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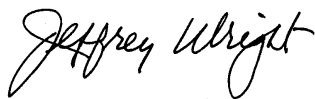
International Valuation Standards Council

Re: Exposure Draft: Procedural Guidelines for Fairness Opinions

Via email to CommentLetters@ivsc.org

I have read the Exposure Draft of Procedural Guidelines for Fairness Opinions issued by the IVSC in March 2012, and I have comments that may be helpful. I am a business appraiser in the U.S. who occasionally prepares Fairness Opinions for clients.

1. Question 2: "...a clear line does not exist between the different formats used for reporting, and they are part of the same service."
It would be helpful to have a distinction between a Full Report, and a Summary, with prescribed minimum items that should be included in a Summary.
2. Page 3: *What is a Fairness Opinion*
Item 4 b states that a Fairness Opinion is not "an assessment or evaluation of ... consideration to be paid/received therein." This is confusing because the essence of a Fairness Opinion is to evaluate whether the consideration is fair. This statement of what a Fairness Opinion is not will likely be confusing.
3. Page 5: *Ethical Considerations, #10*
"It is *recommended* that the Code is followed..." It seems the public would benefit if the Code must be followed.



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Valuation of business interests in closely held corporations and partnerships; ESOP shares; acquisitions; billboard industry mergers and acquisitions.

Education

Advanced Business Valuation Conferences: Las Vegas 2010, Las Vegas 2008, Las Vegas 2005, Seattle 2001, Philadelphia 2000, Boston 1999, Montreal 1998, San Francisco 1997, Memphis 1996, Boston 1995, San Diego 1994, Houston 1992, Phoenix 1991, Vancouver 1990, Las Vegas 1987, Montreal 1986, San Francisco 1985

Graduate Studies – Business Finance, 1970-1975, Arizona State University

Registered Representative – NYSE, 1970

Bachelor of Arts – Political Science, 1968, Arizona State University

Designations

FASA: Accredited Senior Appraiser, and Fellow of the College of Fellows

CFA: Chartered Financial Analyst

Experience

1997-Present President: Centerpoint Advisors, Inc.

1987-1997 Partner: Brown-Wright & Associates

1982-1987 Vice President of Investments: First Chicago Trust of Arizona. Valuations of closely-held businesses, securities portfolio management.

1980-1982 Principal: J.P. Wright & Co. Business valuations.

1976-1980 Chief Investment Officer – Arizona State Treasurer's Office

1970-1976 Vice President of Investments: Great Western Bank of Arizona. Trust investments.

1969-1970 Account Executive: Shearson Hammill. Member firm NYSE, Chicago Board of Trade, etc.

Instruction

Seminars on business valuation for appraisal organizations and other professionals, speeches to various legal, accounting and professional groups. Instructor of Business Valuation courses for the American Society of Appraisers.

Memberships

American Society of Appraisers (ASA)

CFA Institute

ESOP Association

National Center for Employee Ownership

Phoenix Society of Financial Analysts

Stock & Bond Club of Phoenix

Offices

2001-2004	Chair, Standards Subcommittee, Business Valuation Committee – American Society of Appraisers
1995-2003	Examiner and Reviewer, Board of Examiners for Business Valuation – American Society of Appraisers
1991-2000	Member and Officer: Business Valuation Committee – American Society of Appraisers
1989-1991	Region 8 Governor – American Society of Appraisers (AZ, UT, WY, SD, NE, CO, NM, TX)
1988-1989	President – Phoenix Metro Chapter – American Society of Appraisers
1987-1990	Chair – Business Valuation Roundtable – Phoenix
1982-1983	President – Phoenix Society of Financial Analysts
1981-1982	President – Stock & Bond Club of Phoenix

Published

- "Key Person Discount in Small Firms: Evidence from the 1990s," with James A. Larson, Ph.D., CFA. *Business Valuation Review*, September 2001.
- "Billboard Appraisal: The Valuation of Off-Premise Advertising Signs", with Paul Wright, 2001, 250 pages, published with the American Society of Appraisers.
- "Valuing a Start-up," M&A Valuation for CFOs, Conference Presentation, Federated Press, Ontario, Canada, January 2001.
- "Key Person Discount in Small Firms: Fact or Fiction," with James A. Larson, Ph.D., CFA. *Business Valuation Review*, March 1996 and updated September 1998.
- "Equitable Distribution in Divorce Settlements in Arizona: Valuation, Tax and Other Issues," 1995, National Business Institute.
- "ESOPs in Arizona," 1994, National Business Institute.
- "What is a Business Worth?" 1990, 135 pages, E.V.S. Publications.
- "Considerations In Buying or Selling a Business under the Tax Reform Act of 1986," 1987, National Business Institute.
- Contributing author to *Business Valuation Review*.

Business Valuation Experience

Mr. Wright has appraised many types of companies since 1977. They include manufacturers, wholesalers, retailers, public utilities, service businesses, professional practices, high-tech companies, software licensing, contractors, restaurants, schools, and many more. They range in size of annual revenue from \$80,000 to \$150 million. He has purchased, sold, negotiated sales and owns various business interests in companies including hat manufacturing, window coatings, laundry and dry cleaning, publishing, video compression technology, and garden products.