

Eric Fruits, Ph.D.

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

Dr. Eric Fruits is an expert in economics and finance. He has experience in applying economic, financial, and statistical analyses to real estate, securities, and business valuation and to competition, regulation, and antitrust issues. Dr. Fruits project work has covered a wide range of industries and the government sector including the securities, semiconductor, satellite television, timber, healthcare, hospitality, and wine and liquor industries, and the retail and transit sectors. He has published peer-reviewed papers on initial public offering firms and on the formation of cartels. In addition to consulting, he has been a professor at Portland State University, the University of Southern California, Indiana University, and the Claremont Colleges where he has taught business, economics, finance, and statistics courses.

Present Positions

ECONorthwest, Senior Economist
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Economics International Corp., Director
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Testimony in Legal Proceedings

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

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.

Publications, Reports, and Other Papers

"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.
- “A comprehensive evaluation of the comparative cost of negotiated and competitive methods of municipal bond issuance.” Under review at *Municipal Finance Journal*, with R. J. Pozdena, J. Booth, and R. Smith. 2007.
- “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.
- “Easy money.” *The Economist*, p. 6. 1994.

Committee Service

- 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.

Professional Experience

- LECG, LLC, Senior Economist
- Claremont Graduate University, Adjunct Professor of Economics and Visiting Scholar
- Econ One Research, Inc., Economist
- University of Southern California, Marshall School of Business, Visiting Assistant Professor of Finance & Business Economics
- Indiana University, Kelley School of Business, Visiting Assistant Professor of Business Economics & Public Policy
- Scripps College, Adjunct Professor of Economics
- Pomona College, Lecturer in Economics
- Andersen Consulting, Staff Consultant

Grants and Awards

Lionel Edie Award

Lynde and Harry Bradley Foundation Grant

John Randolph Haynes and Dora Haynes Foundation Grant

Institute for Humane Studies Research Grant

Courses Taught

Microeconomics

Industrial Organization

Economics of Regulation and Antitrust

Managerial Economics

Econometrics

Real Estate Finance and Investment