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NACVA AND THE IBA'S 2010 ANNUAL CONSULTANTS' CONFERENCE SESSION SUMMARY

JUNE 2—5, 2010 THE FONTAINEBLEAU MIAMI BEACH MIAMI BEACH, FL USA

Track: IBA Symposium

Session Date / Time: Wednesday, June 2, 2010 / 1:30pm – 4:20pm

Session Title: *Will the Real Cost of Capital Please Stand Up?*

Session Summary: Cost of Capital is one of the primary foundations of the income approach to valuation. Recently, some practitioners have suggested that it is appropriate to use “normalized” input in the Cost of Capital build up methodology. This session will discuss whether the fundamentals of the Cost of Capital have changed and what impact the current economic climate has on developing appropriate inputs for the application of the income approach. In addition, alternative sources for Cost of Capital inputs will be explored.

CPE Hours / Fields of Study Three (3) hours / Specialized Knowledge and Applications (SK&A)

Presenter Bio:

James R. Hitchner, CPA/ABV/CFF, ASA, is Managing Director of Financial Valuation Advisors www.finvaluation.com and is President of The Financial Consulting Group www.gofcg.org. He is also CEO of Valuation Products and Services www.valuationproducts.com which created and distributes the *Business Valuation Standards Compliance Toolkit* and presents monthly webinars. He is also Editor in Chief of *Financial Valuation and Litigation Expert*, a bimonthly journal that presents views and tools from some of the leading experts in valuation, forensics/fraud, and litigation services.

Mr. Hitchner is editor/coauthor of the books *Financial Valuation: Applications and Models*, 2nd edition; *Financial Valuation Workbook*, 2nd edition; and *Valuation for Financial Reporting, Fair Value Measurements and Reporting: Intangible Assets, Goodwill, and Impairment*, 2nd edition; all published by Wiley. He is also coauthor of *PPC's Guide To Business Valuations*, 19th edition, published by Thomson Reuters.

He has spent 29 years in valuation services including partner-in-charge of valuation services for the Southern Region of Coopers & Lybrand (currently PricewaterhouseCoopers) and senior appraiser with American Appraisal Associates. In the valuation area he has coauthored 20 courses, taught over 60 courses, published over 60 articles, and has made over 100 conference presentations. He is also an inductee in the AICPA Business Valuation Hall of Fame and a two time recipient of the AICPA's Business Valuation Volunteer of the Year award. He was also one of only four members of the AICPA Business Valuation Standards Writing Task Force and served for the entire six years up to the June 2007 official release of the standards.