

NAFE MEMBER NEWS

National Association of Forensic Economics

NAFE Member News
Volume 22, Issue 1
February 2008

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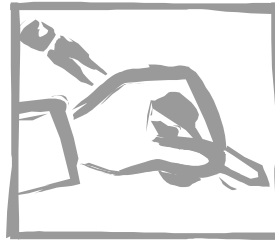
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President's Message

Fellow NAFE Members,

The state of the NAFE union remains strong. There is much to report, and much to anticipate in the coming year.

New Officers Elected. Ed Foster, currently Mid-West Vice President, was elected late last year to become NAFE's 13th President. He will assume office at the close of the membership meeting in January, 2009 in San Francisco, for a two-year term. Joining the board last month during the ASSA meetings are the new Eastern Vice President, David Schap and a new At-Large Vice President, Marc Weinstein, each for three-year terms. Congratulations to all, and thanks to outgoing Eastern Vice President, Larry Spizman, and to outgoing At-Large Vice President Steve Shapiro, for three years of fine board service.



By-Law Modifications Approved. You also approved the technical and minor modifications to the by-laws, which were then effected with a unanimous vote of the Board of Directors in New Orleans.

Allied Social Sciences Association Sessions and Annual Membership Meeting.

The sessions at the annual ASSA meeting this year in New Orleans were organized by Frank Slesnick, William Pearson and Shael Wolfson. We had four very well attended sessions; 50 notebooks with the conference papers went home with members, and our room was full when the ASSA session counters took attendance. Without diminishing the other presentations (including one of my own), we had point-counterpoint papers on hedonics from Kip Viscusi and Ted Miller and the personal story of hurricane Katrina's effects on the forensic economics practice of local member Shael Wolfson. Notebooks and/or electronic versions of all conference papers of the last 3 years, including these, are available for purchase from Nancy Eldredge—contact nancy@nafe.net. Additionally, the members meeting saw the usual approval of minutes, financial reports, election reports, meetings reports, regional Vice-Presidents' reports and

the JFE report. As is our tradition, NAFE hosted a fine cocktail party after the members meeting; our web site contains some pictures from it and other sessions.

Past Presidents' Service Award. Representing all past presidents, immediate Past President Tinari presented this year's award to George Schieren for his outstanding service as Executive Director and other past service. His efforts have been greatly appreciated by presidents Rodgers, Horner, Tinari and myself.

George also served as a regional Vice President in the 1990's, and is retiring this year as the Chairman of the Department of Economics at Appalachian State University at Boone, North Carolina. He is not retiring his consulting practice, and we hope to see him frequently in the coming years. Thank you so much, and best wishes for a happy retirement, George.

Web Site Makeover. Kurt Krueger, our webmaster, announced a sprucing up of our web site, www.nafe.net. Back issues of the JFE are now available online through Volume 17, Number 3, upcoming events are now displayed, and contact information on all members is available, along with a plethora of other NAFE information.

Upcoming Meetings. William Pearson, who has helped with the last two national meetings, will be leading the organizational efforts for the January, 2009 ASSA meetings in San Francisco, assisted by Boyd Fjeldsted. Please consider presenting, and note Bill's announcement elsewhere in this newsletter. The 2008 Eastern meetings are set for Boston March 7-9. The international meetings in Istanbul May 20-22 have a few spaces available, and Western Vice-President Chris Bruce is looking for papers for this year's Western meeting in Honolulu, Hawaii on June 29-July 3.

NAFE Logo and Brochure. You will note that we now have an official NAFE logo, thanks to a committee chaired by Beth Gunderson and including Marc Weinstein, Barry Ben-Zion and Stephanie Rizzardi Pearson. They have also designed a brochure, which we will use in publicizing the organization.

New Members. As last year, our collective age continues to suggest that we look for new members. If you see or know of an opposing forensic economist who you think would be a useful addition to our group, either reach out and make the introduction, or, kindly supply that person's contact information to our secretary, Nancy Eldredge, e-mail: Nancy@nafe.net; she will do the rest.

Gary R. Skoog

East 2008—Boston

**EASTERN ECONOMIC ASSOCIATION
BOSTON—MARCH 7-9, 2008
Organizer: Lawrence Spizman**

The 2008 Eastern Economic Association Meetings will be held in the Boston Park Plaza Hotel March 7-9, 2008, the hotel is located at 64 Arlington Street in Boston. The NAFE schedule is listed below. For more information see the EEA website at <http://www.iona.edu/faculty/mlessner/eea/conferences/conferences.htm>

FRIDAY MARCH 7, 2008

SESSION I – 4:00 PM (First of Four Sessions Sponsored by NAFE)

Session Organizers: Lawrence Spizman, SUNY/Oswego and Marc A. Weinstein, Team Economics, LLC

Session Chair: David Schap, College of the Holy Cross

Topics in Forensic Economics I

“The Duty to Mitigate Damages,” Patrick W. Fitzgerald, Vanderbilt University and Anderson Economic Group, LLC, Ted Bolema, University of Central Michigan and Anderson Economic Group, LLC, and Darci Keyes, Anderson Economic Group, LLC

“Earnings Lost; Earnings Regained? What the Latest Research Reveals,” Martin E. Duffy, The Perseus Group

“Net Discount Rates: Does Duration Matter?,” David Rosenbaum, University of Nebraska-Lincoln, D. Edwards Honors Program in Computer Science and Management

Session Discussants:

Sheldon Wishnick, Actuarial Litigation Service

Armando Rodriguez, University of New Haven

Jonathan S. Shefftz, J. Shefftz Consulting

SESSION I A – 6:30 PM (Informal Session Sponsored by NAFE)

Refreshments with Forensic Economists – Eastern Style

Location to be announced at Session I (In the Boston Park Plaza Hotel & Towers)

SATURDAY MARCH 8, 2008

SESSION II – 9:00 AM (Second of Four Sessions Sponsored by NAFE)

Session Organizers: Lawrence Spizman, SUNY/Oswego, and Marc A. Weinstein, Team Economics, LLC

Session Chair: Frank Tinari, Tinari Economics

Topics in Forensic Economics II

“Issues in Determination of the Wage Growth Rate in Present Value Analysis,” Arthur A Eubank, Eubank Economics, Inc., A. Andrew Eubank, III, Eubank Economics, Inc. and Anna Shostya, Department of Economics, Pace University

“Variability in the Productivity Factor in Wage Growth Calculations,” Matt McCabe, Wells College

“Methods for Expanding your Forensic Economic-Vocational Practice,” Robert P. Wolf, Vocational-Economic Consultant

Session Discussants:

Victor Matheson, College of the Holy Cross

David Schap, College of the Holy Cross

Steven Shapiro, University of New Haven

(continued on next page)

East 2008—Boston (continued)

SESSION III – 11:00 AM (Third of Four Sessions Sponsored by NAFE)

Session Organizers: Lawrence Spizman, SUNY/Oswego, and Marc A. Weinstein, Team Economics, LLC

Session Chair: Gary R. Skoog, DePaul University and Legal Econometrics, Inc.

Topics in Forensic Economics III

“The Impact of Taxation On Damage Awards,” Patrick W. Fitzgerald, Vanderbilt University and Anderson Economic Group, LLC, Darci Keyes, Anderson Economic Group, LLC, and Ted Bolema, University of Central Michigan and Anderson Economic Group, LLC

“Projecting the Return to Human Capital: Explaining Increasing Returns to College Education as the Fraction of College Educated Workers Rise,” Ed Foster, Department of Economics, University of Minnesota

“Calculation of an Omitted Variable Bias in Multiple Regression Models for Employment Discrimination,” Elias Grivoyannis, Yeshiva University

Session Discussants:

Rick R. Gaskins, Gaskins Associates, PC

Michael Soudry, Eco-Stat LLC

Anna Shostya, Department of Economics, Pace University

SESSION IV – 2:00 PM (Fourth of Four Sessions Sponsored by NAFE)

Session Organizers: Lawrence Spizman, SUNY/Oswego and Marc A. Weinstein, Team Economics, LLC

Session Chair: Marc A. Weinstein, Team Economics

Determining Economic Damages by Gerald Martin: 20th Edition

Roundtable Discussion regarding the 20th Edition of Gerald Martin’s *Determining Economic Damages*. Topics to be discussed include, but are not limited to, the following:

General Overview

Data needed

Past and Future Earnings

Fringe Benefits

Personal Consumption/Maintenance

Life and Worklife Expectancy

Income Taxes

Incorporating the Medical and Rehabilitation Experts

Interest and Present Value

Tactics and Strategy

Panelists:

James D. Rodgers, Pennsylvania State University

Rick R. Gaskins, Gaskins Associates, PC

Frank Tinari, Tinari Economics

RECENT PAPERS PRESENTED AT NAFE-SPONSORED SESSIONS

ARE AVAILABLE

Order: nancy@nafe.net

International 2008—Turkey

5TH NAFE INTERNATIONAL MEETING

TURKEY—MAY 20-22, 2008

Organizer and Conference Chair: Patrick Anderson (panderson@andersoneconomicgroup.com)

Arrangement Chair: Ilhan Geckil (igeckil@andersoneconomicgroup.com)

A Transatlantic Dialogue

Hotel and Conference

The 5th NAFE International meeting will be held in Istanbul, Turkey May 20-22. A very favorable rate has been arranged for conference attendees at the Ritz-Carlton Istanbul. This luxury hotel features Turkish décor, marble bathrooms with Turkish tiles, broadband Internet access with redundant service, concierge service, and an in-room safe. The hotel business center also has document and courier services if needed. The hotel facilities will be used for the conference proceedings and lunches. The conference proceedings, including the spouse's session, will include refreshments. More information on the hotel is available on their web site at: <http://www.ritzcarlton.com/en/Properties/Istanbul/>

To make reservations at the conference hotel, contact the hotel via telephone at (90) 212 334 44 44 and ask for the special rate for attendees at the NAFE/Anderson conference. The rate we arranged is 240 Euros per night per double-occupancy deluxe room, plus 18% VAT, which includes a continental breakfast. (This is a savings of 100 euros per night over the regular rate.) Other rooms are also available at a higher rate.

An alternative is the nearby Swissôtel Bosphorus. Please note that first-class hotels in this section of Istanbul usually cost upwards of 325 euros per night. We recommend you reserve your room well in advance either in the conference hotel or elsewhere.

Below is a tentative agenda for the conference. Every current registrant is included as a discussant or presenter. There are still a few open slots for session chairs and discussants and there is room for another paper on commercial damages; a survey of methods would be a very good topic and Patrick Anderson would assist if someone wanted to take this up. There may also be time for another paper if one presenter cannot complete his or her paper in time; if you have another one to present please let Patrick Anderson know.

Tentative Conference Agenda

Conference Day 1: May 21, 2008

Session 1: Topics in personal injury/wrongful death

Chair: Robert Bohm

Barry BenZion, "Special Taxation Issues associated with non-physical injury cases"

John Ward, "Time Valuation as an alternative to lost enjoyment of life in determining wrongful death damages"

Discussant: TBD

Session 2: Topics in Commercial Damages

Chair: Steve Shapiro

Steve Shapiro, "Determinants of individual risk tolerance using survey of consumer finance"

Patrick Anderson, "Discount rates in Theory and Practice: A Disconnect?"

Discussant: Karl Egge

(continued on next page)

International 2008—Turkey (continued)

Session 3: Topics in the Business of Forensic Economics

Chair: TBD

Ilhan Geckil, “The Value of Forensic Economics Practices: Does the Cobbler Wear Good Shoes?”

Discussant: Manuel Smith

Conference Day 2: May 22, 2008

Session 4: EU, US and Turkey Comparative Practices

Chair: Patrick Anderson

Invited guest speaker: Professor Ali Berker, Abant Izzet Baysal University

“Expert Testimony in Turkey “

Discussant: Ilhan Geckil

Session 5: Surveys of Practice

Chair: TBD

Panel Discussion: Non-market services

John Ward

Barry Ben-Zion

Robert Minnehan: Survey of U.S., EU, and other countries’ Victim Compensation Funds

Session 6: Planning for future NAFE International Conferences

Chair: Patrick Anderson

Possible presentations: Manny Smith: Copenhagen, Denmark

Barry Ben-Zion: Dubrovnik, Croatia

Afternoon free time

Bosphorus Cruise and Dinner (optional evening program at extra cost)

Conference Registration

Registration fee covers the conference materials, conference lunches, spouses’ meeting and luncheon, scheduled transportation, and conference rooms.

The advance registration fee for the conference is \$400 + \$35 currency surcharge after January 1, 2008, and \$450 + \$35 currency surcharge after April 1, 2008. Late registrations are subject to availability. A partial refund will be available for registrants who must cancel their registration; please see cancellation policy below.

As we are paying for some activities in advance and the dollar has been declining against the euro, we unfortunately must add a currency surcharge. All or part of this may be refunded if the dollar-cost of conference expenses does not exceed our revenue.

The Bosphorus cruise dinner will be scheduled if enough conference attendees and spouses request. Please include \$135 per person for this optional event. A full refund will be given in the event the cruise is not fully subscribed.

Please make checks payable to Anderson Economic Group LLC, 1555 Watertower Place, East Lansing MI 48823; and note “NAFE International Conference” in the memo line. A conference registration form is posted on the web site of Anderson Economic Group at <http://www.andersoneconomicgroup.com> for your convenience. You may send an email to lknechtel@andersoneconomicgroup.com to indicate interest or confirm registration. Please allow at least 48 hours for a response.

Cancellation Policy

A partial refund of the conference fees will be available for registrants that, due to circumstances beyond their control, must cancel their registration. The refund will be 50% of the conference fee before April 1, 2008. Partial refunds after that date may be given, subject to the discretion of the conference organizer, after the conference has been completed and all expenses paid. The hotel has a separate reservation and cancellation policy. Subject to the discretion of the conference organizer, a registration may be transferred to another eligible attendee for a transfer fee of 25% of the conference registration fee applicable at that time.

West 2008—Hawaii

WESTERN ECONOMIC ASSOCIATION
HONOLULU, HAWAII—JUNE 29-JULY 3, 2008
Organizer: Christopher Bruce, Vice-President, Western Region

Call for Abstracts of Proposed Papers DEADLINE: March 15, 2008

The 83rd Annual Conference of the Western Economic Association International will be held at the Sheraton Waikiki in Honolulu, Hawaii. **NAFE sessions will be held June 30-July 1, 2008.** Please send the abstract for your proposed paper as attachments (preferable in Word or as pdf files) to:

Chris Bruce
cjbruce@ucalgary.ca

Offers to act as discussants or chairpersons would also be welcome.

South 2008—Washington, DC

SOUTHERN ECONOMIC ASSOCIATION
WASHINGTON, DC—NOVEMBER 20-22, 2008
Organizer: Robert A. Bohm, Vice-President, Southern Region

Getting a Head Start on 2008 Call for Proposals Deadline: APRIL 1, 2008

The 78th Southern Economic Association (SEA) will have their annual meeting November 20-22 2008 at the Grand Hyatt in Washington, DC. Three NAFE sessions are planned:

- Session I: Consumption and Maintenance Calculations in Forensic Economics
- Session II: Emerging Issues in Commercial Forensic Economics
- Session III: Labor Market Issues and the Loss of Earning Capacity

The deadline for submission of paper proposals as well as volunteering to act as a discussant or session chair is April 1, 2008.

If you have a paper and/or are interested in being a discussant or session chair, please contact:

Robert A. Bohm, Southern Vice President
508 Stokely Management Center
The University of Tennessee
Knoxville, Tennessee 37996
rbohm@utk.edu 865-974-1687

Information about the SEA can be found at <http://www.utc.edu/Outreach/SouthernEconomicAssociation>.

National 2009—San Francisco

ALLIED SOCIAL SCIENCE ASSOCIATIONS

SAN FRANCISCO—JANUARY 3-5, 2009

Organizers: William Pearson, Spectrum Economics and Boyd Fjelsted, University of Utah

CALL FOR PAPERS

DEADLINE: JUNE 1, 2008

The 2009 ASSA meetings will be held January 3-5, 2009, Saturday, Sunday and Monday in San Francisco. There will be four NAFE sessions. Interested presenters, discussants and session chairs should contact:

William Pearson
Spectrum Economics, Inc.
20 North Wacker Drive, Ste 1449
Chicago, IL 60606
Phone: (312) 629-5052
Fax: (312) 629-5051
Pearson@SpectrumEconomics.com

Members wishing to present a paper should submit a one-page abstract.

East 2009—New York City

EASTERN ECONOMIC ASSOCIATION

NEW YORK CITY—FEBRUARY 27-MARCH 1, 2009

Organizer: David J. Schap, College of the Holy Cross

CALL FOR PAPERS

The 2009 Meetings of the Eastern Economic Association will be held at the Sheraton New York Hotel and Towers in New York City. The specific dates are February 27-March 1, 2009 (Friday to Sunday). Following past practices, four NAFE sessions are contemplated with the first one late Friday afternoon and the rest on Saturday. Anyone wishing to present a paper or serve as a discussant or session chair should contact David Schap (Eastern Region NAFE VP) at dschap@holycross.edu. Suggested topics for a panel discussion are most welcome as well. The site of the 2010 Eastern meetings has not been decided yet by the association. Updated information concerning the Eastern Economics Association conferences may be found at: <http://www.iona.edu/faculty/mlessner/eea/conferences/>

FYI

**Minutes of the National Association of Forensic Economics
Board of Directors Meeting
January 4, 2008
New Orleans, LA
(Unapproved)**

Voting members attending: Gary Skoog, Gary Albrecht, Bob Bohm, Steve Shapiro, Larry Spizman, Chris Bruce, and Ed Foster. Also attending: George Schieren, Beth Gunderson, William Pearson, Jack Ward, Jim Rodgers, Frank Slesnick, Shael Wolfson, Marc Weinstein, David Schap, and Frank Tinari

President Skoog began the meeting at 11:30 am and welcomed everyone.

The agenda was modified to allow Beth Gunderson, chairwoman of the Membership Committee, to present the proposed brochure for NAFE.

The brochure was originally designed for recruiting new members, using material from the website and/or already printed elsewhere. Albrecht had proposed some changes, with more emphasis on the *JFE* and less emphasis on the trade aspects of forensic practice. Since there was not money allocated for a completely new mock-up, the committee did incorporate a number of suggested changes within the already presented general framework. There was discussion about the purpose of the brochure and the objective in recruiting new members, with concern expressed that even current members do not know all the benefits they receive from NAFE. There was discussion about the graphic on the front including a gavel and scales – again putting emphasis on forensic work in the courtroom. It was moved and seconded (Shapiro; Spizman) that ***the Board approves the brochure as presented by the committee at this meeting***. The motion passed 7 – yes, 0 – no, 0 – abstain.

President Skoog appointed Albrecht to investigate how best to use the forthcoming brochure.

It was moved and seconded (Albrecht; Spizman) that ***the Board approves the minutes of the Board of Directors meeting July 16 – 17, 2007***.

The motion passed 7 – yes, 0 – no, 0 – abstain.

It was moved and seconded (Foster; Bohm) that ***the Board approves the minutes of the Board of Directors electronic meeting October 8, 2007***. The motion passed 7 – yes, 0 – no, 0 – abstain.

Schieren presented the financial statements for 2007. He noted that the “Dues and Subscriptions income had fallen the last three years from \$127,491 to \$103,986. He pointed out that this tracks the membership numbers (as of November 30) of 713 (71 subscriptions only) in 2005 to 661 (67 subscriptions only) in 2007. While NAFE only lost a small amount last year and still has an ample financial cushion, there will be reason to be concerned if the trend continues. Due to an erroneous posting of a deposit, the “Dues and Subscriptions” income for 04-05 and 05-06 were restated, shifting \$15,000 from 05-06 back to 04-05. It was moved and seconded (Shapiro; Bruce) that ***the Board accepts the 2007 financial statements as presented***. The motion passed 7 – yes, 0 – no, 0 – abstain.

Schieren announced the results of the recent election. David Schap was elected as the Eastern Vice-President, filling the position open because of the expiring term of Larry Spizman. Schap’s term expires January 2011. Marc Weinstein was elected as an At Large Vice-President, filling the position open because of the expiring term of Steven Shapiro. Weinstein’s term expires January 2011. Ed Foster was elected to be President-Elect.

Bruce reported on the upcoming 2008 Western meetings to be held in Honolulu in July. He is planning six sessions, but has only three papers so far.

Bohm reported that there were no NAFE sessions at the Southern Economic Association meetings during Thanksgiving week because no papers were submitted. The 2008 meetings will be in Washington, D.C, and he hopes to utilize some people from Federal agencies dealing with data relevant to forensic economics.

Spizman reported that the NAFE sessions at the 2008 Eastern Economic Association meeting March 7 -9 in Boston are set with three paper sessions, one roundtable session and a refreshments reception planned.

Foster reported that Kurt Krueger set up a session at the 2007 Mid-Western meetings in Kansas City.

Ward reported that the 2007 NAFE International meeting held in Barcelona in May had 15 attendees. He also reported that the 2008 meeting will be in Istanbul, with 16 people already signed up. The 2009 meeting will be in Croatia.

Rodgers reported that 7 people have signed up for the Winter meeting in Curacao, February 1 – 2, 2008 at the Marriott.

Shapiro reported that the *JFE* has an issue at the printer. The next several issues are expected to be “special issues.”

Skoog presented the results of polling the membership for approval of the proposed bylaws revision. Of the ballots returned and marked, it was unanimous to approve the changes. It was moved and seconded (Shapiro; Albrecht) that ***the Board approves the bylaws as amended and attached to these minutes. The changed bylaws are effective immediately***. The motion passed 7 – yes, 0 – no, 0 – abstain.

Schieren announced that the summer Board meeting will be held in Calgary, Canada, July 26 – 27, 2008.

Skoog and Slesnick presented a request asking permission to survey NAFE members. It was moved and seconded (Bruce; Spizman) that ***the Board grants permission for Michael Brookshire, Michael Luthy, and Frank Slesnick to conduct a survey of NAFE members using the NAFE membership list***. The motion passed 7 – yes, 0 – no, 0 – abstain.

There being no further business, the meeting was adjourned at 2:20 pm.

Respectfully submitted by

George A. Schieren

January 10, 2008

Upcoming and Noteworthy

**American Academy of Economic and Financial Experts (AAEFE)
Annual Meeting
LAS VEGAS—2008**

The American Academy of Economic and Financial Experts (AAEFE) will have its 2008 annual meeting in Las Vegas, NV, at The Westin Casuarina, Hotel, Casino & Spa on March 26, 27 and 29, 2008. The group rate is \$189 per night. For reservations call (702) 836-5936 or go to www.westin.com/lasvegas. Papers are welcome. To include your paper in the agenda call Creighton Frampton at (215) 951-2820.

MARK YOUR CALENDARS for AREA's 2008 Annual Spring Conference
which will be held at the Omni William Penn Hotel in Pittsburgh, Pennsylvania
Thursday, May 15, 2008 to Sunday, May 18, 2008.

Contact Margy Ashby at AREA [areaorg@cox.net] for more information.

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MARK YOUR CALENDARS
(Details on meetings inside)

EASTERN ECONOMIC ASSOCIATION
BOSTON—MARCH 7-9

NAFE INTERNATIONAL
ISTANBUL, TURKEY—MAY 20-22

WESTERN ECONOMIC ASSOCIATION
HONOLULU, HAWAI—JUNE 29-JULY 3

SOUTHERN ECONOMIC ASSOCIATION
WASHINGTON, DC—NOVEMBER 20-22

2009

ALLIED SOCIAL SCIENCE ASSOCIATIONS
SAN FRANCISCO—JANUARY 3-5

EASTERN ECONOMIC ASSOCIATION
NEW YORK CITY—FEBRUARY 27-MARCH 1