



Business Valuation Session Schedule



Monday, October 25, 2021

CONTENT SUBJECT TO CHANGE
All session times noted are U.S. Pacific Time

8:00 - 8:30am

[Multi-Discipline]

Welcome & Opening Remarks

[Johnnie White](#), MBA, CAE, CMP | CEO/Executive Vice President | American Society of Appraisers

[Lorrie Beaumont](#), ASA | President | LB Appraisal Associates

8:00 - 9:30am

[Multi-Discipline]

Keynote Address

Mastering Self-Discipline: A Thoughtful Approach Gets Better Results

[Brian Brinig](#), ASA, JD, CPA | Managing Director | CBIZ MHM

In this enlightening keynote, learn the strategies and tactics of self-discipline in the context of an aligned personal achievement process, making the execution of necessary tasks much easier. Self-discipline is a life skill that can be readily learned when it is intelligently approached. It is more complicated—and easier—than merely forcing yourself to work harder. The exercise of self-discipline can be made easier by understanding the larger context of a personal achievement process. Considered in this framework, the daily exercise of self-discipline results in successfully achieving goals and experiencing the freedom and happiness created by your accomplishments. When you are comfortably moving toward your life vision, you experience a deep emotional satisfaction that is simply incomparable.

9:30 – 10:30am

[Business Valuation Track 1]

Valuation and Other Considerations Due to COVID: Past, Present & Future

[Kenneth Pia](#), Jr., ASA, CPA, ABV, MCBA | Partner-in-Charge, BV Services | Marcum LLP

[Matthew R. Crow](#), ASA, CFA | President | Mercer Capital

[Arlene Ashcraft](#), ASA, CFA | Managing Principal | Columbia Financial Advisors, Inc.

[Jay E. Fishman](#), FASA, FRICS | Managing Director | Financial Research Associates

This in-depth panel discussion will address key factors of COVID's impact on the BV profession. Hear from a variety of industry leaders on operational changes and long term impacts as well as valuation specific effects including: Issues regarding the valuation date; unknowns and uncertainties over a year and half later; industries most affected; how valuation inputs may have been affected; and how PPP1 and PPP2 loans have been handled in the valuation process.

[Multi-Discipline]

Mock Trial

[Jeffrey W. Brend](#), ASA, CPA/ABV, CFE, CFF, AAML | Attorney at Law | Levin & Brend, P.C.
[Craig M. Capilla](#), Attorney | Franklin, Greenswag, Channon & Capilla, LLC
Mark A. Munizzo, ASA | President | Equity Network
Genice Lee, ASA | President | Harvest Estate and Appraisal Services LLC
[Meighan Harmon](#) | Managing Partner | Schiller Ducanto & Fleck
[Teri Brossmer](#), ASA | Gem Appraisals Unlimited

11:00am – 12:00pm

[Business Valuation Track 1]

New Data Source for Valuing Privately Held Promissory Notes

[Bruce Johnson](#), ASA | Managing Partner | Munroe, Park & Johnson, Inc.

Privately-held promissory notes (\$0M - \$10M) need to be valued for gift/estate, tax and related party transactions. However, corporate bonds from publicly traded companies are not comparable because publicly traded companies are large, diversified and represent lower risk. Business Development Corporations (BDC) are publicly traded entities that make loans to small and medium size privately held businesses. BDC rates can be used to accurately calculate a proper discount rate. This presentation discusses the issues with privately held notes, how to value them using BDC rates and presents real world examples to illustrate the methodology.

[Business Valuation Track 2]

Equity and Financial Metrics Volatility for Earnouts

[Kellie Adkins](#), ASA | Principal | Crowe LLP
[Vincent Covrig](#), Ph.D., CFA | Principal | Crowe LLP

This presentation will show the participants how to calculate an equity volatility for private companies, including size and leverage adjustments. The presenters will discuss a full case study based on their best practice method published in the Business Valuation Review. The audience will learn how to determine the profit and revenues volatility needed for earnouts valuation, and the presenters will share with the audience their new research on 20 years of historical financial metrics volatility.

[Multi-Discipline]

Mock Trial

Continuation of session.

1:00 – 2:00pm

[Business Valuation Track 1]

Debt Valuation

[Adam Newman](#), CPA, ABV | Principal | Crowe LLP
[Bethany Harms](#) | Senior Staff, Valuation Services | Crowe LLP

The recent publication of the AICPA's Guide on the Valuation of Portfolio Investments of Venture Capital and Private Equity Funds and the adoption of ASC 842 Leases has led to an increased interest in rigorous methods to fair value debt instruments and determine an appropriate discount rate. The presentation will cover the use of credit ratios and synthetic credit ratings, alternative sources of credit spread data, the valuation of floating rate loans versus fixed rate notes, and illiquidity of private notes. We will also present an example of how to apply calibration at the transaction date, use market data and set up a discounted cash flow model to value debt instruments.

[Business Valuation Track 2]

A Discussion: Whether or Not to Include ESOP-Specific Tax Benefits in Valuation

[Corley Thomas](#), ASA | Managing Director | HDH Advisors LLC

Within the valuation community, there is a debate over whether or not ESOP-specific tax benefits should be considered in the valuation of ESOP-owned shares. During this discussion, we will review how ESOP tax benefits are valued, what they are, and whether or not they should be considered in concluding to share prices.

[Multi-Discipline]

Mock Trial

Continuation of session.

2:00 – 3:00pm

[Business Valuation Track 1]

Anatomy of a Deal Gone Bad

[Vanessa Claiborne](#), ASA, President & CEI | Chaffe & Associates, Inc.

[Nene Gianfala](#), ASA | Vice President | Chaffe & Associates, Inc.

This session encompasses two speakers playing out a “Deal Gone Bad”. A recently laid off CFO recounts the tale of a business sale that went horribly wrong. Meanwhile, an investment banker listens sympathetically and explains the pitfalls that should have been avoided both before and after a transition of a business.

[Multi-Discipline]

Pros and Cons: Rollover Equity, Sellers Note or Earnout?

[Jonathan Tang](#), ASA, CFA | Managing Director | Empire Valuation Consultants

M&A transactions have increasingly become more complex structurally. Today, deals involving some element such as seller notes, earnouts, and rollover equity have become common place. This session takes a closer look at each of these elements, analyzes the pros and cons of each, and discusses real life examples and implementation issues.

2:00 – 3:30pm

[Business Valuation Track 2]

Master Class in Cost of Capital Inputs

[Roger Grabowski](#), FASA | Managing Director | Duff & Phelps

[Todd Fries](#), ASA, CFA | Partner | The BVA Group

***Note: this session will only be presented in person. Live streaming and on demand will not be available.*

This session will address advanced-level issues related to the key inputs to determination of a company’s cost of capital (COC) and weighted average cost of capital (WACC). Questions to be addressed include: Is it still necessary to normalize risk-free rates? What are the advantages of sum betas? What makes a high-quality beta? Can I use credit rating proxies to select a cost of debt? Do guideline public companies really provide evidence of the “optimal” capital structure? Aspects of the session will be delivered in a case-study format.

3:00 - 3:30pm

[Business Valuation Track 1]

Monte Carlo: When and Why It Should Be Used

[Aarti Karande](#) | Senior Manager | Deloitte

A Monte Carlo simulation is a numerical technique for solving a problem by performing a large number of trial runs (called simulations or “paths”) for projected outcomes and deducing a solution from the collective results of the trial runs. Understand why and when a simulation-based model can be used for the purposes of ASC 718 valuations.

[Multi-Discipline]

Problematic Issues in Review Reports

[Melanie Modica](#), ASA | Modica Fine Art LLC

Safeguard review reports from issues that are often unknowingly created. Appraisal reviews are written in compliance with the standard of care for ASA reviewers, and should not contain issues themselves. Appraisal reviews should be clear of confusing content, so intended users understand them. Learn of common review report issues and how to eliminate frequent errors that mislead, confuse, or implicate reviewers.

4:00 - 5:00pm

[Business Valuation Track 1]

How I Learned to Stop Worrying and Love the USPAP

[J. Mark Penny](#), ASA, BV/IA, ARM/BV | Managing Director | Hempstead & Co., LLC

[Jack Young](#), ASA | President / CEO | NorCal Valuation Inc.

This presentation will address what an appraisal review is and what it is not; using USPAP Rules, Standards, Advisory opinions and FAQ’s to advantage; development and reporting with IRAC and CRAC paradigms; and adding Appraisal Review services to your repertoire.

[Business Valuation Track 2]

SPACs

[Amanda Miller](#), Ph.D., | Executive Director | Ernst & Young, LLP

[Multi-Discipline]

Business Valuation 101

[Carla Glass](#), FASA, CFA | Managing Director | Marcum LLP

[Marissa Pepe Turrell](#), ASA, CVA | Director | Marcum LLP

In this session we will discuss the basic foundation, fundamentals and variables that would be considered in the valuation of any private company. Learn more about the basic concepts that need to be addressed in scoping a valuation engagement; recognizing the methods typically utilized to value a business or ownership interest and understanding their basic application; identifying normalizing adjustments and assess their impact on value; and reconciling values derived from multiple valuation approaches.

Tuesday, October 26, 2021

8:00 - 9:00am

[Business Valuation Track 1]

What's New That Appraisers Doing Business Valuations for Federal Tax Purposes Need to Know

[Michael Gregory](#), ASA | Founder/Owner | Michael Gregory Consulting, LLC

The IRS business valuation community at the IRS is going through changes in both the examination and Appeals functions. The impacts of these changes have a direct impact on you as a business valuer. A deeper dive into Discounts for Lack of Marketability exploring holding companies differentiated from active businesses, and the size of entities provides insights into these issues. Recent court cases demonstrate what concerns the U.S. Courts have on the development of issues by the IRS. Finally, insights are provided on charitable contributions and what you should know.

[Business Valuation Track 2]

Fair Value Measurement of Illiquid Cryptocurrencies & Digital Assets

[Joshua Lefcowitz](#), ASA | Partner | Cohen & Company

[Joseph Brennan](#) | Senior Associate | Cohen & Company

This presentation aims to explain the challenges faced by valuation professionals when concluding on the fair value of illiquid cryptocurrencies & digital assets. We begin outlining the considerations required to perform a valuation estimate under fair value. Next, we will provide detailed examples of commonly used approaches in the industry today and how they do or do not align with this burgeoning asset class. Finally, we will identify several unique challenges that the valuation professional will likely encounter and provide potential solutions.

[Multi-Discipline]

Cannabis: Business Valuation and Real Estate Appraisal

[Vanita Spaulding](#), CFA, ASA, MBA | Partner - Valuation, Cannabis Practice Leader | SingerLewak

How do you value a cannabis business when it is Federally Illegal, but legal in some form in most states? How do you value the real estate that these businesses own or rent? Even if you're just intrigued to learn something more about cannabis, you should listen in on our presentation.

9:00 - 10:00am

[Business Valuation Track 1]

Patent Valuation: Moving Beyond Relief-from-Royalty

[Brian Dies](#), ASA | Principal | Hoffman Alvary & Company LLC

Patents drive the value of many technology companies. While patent valuation using a relief-from-royalty approach is common, other approaches are more relevant to patents asserted against competitors and patents held for strategic purposes. The value of an asserted patent portfolio is best measured by its enforcement value which is tied to litigation issues including potential damages, risk adjustments, and timing. Additionally, patents held in defensive portfolios may be valued by considering their potential enforcement value against competitors. Tailoring the valuation approach to the strategic role of the patents for the enterprise results in more accurate patent valuations.

[Business Valuation Track 2]

The Impact of Covid 19 and the Energy Transition on Energy Company Valuations

[Tim Stuhldreier](#), ASA | Managing Director | PwC

[Seenu Akunuri](#), ASA | Principal - Energy Valuation Leader | PwC

Covid19 significantly changed the way the US economy operated in 2020, and many of the changes can be expected to be permanent. These changes impact the demand for energy and thus the cash flow generating ability of energy companies. Covid-19 also impacted the energy industry at a time when the industry was already dealing with a loss of investor confidence. The presentation will cover the long-term impact of Covid-19 on the energy industry and its impact on the industry outlook and company valuations.

[Multi-Discipline]

Cannabis: Business Valuation and Real Estate Appraisal

Continuation of previous session.

10:30am - 11:00am

[Business Valuation Track 2]

Reading Purchase Agreements 101

Kathy Nalepka, ABV | Manager | Crowe LLP

[Ian Long](#), CFA | Manager | Crowe LLP

Our objective is to highlight the common features and provisions that make up a business purchase agreement through the lens of a valuation specialist. We will walk through redacted examples and recommend some 'tips and tricks' to read and interpret these complex transaction documents.

[Multi-Discipline]

Cannabis: Business Valuation and Real Estate Appraisal

Continuation of previous session.

10:30am - 12:00pm

Does the Size Premium Exist Outside of the US?

[Carla Nunes](#) | Managing Director | Duff & Phelps LLC

[James Harrington](#) | Director | Duff & Phelps LLC

[Jan Marek](#), ASA | Director | European Valuation Institute

Join Carla Nunes and James P. Harrington of Duff & Phelps, A Kroll Business and Jan Marek of European Valuation Institute as they take a deep dive into separate research projects on whether empirical evidence supports the existence of a size effect in Europe. Using European data, the speakers will illustrate different approaches to measure the potential magnitude of the size effect in Europe including historical realized returns and implied size premium. After completing this session attendees will be able to: define the size premium; assess the strengths and weaknesses of the evidence for a size premium outside of the U.S.; recognize different methods that could be considered when estimating a size premium when developing discount rates in Europe.

11:00am – 12:00pm

[Multi-Discipline]

The Growing Market for Used Cannabis Equipment

A presentation about the growing trends in the Cannabis Industry and how that has played out for Appraisers and Auctioneers alike.

1:00 - 2:00pm

[Business Valuation Track 1]

Valuing Cannabis 2.0

[Ronald Seigneur](#), ASA | Managing Partner | Seigneur Gustafson LLP
[Nicholas Parseghian](#), ASA | Director | Marcum LLP

This session will focus on the unique aspects of valuing cannabis businesses and related intellectual property, including license rights. Emphasis will be placed on the use of the market and income approaches to value, including a deep dive into the use of the discounted cash flow method and how to analyze and support unsystematic risk premia in an industry that is significantly challenged with risk. The use of a market approach to value and sources of data will be included with working examples of both income and market based methods. Sources of industry data will also be provided.

[Business Valuation Track 2]

Valuation Issues in Shareholder Disputes

[Karl Schwabauer](#), CPA, CFF, CVA | Business Advisory Services Team - Dallas, TX | Rosenfield & Co.

Disputes between shareholders and other types of equity owners often involve the need for expert valuation services. In this arena, certain aspects of a valuation may need to be approached differently as compared to valuation for non-dispute purposes. It is also not uncommon for services in other areas of expertise to be required, such as tax, financial accounting, forensic accounting, economic damages, and expert testimony.

2:30 – 3:30pm

[Business Valuation Track 1]

Valuation of General Partner Interests in VC and PE Funds

[Andrew Proctor](#) | Managing Director | Houlihan Lokey, Inc.

[Antonella Puca](#), CFA, CPA/ABV, CEIV | Managing Director | MPI Valuation Services

This presentation illustrates the methodologies for valuing a GP equity stake in a VC / PE fund, considering both 1) a recurring flow of management fees and 2) a contingent cash flow in the form of "carried interest" based on the fund's investment returns. The valuation of a GP stake may be required for a variety of purposes, including for estate planning purposes; for financial reporting purposes, to value a portfolio interest in a GP entity; for succession planning purposes; or for establishing an equity compensation plan. In our presentation, we will consider transfers under both the FV (portfolio valuation) and FMV standards (estate planning).

[Business Valuation Track 2]

ERP and Risk-Free Rate in the Eurozone, UK and Canada

[Carla Nunes](#), Managing Director | Duff & Phelps LLC

[James Harrington](#) | Director | Duff & Phelps LLC

There are many sources of risk-free rates and equity risk premia (ERP) in the U.S., but where do you get this information when developing discount rates in other countries? Join Duff & Phelps' Carla Nunes and James P. Harrington as they take a deep dive into sources of risk-free rates and ERP estimates when developing discount rates in the Eurozone, UK, and Canada, with a special focus on the strengths and weaknesses of the "historical", "implied", "survey", and "conditional" methods of developing ERP estimates for non-U.S. valuation analyses. As illustration, conditional ERP methods are specifically applied to the Eurozone.

[Multi-Discipline]

Five Recent Appraisal Professional Liability Claims

[Peter Christensen](#) | Attorney | Christensen Law Firm - Valuation Legal

Five recent lawsuits -- all filed during the Covid-19 pandemic -- against appraisers of differing disciplines will serve as the backdrop for this presentation. Key takeaways for liability prevention will be distilled from each negligence or other liability claim.

3:30 – 4:30pm

[Business Valuation Track 1]

Valuing Tech Companies: Adjusting Financial Statements for the Value Driver Formula

[Joseph Thompson](#), ASA | Principal | The Griffing Group

[David Neuzil](#) | Manager | The Griffing Group

Our presentation will provide a framework for adjusting the income statement and balance sheets of companies with significant investments into intangible assets (i.e., tech companies) to allow for the use of the value driver formula (VDF). This presentation follows our 2020 ASA presentation “Testing the Reasonableness of Terminal Period Cash Flow Investments” where we discussed the issues of trying to apply the VDF to tech companies. Our session will provide specific examples on how one might adjust financial statements to account for the investments made by tech companies in the VDF that would otherwise be excluded under GAAP.

[Business Valuation Track 2]

Turning Trophies into Treasure: The Valuation of Sports Businesses

[Drew Dorweiler](#), ASA, FCBV, FRICS, CPA, ABV, CVA, CBA, CFE, MBA | Managing Director | IJW & Co. Ltd.

Specialized valuation concepts and methodologies for this exciting industry will be presented using real-life examples relating to sports franchises and intangible assets. Anecdotes from the presenter's over three decades of international sports business valuation experience shall also be provided.

[Multi-Discipline]

Risk Management - Insurance & Engagement Letters

[Sheri Thome](#), Esq. | Regional Managing Partner | Wilson, Elser, Moskowitz, Edelman & Dicker LLP

Learn how to protect yourself from risk before you begin work. We will discuss how to structure an engagement letter to best protect you, what to look for when purchasing insurance, and what you need to know when you actually have to use it.