



The American Society of Appraisers
Philadelphia Chapter

Presents

2018 Business Valuation Seminar

DoubleTree Suites by Hilton, Plymouth Meeting, PA

Friday, April 27, 2018

THE PROGRAM:

The one-day seminar providing eight (8) continuing education credit hours features five unique sessions focused on 1) rigging a valuation and discount for lack of marketability, 2) estimating cost of capital, 3) impact of Tax Cuts and Jobs Act on business valuation, 4) best practices in inventory valuation, and 5) taxes on damage awards for litigation. Intermediate level of experience recommended.

THE TOPICS AND PRESENTERS:

How to Rig a Valuation and DLOM: New Research and Tools (120 minutes)



James Hitchner, CPA/ABV/CFF, ASA

This session is broken into two topics. The first topic dives into the tricks of the trade on how some analysts manipulate the valuation process to rig a valuation using biased assumptions and inputs in order to please their client and/or win at all costs. Learn how to detect and attack biases. We will focus on the income approach including choice of methods, projections/forecasts, normalization adjustments, historical weightings, taxes, discount rates, growth rates and reconciling values. The second topic will focus on a new detailed case study that shows the various ways to calculate the discount for lack of marketability using the new VPS DLOM Guide and Toolkit learning how to determine, support, and present on discounts for lack of marketability.

Jim Hitchner is managing director of Financial Valuation Advisors and is president of The Financial Consulting Group. He is also CEO of Valuation Products and Services (VPS) and editor/coauthor of several books. He has spent over 37 years in valuation services, including as a shareholder with Phillips Hitchner Group, partner-in-charge of valuation services for the Southern Region of Coopers & Lybrand (currently Pricewaterhouse Coopers), and senior appraiser with American Appraisal Associates. In the valuation area he has coauthored over 20 courses, taught over 60 courses, published over 140 articles, and has made over 350 conference and webinar presentations. More: [Hitchner Profile](#)

Update in Estimating Cost of Capital (75 minutes)



Roger Grabowski, FASA

This presentation will focus on the status of "QExit" and its impact on the risk-free rate and how the 2017 Tax Cut and Jobs Act impacts the cost of equity and the WACC. We will also discuss issues in estimating the ERP and size premia.

Roger is a Managing Director with Duff & Phelps LLC and an Accredited Senior Appraiser and Fellow (FASA) of the American Society of Appraisers (ASA)

(their highest designation), Business Valuation. He was formerly Managing Director of the Standard & Poor's Corporate Value Consulting practice, a partner of PricewaterhouseCoopers LLP and one of its predecessor firms, Price Waterhouse (where he founded its U.S. Valuation Services practice and managed the real estate appraisal practice). More: [Grabowski Profile](#)

Impacts of Tax Cuts and Jobs Act on Business Valuation (75 minutes)

Mitch Gerstein and Laura Anastasio will co-present an overview and insights on important changes resulting from the Tax Cuts and Jobs Act enacted into law in December 2017. Through case studies and interactive discussions, we will discuss the impact and application of the new tax laws generally effective starting in 2018 on business valuation.



Mitchell Gerstein, CPA, MST, PFS

Mitchell Gerstein is a Senior Tax Advisor at Isdaner & Company, LLC. He develops, communicates, and implements innovative strategies that minimize the overall effect of income, estate and gift taxes, and evaluates tax alternatives and consequences of transactions and business decisions. Mitchell also assists clients with financial planning needs, including estate, retirement, business succession, income tax, investment and insurance planning. More: [Gerstein Profile](#)



Laura Anastasio, ASA, CEIV

Laura E. Anastasio is a Director with Porto Leone Consulting and performs complex valuation assignments related to business and intangible asset valuation. Laura has more than 15 years of experience performing business valuations related to corporate M&A transactions, financial reporting and gift and estate planning. Laura has performed valuations related to ASC 718, ASC 805, ASC 350, and IFRS 3 in a variety of industries. Prior to joining PLC, Laura was a Vice President with Baker Tilly Capital, where she performed business and intangible asset valuations for financial reporting and gift and estate planning purposes. More: [Anastasio Profile](#)

Best Practices in Inventory Valuation (75 minutes)

Charles Sapnas and Anthony Pumphrey will co-present this presentation which will review previous guidance on inventory valuation and propose modifications to current practice, which would result in a refined allocation of costs and profits through the production process. The proposed methodology reconciles the comparative sales method and the cost of reproduction method, accounts for product- and process-specific profit and expenses, and allows for reconciliation to market participant data.



Charles Sapnas, CFA, ASA

Charles Sapnas is Senior Vice President at Valuation Research Corporation. He specializes in business enterprise valuations, purchase price allocations and impairment analyses and intellectual property valuations for financial reporting and tax purposes. He has completed engagements in most major industries. Prior to joining VRC, Mr. Sapnas held the position of Vice President at Hempstead & Co. In this capacity, he provided business and intangible asset valuations for numerous purposes including tax and estate planning, ESOPs, financial reporting, litigation support and fairness opinions.

More: [Sapnas Profile](#)



Anthony Pumphrey, CFA, ASA

Anthony Pumphrey is Vice President at Valuation Research Corporation. He has over 10 years of experience performing business enterprise valuations, purchase price allocations, impairment analyses, and the valuation of claims within complex capital structures for public and private companies under IRC 409a, ASC 350, ASC 360, ASC 718, ASC 805, ASC 820, and ASC 852. Prior to joining VRC, Mr. Pumphrey was with Hempstead & Co., where he provided valuation opinions for estate and gift tax planning, financial reporting, employee stock ownership plans, litigation support, and the issuance of incentive stock options. More: [Pumphrey Profile](#)

What Appraisers Must Know About Taxes On Damage Awards (60 minutes)



Martin Abo, CPA/ABV/CVA/CFF

This program will focus on and explore practical strategies for dealing with important tax aspects of lawsuit awards and review the many traps for the unwary. Confusion and litigation abound relative to the taxability of damages for commercial awards; personal injuries or sickness; differentiate for damages for nonphysical injuries such as gender and age discrimination or in harassment cases; punitive damages; tax issues differing from state to state' and many other issues. It is necessary and important that valuation and litigation support consultants as well as attorneys have a clear understanding

of these issues to properly advise their clients.

Martin H. Abo is Managing Member of Abo and Company, LLC – Certified Public Accountants. He is co-managing member of Abo Cipolla Financial Forensics, LLC, an affiliate firm exclusively providing expert witness testimony on financial matters and other litigation support services and business valuations. Marty has comprehensive experience in individual and corporate financial, business and tax planning. His experience includes several years with the tax department and audit staff of a Big Four CPA firm and regional firms before he founded the present enterprise. Marty has developed a specific expertise in performing dispute resolution and other consulting services. More: [Abo Profile](#)

OTHER INFORMATION:

The seminar qualifies for eight (8) credit hours for ASA purposes. The Philadelphia Chapter of ASA is awaiting confirmation from the PA State Board of Accountancy that they will honor the continuing education units from our program for CPAs.

Lodging is available at the meeting venue, the [DoubleTree Suites by Hilton](#) in Plymouth Meeting, PA. The suburb of Plymouth Meeting is located near Philadelphia, about a 30 minute drive. The Doubletree is across the street from the Plymouth Meeting Mall that features numerous dining and shopping options, and is a 10 minute drive from the King of Prussian Mall complex.

Seminar Fee:

The fee* includes the seminar, lunch, and morning and afternoon refreshments.

	Early Bird**	Regular
ASA Members	\$335	\$365
All Others	\$370	\$400

*Materials included in fee will be available via electronic download. Additional fee of \$15 for printed materials.

**Registration forms and payments submitted by March 30.

Co-Chairs:

Sheila K. Gorman, ASA sgorman@finresearch.com or (484)-270-1240
Frank L. Merenda, ASA fmerenda@eacvaluations.com or (610)-687-5855

Registration:

Please complete and return the following form and submit your payment. *Please note that seating capacity is limited, so don't delay.* To pay online with a major credit card or PayPal go to the [ASA Philadelphia Members Page](#). Otherwise please make checks payable to ASA Philadelphia Chapter 35 and mail to: Executive Secretary Joanne Paciello, 8 Terrace Road, Plymouth Meeting, PA 19462

Cancellation and Refund Policy:

Refunds are subject to a \$35 service fee and may be issued depending on the timing of the request. A full refund, less the service fee, will be issued if a request is made by email to asaphiladelphia@verizon.net no later than April 6, 2018. A 50% refund will be made for requests received after April 6, 2018 and before April 20, 2018. Refund requests after April 20, 2018, are subject to the discretion of the Philadelphia Chapter.