

JEFFREY H. KINRICH
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Jeff Kinrich has over four decades of litigation consulting experience with business clients and individuals on engagements involving applications of financial and economic analysis, accounting, business valuation and statistics. He specializes in damage quantification and valuation in the areas of commercial litigation and intellectual property. Mr. Kinrich has testified frequently on damages, valuation, and accounting issues in numerous state and federal courts. He is a Certified Public Accountant and holds an Accreditation in Business Valuation.

EDUCATION

- 1980 M.B.A., Finance and Quantitative Methods (with honors, first in class), University of Maryland
- 1977 M.S., Statistics, Stanford University
- 1976 B.A., Mathematics (*summa cum laude*, *Phi Beta Kappa*, first in class), Pomona College

PROFESSIONAL EXPERIENCE

- 2001–Present Analysis Group, Inc.
Managing Principal
- 1981–2001 PricewaterhouseCoopers LLP
Partner, Financial Advisory Services
- 1978–1980 BDM Corporation
Statistical Analyst
- 1977–1978 Lawrence Livermore Laboratory
Statistician

AWARDS

- Elijah Watts Sells Silver Medal for second highest score in the US on CPA Examination
- Forbes Gold Medal for the highest CPA examination score in California
- Volunteer of the Year, AICPA Forensic and Litigation Services

PROFESSIONAL AND BUSINESS AFFILIATIONS

- Certified Public Accountant
- Member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants

Accredited in Business Valuation (ABV)

Certified in Financial Forensics (CFF)

California Society of CPAs Litigation Sections, Steering Committee

American Institute of CPAs, Forensic and Litigation Services Committee (former)

Phi Beta Kappa

Board of Directors and Chair of Audit Committee, Bet Tzedek Legal Services

Board of Directors and Chair of Audit Committee, Jewish Community Foundation, Los Angeles

SELECTED EXPERIENCE

Commercial Damages

- Evaluated lost profits damages for hundreds of commercial litigation engagements, including breach of contract, employment, and business tort matters. Matters involved dozens of different industries.
- Analyzed revenue, cost, profit, and typicality issues in connection with consumer class actions. Evaluated class action damages, including actual loss to plaintiffs and unjust enrichment to defendants.
- Evaluated impact of mergers on value of combined firms; computed damages resulting from failed or improperly implemented mergers.
- Measured losses due to business interruption.
- Determined damages from breach of distribution and franchising agreements.
- Valued assets and evaluated accounting issues in connection with merger and purchase price disputes.
- Conducted several forensic accounting analyses involving large volumes of transaction-level data to address issues of causation and damages in matters involving misappropriation of funds, corporate fraud, and collectability of a potential judgment.
- Conducted several alter ego studies. Searched for commingling of funds, violation of corporate formalities, and other improper transactions between the company and shareholder/parent.
- Analyzed and testified about Generally Accepted Accounting Principles, cost accounting issues, accounting records, and related matters.
- Computed damages from loss of individual earnings in connection with wrongful termination, employment, and personal injury claims. Such claims included loss of wages, commissions, and bonuses. Considered issues of mitigation and discounting.
- Provided technical consulting on many applications of statistics to litigation, including statistical sampling, regression analysis, time series, probability theory, and survey design.
- Served as an arbitrator or court-appointed special master in several commercial disputes.

Intellectual Property

- Analyzed patent infringement damages under both lost profits and reasonable royalty approaches for a wide variety of patents. Industries include medical and surgical products, semiconductors, digital

and optical switches, HIV diagnostic test kits, cable television, cell phones, smart phones, aircraft engine housings, telephone equipment, toys, computer printer cartridges, disposable diapers, automobile components and accessories, cigarette lighters, photographic equipment, oil tools, satellite antenna feeds, water coolers, athletic shoes, contact lenses, sprinkler systems, computer disks, magnetic insoles, robotic surgery equipment, compact disk cases, superconducting amplifiers, food products, bottle inspection machinery, molded dog houses, landscape lighting systems, disposable respirators, airport security equipment, smart watches, communications networks, and bicycle seats.

- Measured patent damages for business method patents, including stock/security management software, insurance processing systems, space orbital trajectories, encryption algorithms, and farming methods.
- Negotiated a reasonable royalty in settlement of a patent dispute.
- Measured damages from various trademark, false advertising, and copyright infringement matters, including consumer and industrial products, software, and entertainment properties. Apportioned profits between infringing and non-infringing elements.
- Computed damages for trade secrets and non-compete agreements. Issues involved theft of customer lists, business plans, technology, and manufacturing methods and technologies.
- Assessed compliance with royalty agreements in connection with computer sales, pharmaceuticals, medical devices, semiconductors, online gaming, and music licensing agreements, and other industries.

Technology/Computers

- Conducted numerous damage studies related to high tech intellectual property, including semiconductors, space systems, computers, printers, medical products, and search engine design. Computed both lost profits and reasonable royalties.
- Measured damages in connection with several Internet issues, including cybersquatting, communications protocols, and misuse of website names.
- Computed lost profits and disgorgement from sale of counterfeit software.
- Testified as to the value of a software VAR agreement.
- Conducted international transfer pricing analysis for computer manufacturer.
- Determined damages from breach of a software/firmware development agreement.

Real Estate/Construction/Environmental

- On several matters, measured the diminution in value and lost rents due to a construction delay claims resulting from, among other things, contractor non-performance, construction defects, and environmental contamination.
- Evaluated statistical methods for invasive testing of construction defects.
- Performed and critiqued statistical sampling and extrapolation in connection with construction defects litigation.
- Opined about appropriate expenditures by homeowner's associations in connection with maintenance and capital expenditures.

- Testified for a construction contractor as to the amount due in a breach of contract dispute, and provided opinion on alter ego issues.

Business Valuation

- Valued numerous businesses in connection with commercial or personal disputes.
- Valued intangibles, including patents, trademarks, copyrights, trade secrets, and business protocols.
- Assessed issues of fair market value, minority discounts, control premiums, and other important valuation concepts.
- Appraised businesses in connection with corporate mergers, acquisitions, shareholder disputes, minority shareholder buyouts, and personal divorces.
- Valued numerous businesses in connection with commercial or personal disputes.

Entertainment

- Determined royalties owed to entertainers and managers.
- Computed damages for copyright and breach of contract issues related to infomercial sales.
- Measured actual losses and disgorgement of profits from copyright infringement related to scripts, story ideas, photographic images, video, and software.
- Assessed damages from a breach of contract in connection with the development of a major videogame franchise.
- Assisted numerous entertainment executives and performers in valuing personal, professional, and entertainment assets.
- Computed lost profits from a breach of an agreement to lease movie projection equipment.
- Valued the overseas rights to a catalog of films.
- Estimated damages related to failure to execute a film financing guarantee.
- Analyzed cost savings and antitrust issues resulting from selling box-lot quantities of recorded music at a discounted price.
- Evaluated the likely impact of a new video distribution technology.
- Measured value of broadcast and publicity rights.
- Computed damages related to breach of radio advertising sales contract.
- Evaluated reasonable fees to be paid for a broadcast television series.
- Computed royalties due for film rights distributed through various media.
- Measured unjust enrichment and disgorgement from misappropriation of the Academy Award® of Merit Oscar statuette image.
- Valued movie download rights in connection with a distribution deal.

Employment

- Measured statistical likelihood of differential results in employment decisions.

- Conducted numerous employment-related damages analyses, including assessing claims for lost wages, lost commissions, and loss associated with alleged inadequate expense reimbursements.
- Conducted analyses in connection with both class action and individual claims.

Telecommunications

- Conducted a lost profits study for a major telecommunications antitrust suit.
- Measured damages in connection with various telecommunications patents and trade secrets.
- Testified as to damages from alleged below cost pricing of telecommunications services.
- Critiqued plaintiff's claim in an offshore telecom litigation.
- Worked for a cellular telephone service provider defending against breach of contract claims from a former agent.
- Testified concerning the value of stock in two privately held communications companies in conjunction with a purchase price dispute.
- Analyzed claim of predatory pricing in the cellular industry.
- Acted as arbitrator in a telecommunications contract dispute.

Automobile Industry

- Conducted various damages analyses involving automobile dealership disputes, including dealer terminations, dealer relocations, and failure to award a dealership. Analyzed deal financial records and other economic information to quantify the value of automobile dealerships.
- Analyzed losses from a breach of an acquisition/sale agreement for an automobile parts manufacturer.
- Computed damages for patent infringement of an automobile parts manufacturing patent.
- Conducted transfer pricing study for automobile importer.
- Investigated alternative causes for failure of auto dealerships. Searched for diverted funds.
- Acted as a neutral arbitrator in dispute between automobile manufacturer and insurer over extended warranty payments.
- Assisted automobile manufacturer in investigating fraud and diversion of funds in connection with a collection dispute.
- Analyzed accounting issues in connection with the sale of a dealer network.

Class Action/Class Certification

- Provided financial and statistical analyses in opposition to class certification and class damage computations in late fee cases filed by consumers against various companies.
- Worked on behalf of a major car rental company in a class action matter alleging failure to comply with the law in advertising rental rates.
- Evaluated whether the alleged violations had common impact across class members and whether a common damages methodology could be applied in a matter concerning overcharges.

- Worked on class action suits alleging false advertising related to various consumer products including collectable dolls and energy drinks.
- Addressed class certification in an action brought by consumers alleging false advertising related to a consumer hygiene product.
- Worked with several companies in defending wage and hour class action matters.

Family and Partnership Law

- Conducted valuations of numerous private businesses.
- Performed analyses of lifestyle and cash available for support.
- Valued professional practices, including law firms and accounting firms. Performed valuations for divorce purposes and to wrap up partnerships under *Jewel v. Boxer*.
- Determined community portion of earnings and assets under various circumstances. Apportioned and valued stock options and profit participations.
- Traced and valued separate vs. community property. Conducted Pereira-Van Camp analyses of pre-marital property (as well as conducted similar tracings in connection with commercial litigation).

Tax Disputes

- Conducted transfer pricing studies for an automobile importer, semiconductor manufacturer, computer maker, and consumer electronics manufacturer.
- Designed sampling methodology to evaluate customs duty drawback claims.
- Measured damages from improper conversion from an S-Corp. to a C-Corp.

PUBLICATIONS

Lost Profits Damages: Principles, Methods, and Applications, 2nd edition, co-edited with Everett P. Harry, Valuation Products and Services (2022)

“Analysis of Cost Behavior,” with Elizabeth Eccher and James Rosberg, Chapter 12 of *Lost Profits Damages: Principles, Methods and Applications, 2nd edition*, Harry and Kinrich, editors (2022)

“Analysis of Cost Behavior When Calculating Damages,” Parts 1 and 2, *Business Law Today*, American Bar Association (2018)

Lost Profits Damages: Principles, Methods, and Applications, co-edited with Everett P. Harry, Valuation Products and Services (2017)

“Analysis of Cost Behavior,” with Elizabeth Eccher and James Rosberg, Chapter 11 of *Lost Profits Damages: Principles, Methods and Applications*, Harry and Kinrich, editors (2017)

“Risk and Economic Damages: Theoretical and Practical Issues,” with Brian Brinig, *Dunn on Damages*, Issue 7 (Summer 2012)

“Can a Reasonable Royalty Ever Be Zero?” with Michael Hsu, *Intellectual Property Today* (May 2011)

“Discount Rate, Risk & Economic Damages: Practical Considerations,” with Brian Brinig, *Business Valuation Update*, Vol. 15, No. 9 (September 2009)

“Analysis and Measurement of Damages in Patent Infringement Actions,” *Calculating Patent Damages*, Law Seminars International (2009)

“Engagement Letters for Litigation Services: Business Valuation and Forensic & Litigation Services Practice Aid 04-1,” coauthor, *American Institute of Certified Public Accountants* (2004)

“Trademark Misuse,” *Litigation Support Report Writing: Accounting, Finance, and Economic Issues*, Friedman and Weil, eds., John Wiley & Sons (2003)

“Analysis and Measurement of Damages in Patent Infringement Actions,” coauthor, *Patent Litigation 2001*, Practising Law Institute (2001)

“Cost Estimation,” *Litigation Services Handbook: The Role of the Accountant as Expert Witness*, 3rd ed., Weil, Wagner, and Frank, eds., John Wiley (2001)

“Preparing for Daubert Challenges in Antitrust Cases,” coauthor, *Antitrust Section of the American Bar Association, Economic Committee Newsletter* (Spring 2001)

“Conflicting Rulings About Conflicts,” coauthor, *The Witness Chair*, California Society of CPAs (Fall 1996)

“Damage Measures in Patent Infringement Actions,” coauthor, *Second Annual Institute for Intellectual Property Law*, Practising Law Institute (1996)

“Damages on the Internet,” *Proceedings of the AIPLA Winter Conference*, AIPLA (1996)

“Section 482 and Technology Transfers,” coauthor, *Price Waterhouse, Intellectual Property Conference* (1993)

“Dull Witnesses,” *Litigation*, American Bar Association, Vol. 19, No. 3 (Spring 1993)

“Economic Damages in Patent Infringement Cases,” coauthor, *Patent Litigation 1991*, Practising Law Institute (1991)

“Forensic Accounting and Litigation Consulting Services,” coauthor, *The Accountant's Handbook*, 7th ed., John Wiley (1990)