

Eric Fruits, Ph.D.

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Dr. Eric Fruits is an economics expert, finance expert, and statistics expert. He has produced numerous research studies involving economic analysis, financial modeling, and statistical analysis. As an expert witness, he has provided expert testimony in state courts, federal courts, and an international court.

As an economic damages expert, Dr. Fruits has provided expert testimony regarding business valuation, lost profits, and foregone income. He has been a testifying expert in cases involving real estate valuation, health care services, and transportation and shipping services. He has provided expert testimony to state courts and federal courts.

As a finance expert, Dr. Fruits has been a testifying expert and provided expert consulting services in cases alleging insider trading. He is a securities expert who has conducted numerous research studies on financial issues, including initial public offerings and municipal bonds.

As a statistical expert, Dr. Fruits has provided expert testimony regarding real estate transactions, profit projections, agricultural commodities, and war crimes allegations. His expert testimony has been submitted to state courts, federal courts, and an international court.

Dr. Fruits is a *Daubert* expert who has testified in federal court on the methods and procedures of science and described the *Daubert* standard to an international tribunal.

Dr. Fruits is an antitrust expert who has written articles on price fixing and cartels for the top-tier *Journal of Law and Economics*. He has assisted in the review of several mergers including Exxon-Mobil, BP-Arco, and Nestlé-Ralston. He has worked on many antitrust lawsuits, including *Ross-Simmons v. Weyerhaeuser*, a predatory bidding case that was ultimately decided by the United States Supreme Court.

He has written peer-reviewed articles on initial public offerings (IPOs), the municipal bond market, and the formation and operation of cartels.

Dr. Fruits has been affiliated with Portland State University, Pacific Northwest College of Art, University of Southern California, Indiana University, and the Claremont Colleges. He has been an economic consultant with LECCG, ECONorthwest, and Econ One Research.

Present Positions

Economics International Corp., President	2006–present
Portland State University, Adjunct Professor School of Business Administration School of Urban Studies and Planning	2002–present
Pacific Northwest College of Art, Instructor	2009–present

Education

Ph.D., Economics, Claremont Graduate University	1997
M.A., Economics, Claremont Graduate University	1993
B.S. with Distinction, Business Economics & Public Policy, Indiana University	1990

Publications, Reports, and Other Papers

- Test bank for W. B. Brueggeman and J. D. Fisher. *Real Estate Finance and Investments*, 14th ed. McGraw-Hill/Irwin. Forthcoming.
- Tax Policy and the Oregon Economy: The Effects of Measures 66 and 67*. Cascade Policy Institute, with R. J. Pozdena. 2009.
- Fiscal Impacts of Proposed Educational Tax Credits*. Cascade Policy Institute. 2009.
- Impact of Minimum Wage Indexing on Employment and Wages: Evidence from Oregon and Washington*. Employment Policies Institute. 2009.
- Oregon Greenhouse Gas Reduction Policies: The Economic and Fiscal Impact Challenges*. Cascade Policy Institute, with R. J. Pozdena. 2008.
- The Ranking of Oregon State and Local Spending*. Cascade Policy Institute, with R. J. Pozdena. 2008.
- "A comprehensive evaluation of the comparative cost of negotiated and competitive methods of municipal bond issuance." *Municipal Finance Journal*, with R. J. Pozdena, J. Booth, and R. Smith. 28(4):15–41. Winter 2008.
- "Damages: Experts, liability, and calculations." In *The Employment Case: From Discovery to Decision*. Oregon State Bar CLE Seminars. 2004.
- How Does Oregon Spending Rank? Ideas for Budget Stability*. Cascade Policy Institute, with R. J. Pozdena. 2004.
- "Market power and cartel formation: Theory and an empirical test." *Journal of Law and Economics*, with D. Filson, E. Keen, and T. Borchherding. 44:465–480. 2001.
- The Determinants of Managerial Ownership: Theory and Evidence From Initial Public Offerings*. Claremont Graduate University. 1997.
- "Managerial ownership, compensation, and initial public offerings." In Marr, M. and Hirschey, M., editors, *Advances in Financial Economics*, volume 2. JAI Press. 1996.

Letters, Op-Eds, and *Oregon Business* Columns

- "Health care: Congress can learn from the costly mistakes of the states." *Oregonian*. September 1, 2009.
- "Behind Oregon's jobless rate." *Oregon Business*. February 2009.
- "The high costs of climate change policies." *Oregonian*. January 24, 2009.
- "Facing the challenge of a revenue shortfall." *Oregonian*. November 19, 2008.
- "The youngest boomers trail behind." *Oregon Business*. September 2008.
- "Slow the growth to cut the carbon." *Oregon Business*. April 2008.
- "Do we really have a health-care crisis?" *Oregon Business*. January 2008.
- "Economic forecast: Will 2008 bring economic salvation?" *Oregon Business Powerbook 2008*. 2007.
- "The pixie dust of streetcars." *Oregon Business*. October 2007.
- "Pay me what I'm worth, or else." *Oregon Business*. July 2007.
- "Easy money." *The Economist*, p. 6. 1994.

Committee and Other Service

Peer reviewer for textbook and academic journals:

Land Economics

Municipal Finance Journal

W. B. Brueggeman and J. D. Fisher. *Real Estate Finance and Investments*, 14th ed. McGraw-Hill/Irwin. Forthcoming.

Laurelhurst Neighborhood Association. President. 2009–present.

City of Portland. Mayor's Economic Cabinet. 2008–present.

State of Oregon Department of Environmental Quality. Fiscal Advisory Committee for the Proposed Adoption of Air Quality Improvements at the PGE Boardman Power Plant. 2008.

State of Oregon Department of Environmental Quality. Fiscal Advisory Committee for the Proposed Adoption of the Utility Mercury Rule and Other Federal Air Quality Regulations. 2006.

City of Portland. Mayor's Ad Hoc Work Group on Regulatory Reform. 2002.

Testimony in Legal Proceedings

Dave Molony and Gold Leaf Investments, Inc. v. Crook County. U.S. District Court for the District of Oregon. No. 3:05-CV-1467-MO. Trial testimony May 27, 2009.

Evaluated Plaintiffs' claims of damages. Plaintiffs alleged that county planning commission decision deprived Plaintiffs of all economically viable uses for their property for approximately four years. Dr. Fruits performed a statistical analysis of the reasonable rate of return on the value of real estate during that period of time through the date of trial. The rate of return analysis formed the basis for a damages calculation associated with foregone investment opportunities.

Starr-Wood Cardiac Group of Portland, P.C., Dr. H. Storm Floten, and Dr. Anthony Furnary v. Dr. Jeffrey S. Swanson, Dr. Hugh L. Gately, and Cardiothoracic Surgeons LLC. Circuit Court for the State of Oregon for the County of Multnomah, No. 0706-06308. Trial testimony September 5, 2008.

Evaluated Plaintiffs' claims of foregone income. Plaintiffs alleged that Defendants violated their fiduciary duty by seeking seeking exclusive referrals from a cardiology group to the detriment of the corporation. Dr. Fruits performed a statistical analysis of the relationship between referrals and Plaintiffs' revenues. He also analyzed impacts of changes in compensation formula on principals' income.

Milutinovic et al. International Criminal Tribunal for the former Yugoslavia, No. IT-05-87 PT. Trial testimony April 23–24, 2008.

Provided testimony to the ICTY regarding the statistical reliability of estimated relationships between the deaths and migration of Kosovo Albanians and the activities of NATO and the Kosovo Liberation Army (KLA). Evaluated statistical reliability of conclusions that Serb and Yugoslav forces were involved in a systematic campaign of murder and deportation of Kosovo Albanians.

In re: The Marriage of Virginia Salvadori and Gabriel Salvadori. State of Washington Clark County Superior Court, No. 06-3-00692-2. Trial testimony April 14, 2008.

Evaluated the cost of living in the Portland-Vancouver (Oregon-Washington) area relative to the costs of living in Meriden, Connecticut.

Pamela L. Bond, Individually and as Personal Representative of the Estate of Craig R. Bond, Deceased v. United State of America. U.S. District Court for the District of Oregon. No. 06-1652-JO. Trial testimony February 6, 2008.

Calculated the lump-sum payment associated with Plaintiff's claim of lost household income resulting from alleged medical malpractice resulting in spouse's death.

Erik E. Tolleshaug v. Shaver Transportation Co. Circuit Court for the State of Oregon for the County of Multnomah, No. 060809122. Trial testimony December 14, 2007.

Conducted a study of the labor market for tugboat operators. Evaluated data from U.S. and state departments of labor. Interviewed representatives from west coast towing companies.

In re: The Marriage of Denise M. Kunze and Gust F. Kunze. State of Washington Clark County Superior Court, No. 05-3-00801-3. Trial testimony October 29, 2007.

Evaluated the cost of living in the Portland-Vancouver (Oregon-Washington) area relative to the costs of living in a variety of San Francisco Bay area cities.

Securities and Exchange Commission v. Philip Evans and Paul Evans. U.S. District Court for the District of Oregon. No. CV 05-1162-PK. Deposition testimony February 27, 2007; Trial testimony March 8, 2007.

Evaluated allegations of insider trading by a tippee. Performed a statistical analysis of Defendant's trades in question and compared them to the Defendant's earlier trading activities. Calculated profits from trades in question.

Randall D. Lam v. Kaiser Foundation Hospitals; Northwest Permanente, P.C.; Kaiser Foundation Health Plan of the Northwest; Robert James Shneidman, M.D.; and David Lee Brown, Jr., P.A. Circuit Court for the State of Oregon for the County of Multnomah. No. 020706633. Trial testimony November 9, 2006.

Evaluated Plaintiff's claim of diminished earning capacity resulting from alleged medical malpractice. Conducted a business valuation analysis that included a statistical analysis of the relationship between Plaintiff's property appraisal business income and an real estate market activity.

Vitascan Partners I and Vitascan Partners II v. G.E. Healthcare Financial Services and GE/Imatron. Superior Court for the State of California. No. 01129909. Trial testimony July 24, 2006.

Evaluated Plaintiffs' claims of foregone income. Plaintiffs alleged that Defendants provided malfunctioning mobile body imaging devices (sometimes known as full body scanners). Plaintiffs allege that malfunctions resulted in diminished revenues and business income. Dr. Fruits performed a statistical analysis of the relationship between scanner "down time" and Plaintiffs' business revenues and income.

Squaxin Island Tribe, Island Enterprises, Inc., Swinomish Indian Tribal Community, and Swinomish Development Authority v. Fred Stephens, Director, Washington State Department of Licensing. U.S. District Court for Western District of Washington. No. C033951Z. Deposition testimony June 15, 2005.

Evaluated the relationship between the activities of Indian tribes and the tribes' retail motor fuel stations ("gas stations"). Conducted a survey of gas station customers to evaluate the extent to which tribal membership or tribal activities attracted customers to the gas stations. Analyzed of the costs of highway improvements and how improvements could be funded from tribal motor fuel revenues.

Androutsakos v. M/V PSARA, PSARA Shipping Corporation, and Chevron U.S.A., Inc. United States District Court for the District of Oregon. No. 02CV1173KI. Trial testimony May 21, 2004.

Calculated the lump-sum payment necessary to cover the costs of care in Europe for an engineer injured at a U.S. port. Provided financial analysis and accounted for differences in tax policies between the U.S. and EU countries.

In re: Consolidated PERS Litigation. Supreme Court for the State of Oregon. Nos. S50593, S50532, S50656, S50657, S50645, S50685, S50687, and S50686. Trial testimony February 27, 2004.

Evaluated and calculated the economic impacts associated with reforms to the state's public employee retirement system. Analysis was conducted using the Oregon Tax Incidence Model (OTIM) and IMPLAN.

CollegeNET, Inc., v. ApplyYourself, Inc. United States District Court for the District of Oregon. Nos. 02CV484HU and 02CV1359HU. Daubert hearing May 9, 2003.

Provided testimony in a *Daubert* hearing to determine whether an expert's testimony was grounded in the methods and procedures of science.

Public Testimony and Presentations

Oregon State Land Board. Future Management of the Elliott State Forest. Agenda Item 7. December 8, 2009.

Portland Air Cargo Association. The Economy Today: How it Affects the Transportation Business. April 8, 2009.

National Association of Women in Construction. Economic Roundtable. March 19, 2009.

Oregon Legislative Leadership Forum. Oregon's Greenhouse Gas Reduction Policies: Projected Economic and Fiscal Impacts. January 22, 2009.

Oregon Task Force on Comprehensive Revenue Restructuring. Comparative Expenditure Study. July 10, 2008.

Columbia Corridor Association. Portland's Transportation Economy. May 28, 2008.

Taxpayer Coalition. Forecast of U.S. and Oregon economies. May 9, 2007.

Oregon Senate Interim Commission on Health Care Access and Affordability. October 27, 2006.

Oregon Land Conservation and Development Commission. Umatilla County Request for Approval of Resource Zone Minimum Lot Size. Agenda Item 7. June 29, 2006.

Yamhill County Planning Commission. Request by Hazel B. Timmons Trust for Approval of a Comprehensive Plan Amendment. Docket PAZ0106. March 2, May 4, and June 7, 2006.

Portland City Council. Agenda 907: Create a Local Improvement District to Construct Aerial Tram Improvements in the Portland Aerial Tram Local Improvement District. Portland, Oregon. August 4, 2004.

Oregon Senate Interim Committee on Revenue. July 1, 2004.

Pacific Fishery Management Council. Agenda Item G.2: Approve Final Regulatory Amendment and Analysis for Changes to the Sardine Allocation. Vancouver, Washington. April 10, 2003.

Pacific Fishery Management Council. Agenda Item I.2: Draft Regulatory Amendment and Analysis for Changes to Sardine Allocation. Sacramento, California. March 13, 2003.

Hillsboro Planning & Zoning Board Hearings Board. File No. ZC2302, Request by Providence Health System Oregon for Zoning Map Amendment from SCI to SCRP. Hillsboro, Oregon. November 6, 2002. Hillsboro City Council. Work Session Item A: Tuality Hospital. Hillsboro, Oregon. October 15, 2002.

Professional Experience

ECONorthwest Senior Economist	2002–2008
LECG, LLC Senior Economist	1999–2002
Claremont Graduate University Adjunct Professor of Economics and Visiting Scholar	1996–2002
Econ One Research, Inc. Economist	1998–1999
University of Southern California, Marshall School of Business Visiting Assistant Professor of Finance & Business Economics	1997–1998
Indiana University, Kelley School of Business Visiting Assistant Professor of Business Economics & Public Policy	1997
Scripps College Adjunct Professor of Economics	1996
Pomona College Lecturer in Economics	1994
Andersen Consulting Staff Consultant	1990–1991

Grants and Awards

Lionel Edie Award	1990
Lynde and Harry Bradley Foundation Grant	1992–1995
John Randolph Haynes and Dora Haynes Foundation Grant	1995
Institute for Humane Studies Research Grant	1996

Courses Taught

Microeconomics

Industrial Organization

Economics of Regulation and Antitrust

Urban Economics

Managerial Economics

Econometrics

Real Estate Finance and Investment

State and Local Public Finance

Economics and the Creative Industries