



**Astute Framing of Issues**

**Detailed Knowledge of the Facts**

**Insightful Analysis**

**Persuasive Communication**

# DiscoveryEconomics

ECONOMICS, FINANCE, AND ACCOUNTING FOR BUSINESS AND LEGAL ISSUES

*“Nothing is more terrible than activity without insight.”*

— Thomas Carlyle

**D**iscovery Economics is committed to a hands-on approach to consulting. Senior practitioners are actively involved in all of our projects, contributing the insights made possible when sound judgment and intelligent analysis are combined with a personal command of the facts.



*Knowledgeable*  
Astute Framing of Issues    Detailed Knowledge of the Facts    Insightful and Effective Analysis

**Discovery Economics** provides sophisticated consulting and expert testimony regarding economic, financial, accounting, and other business issues. We have *extensive experience* consulting for many high profile, complex matters for prominent law firms and corporate clients.

We have a *proven ability* to form tightly reasoned opinions and clearly communicate our findings. Our principals have served as expert witnesses and court-appointed experts on numerous occasions. Senior practitioners are supported by *well qualified professional staff and associates* whose credentials include degrees from leading universities, professional certifications (including CPAs), and significant business experience.

We provide *specialized expertise* in many disciplines and industries and staffing support nationwide through an extensive network of affiliates. Our affiliates include professors of accounting, business, and economics at prestigious universities, industry experts, fraud investigators, business and property appraisers, and experienced consultants.

## AREAS OF SERVICE

# Service

*“Research is to see what everybody else has seen, and to think what nobody else has thought.”*

— Albert Szent-Gyorgyi

Alter Ego	Accounting
Antitrust/Predatory Pricing	Arbitration/Neutral
Bankruptcy	Business Consulting
Business Interruption	Business Projections
Breach of Contract	Competitor Analysis
Construction Claims	Cost Accounting
Economic Damages	Due Diligence
Entertainment	Economic Modeling
Environmental Economics/Accounting	Expert Testimony
Franchise Disputes	Financial Analysis
Fraud Investigation	Forensic Accounting
Government Contract	Industry Analysis
Health Care	Intellectual Property
Insurance Claims	Market Research
Interference with Economic Advantage	Market Studies
Lost Profits and/or Earnings	Mergers & Acquisitions
Patent/Trademark/Copyright	Reseller Compliance
Product Liability	Reorganization
Real Estate	Royalty Audits
Securities	Statistical Analysis
Trade Dress	Superfund PRP Groups
Trade Secrets	Valuation

# clients

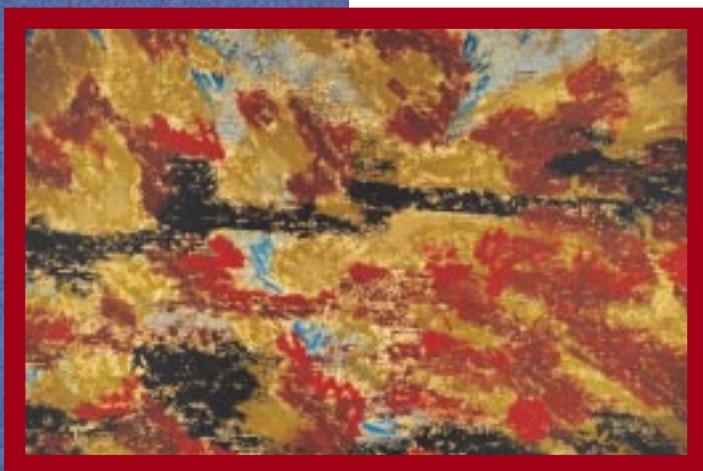
## SELECTED CLIENTS

### LAW FIRMS

Arter & Hadden  
Bird, Marella, Boxer & Wolpert  
Blecher & Collins  
Crosby, Heafey, Roach & May  
Crowe Day & Rogan  
Dewey Ballantine  
Duane, Morris & Heckscher  
Fulbright & Jaworski  
Gibson, Dunn & Crutcher  
Hennigan, Bennett & Dorman  
Irell & Manella  
Jeffer, Mangels, Butler & Marmaro  
Jenkins & Gilchrist  
Latham & Watkins  
Lionel, Sawyer & Collins  
Manatt, Phelps & Phillips  
Mayer, Brown & Platt  
McCutchen, Doyle, Brown & Enersen  
O'Donnell & Shaeffer  
O'Melveny & Myers  
Orrick, Herrington & Sutcliffe  
Parker, Milliken, Clark, O'Hara & Samuelian  
Paul, Hastings, Janofsky & Walker  
Preston Gates & Ellis  
Sheppard, Mullin, Richter & Hampton  
Stroock & Stroock & Lavan

### COMPANIES

Bank of America  
Broadstream.com  
Caesar's Palace  
California Institute of Technology  
CB Richard Ellis  
City of Los Angeles  
Denny's  
Eastman Kodak  
Eaton Corporation  
Fox  
General Electric  
Glendale Superfund Group  
Hewlett-Packard  
Kaiser Permanente  
LG Electronics  
Little Caesars  
Los Angeles Times  
Lucent Technology  
MGM  
Pink Dot  
PricewaterhouseCoopers  
Rampage Clothing Company  
State of California  
Toyota  
United States Department of Justice  
Wells Fargo



*“To solve a problem, it is  
necessary to think.  
It is necessary to think  
even to decide what facts to  
collect.”*

— Robert Maynard Hutchins

“True genius resides in the capacity for evaluation of uncertain, hazardous, and conflicting information.”

— Winston Churchill



## ILLUSTRATIVE PROJECTS

Analyzed lost profits and *price erosion* claims for a theft of *trade secrets* case in the *bio-medical* industry. Also performed *reasonable royalty* calculations.

Evaluated *economic damages* due to *patent infringement* relating to *computer monitors* and *computer notebook* displays.

Performed *market study* of *video and DVD* sales for major *film studio*. Analyzed market size, market share, sales potential, competition, and performance by studio. Evaluated sales of thousands of titles by genre, release date, box office, price, and other attributes.

Consulted for quick service *restaurant chain* regarding allegations of failure to implement tie-in *promotion* for a major *motion picture*. Analyzed box office, audience surveys, star power, and promotion for hundreds of films.

Analyzed factors leading to *bankruptcy* of a California *card casino*. Projected operations under different scenarios. Analyzed *solvency* of the entity at different points in time.

On behalf of a group of over 30 Nevada *casinos*, calculated *lost profits* caused by the inability to provide *pari-mutuel* wagering.

Evaluated *claimed costs* and *lost profits* related to a line of fragrances and other amenities. Analyzed *financial statements, ledgers, and audit work papers*. Investigated *alter ego* issues and related-party contracts.

Investigated issues of *fraud* and claims of *legal* and *accounting malpractice* for a securities matter involving *real estate investments*.

For a *product liability* matter, disputed claims for *remediation costs* and *lost profits* resulting from alleged faulty materials used at a large number of *construction* sites.

Applied *statistical sampling methods* to determine excessive and *fraudulent* invoicing for vehicle maintenance.

Analyzed *accounting for income* at a group of *automobile dealerships* in connection with a *partnership dispute*.

For a *government contract* claim, analyzed a *defense* contractor's *request for equitable adjustment* for cost overruns.

Directed numerous *health care* debt capacity analyses and financial *feasibility studies* for public bond offerings. Developed long-term forecasts, analyzed construction costs, and evaluated major capital construction projects built under fast track schedules.

Quantified *economic damages* stemming from a failed joint venture to launch a new *medical* diagnostic procedure. Evaluated market projections, Medicare and insurance coverage, and effect of promotion on the *product launch*.

Quantified *economic damages* in a *breach of contract* case stemming from alleged *defective design* and *workmanship* in the *aircraft* industry.

Investigated alleged multi-million dollar *fraudulent conveyance* of company assets prior to *bankruptcy*. Documented that the company's managers sold material assets to related parties at prices significantly lower than *market value*.

On behalf of national mortgage institution, investigated *fraud* and analyzed damages related to numerous *mortgage-backed securities* issued on over 150 *real estate* properties that had been falsely *valued*.

*Court-appointed expert* for *eminent domain* matters regarding takings of properties for airport expansion and subway construction. Analyzed *environmental clean-up costs, appraisals,* and incremental *construction costs*.

Consulted regarding *cost recovery* for a *Potentially Responsible Party* at a major *Superfund* site. Compiled and reviewed *response* and *remediation costs* totaling several hundred million dollars.

Provided *financial consulting* and *accounting* services and acted as *trustee* on behalf of a group of *Potentially Responsible Parties* jointly performing remediation at a major *Superfund* site.

Consulted regarding *pricing* of imported *crude oil* relative to benchmark crudes and domestic crude oil. Analyzed factors influencing producers and refiners of crude oil.

Evaluated *lost earnings* in many industries in connection with claims of *wrongful death, personal injury,* and *wrongful termination*.

**Principal Contacts:**

**Kip Jones**

**George Miller**

**Bob Wunderlich**

**DiscoveryEconomics**

333 South Grand Avenue, Suite 3700, Los Angeles, CA 90071 • Tel 213.621.7780

[www.discoveryecon.com](http://www.discoveryecon.com)