



FIFTH
EDITION

EXCERPT FROM:

Business Valuation in
DIVORCE
CASE LAW COMPENDIUM

BVR
What It's Worth

Business Valuation in Divorce Case Law Compendium

FIFTH EDITION



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What It's Worth

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Introduction

Attorneys and valuers who work on family law matters know how dynamic this area of the law is. During my tenure as the executive legal editor of Business Valuation Resources, I have seen a steady stream of divorce cases even in years when litigation in other legal fields has ebbed.

When it comes to divorce, the stakes for the litigants are high, on an emotional and financial level, and the parties often are prepared to take their case to the highest court possible. Divorce engagements, therefore, offer great opportunities for lawyers and valuation professionals, but they also require a real understanding of the legal principles and valuation issues that may arise. The parties invest great trust in the expertise of legal counsel and valuation advisors.

Family law is state law, which creates its own complexity. States develop their own statutory and case law, which means a financial expert who wants to be an asset to the attorney who hires him or her for an engagement should know not only the valuation-related issues, but also the legal principles applicable in a particular jurisdiction. It also does not hurt to be aware of decisions from other states on an issue.

Few attorneys and financial experts have the time and resources to perform ongoing legal research in order to keep up with valuation-centered court decisions and legal developments. At the same time, attorneys have a duty to be well-informed and experts have to keep abreast of the issues to perform a valuation that can withstand scrutiny by the court and the other side.

One way to stay informed is by subscribing to BVR's *BVLaw*, where we regularly monitor court activity and provide analysis, in the form of digests, of the most noteworthy valuation-oriented decisions, including in the area of divorce. For more information, I invite you to visit bvresources.com/bvlaw.

The *Business Valuation in Divorce Case Law Compendium*, 5th edition, is another invaluable resource as it includes digests of court rulings going back to 1995 and up to the publishing date in 2020. The digests home in on the valuation issues arising in a case. The cases selected have made new

law or added nuance to prior law or deepened our understanding of an issue. The digests mostly deal with cases that feature expert testimony and discuss the court's response to the testimony to show what worked and what did not work.

BVR's newest divorce compendium provides the reader at once with a history of business valuation in divorce and a deep dive into divorce-related valuation topics. Many of the cases discussed focus on issues such as goodwill (enterprise versus personal goodwill), appreciation in value of separate property (active/passive framework), double dipping, and standards of value and the use of discounts in valuing minority interests in a closely held business.

What's more, the first part of the compendium is comprised of a series of recent articles in which veteran lawyers and valuation experts share their thoughts on a range of topics. For example, articles analyze how to prepare meaningful valuations in the current economic uncertainty brought on by COVID-19, how to avoid ethics violations when working on a divorce engagement, how to become a go-to valuation expert, and how to value personal goodwill. (There are many more articles.)

Speaking of goodwill, this compendium also includes BVR's up-to-date goodwill chart which, at a glance, shows how each of the 50 states has dealt with the issue of goodwill in divorce and cites to the controlling cases.

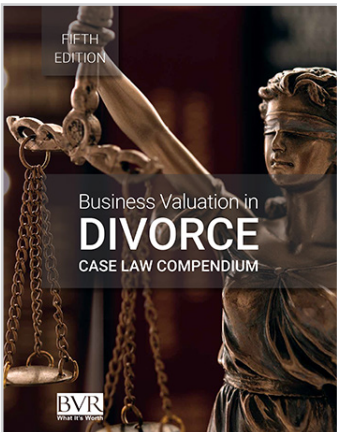
In addition, for all digests included in the compendium, BVR makes available the court opinions through the BVR website, bvresources.com/DivorceCases2020.

The 5th edition of the *Business Valuation in Divorce Case Law Compendium*, therefore, is an indispensable tool for divorce attorneys and valuation professionals who want to stay on top of their game.

Thank you and be well.

Sylvia Golden, Esq.
Executive Legal Editor
Business Valuation Resources, LLC
September 2020

The most current analysis on how courts throughout the U.S. view business valuation methods



The 5th edition of BVR's Business Valuation in Divorce Case Law Compendium is the one reference that puts key insights and case law summaries in one place. Every divorce professional can stay ahead of the game with this indispensable resource. The new compendium includes an updated collection of legal digests and a timely introduction by Executive Legal Editor, Sylvia Golden, Esq.

Highlights of the Compendium include:

- **Explore key valuation issues that arise in divorce cases:** Includes a handy chart that summarizes 200+ cases and lists each case by name, state, and date
- **Save hours of research time:** Easily navigate how courts view business valuation methods and approaches in divorce cases
- **Become a more effective financial expert with key strategies:** Get in-depth analysis from BVR's expert legal team on which techniques financial experts have employed that have either stood up or failed in court

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