physician Practice</b>	The event that triggers ownership transfer can be categorized as either voluntary or involuntary. It is important for physicians to consider the universe of ownership transfer possibilities, because sooner or later, you will be involved.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Auto Dealership</b>	Because your dealership will change hands, it is important for you to understand the key concepts of business value and how value is determined for your dealership.	<b>Complimentary</b>	<i>Currently Available</i>
<b>Understand the Value of Your Wholesale Distributorship of Malt Beverage Products</b>	The financial landscape is littered with rules of thumb pertaining to the value of privately owned businesses. Perhaps in no other industry is the rule of thumb concept more prevalent than in beer distribution. It is critical that value be determined and articulated in a credible fashion.	<b>Complimentary</b>	<i>Currently Available</i>

Visit our website at [www.mercercapital.com](http://www.mercercapital.com) for more information or to download a whitepaper.

## A GENTLE PLUG FOR OUR FIRM

**MERCER CAPITAL** is a business valuation and investment banking firm serving a national and international clientele. Our reputation for excellence is based on an ability to solve complex financial problems expeditiously. We convert over 20 years of experience, including thousands of assignments, into solutions for the issues of today.

Corporate Valuation. Mercer Capital provides a broad range of independent valuation and financial advisory services, including:

- » Dispute Analysis Services and Expert Testimony
- » Valuation for Corporate Tax Matters
- » Valuation for Corporate Income Tax Issues
- » Valuation for ESOPs
- » Purchase Price Allocations
- » Valuation of Employee Options
- » Goodwill Impairment Testing
- » Valuation of Intangible Assets
- » Fairness Opinions

Mercer Capital's investment banking professionals specialize in providing merger and acquisition services to sellers or buyers of private businesses or public companies divesting divisions and subsidiaries. In addition, we assist clients in industry consolidations, roll ups, and refinancings.

## INTERNET COMMERCE: OBTAIN PROPOSALS TO VALUE YOUR COMPANY, BANK, FLP OR LLC VIA OUR WEBSITE

The cost of your time and delays in obtaining proposals has just gone down. Use one of the PROPOSAL REQUEST FORMS on our website.

Many of your colleagues have already used our PROPOSAL REQUEST FORMS and are impressed by the decrease in transactional overhead and the increased ease in obtaining actionable proposals for their clients. We are pleased to be doing business with them. Try it yourself! Visit our website and provide us with the pertinent information via this form, and we'll prepare a proposal and deliver it to you via e-mail, fax or USPS. Complete confidentiality is assured.

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Business Valuation » Investment Banking

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## SPECIAL OFFER

Get your copy of the  
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(Regular price - \$129)

Includes the book, *Buy-Sell Agreements: Ticking Time Bombs or Reasonable Resolutions?* as well as  
the *Buy-Sell Audit Checklist*

## The Latest Tool to Help You Craft Buy-Sell Agreements

Mercer Capital's **Buy-Sell Agreement Resource Kit** includes:

- » The best-selling book, *Buy-Sell Agreements: Ticking Time Bombs or Reasonable Resolutions?*
- » The *Buy-Sell Audit Checklist*, a 40-page "audit tool" that addresses the many obvious, yet overlooked, valuation issues related to buy-sell agreements.

Estate planning professionals must have this resource kit. It is an invaluable aid as you draft and review buy-sell agreements. Authored by a valuation professional, the book and the *Buy-Sell Audit Checklist* can help you avoid the problems and pitfalls of poorly worded or incomplete agreements.

Name

Firm

Address

City/State/Zip Telephone

Email

Visa  Mastercard  American Express  Check Enclosed

Card Number

Name on Card Exp. Date

Signature

	ITEM	REG. PRICE	SPECIAL PRICE	TOTAL
	<b>Buy-Sell Agreement Resource Kit</b> <i>(Includes Book &amp; Checklist)</i>	<del>\$129</del>	<b>\$79</b>	

### Individual Item Orders

	Buy-Sell Agreements: The Book	\$79		
	Buy-Sell Audit Checklist	\$50		

Sales Tax - TN Residents (9.25%)

### SHIPPING CHARGES

	1 Kit	2 or More
FedEx Ground	\$7.00	\$12.00
2-Day	\$11.00	\$15.50
Overnight	\$35.00	\$40.00

Please call for Canadian & International rates

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