

# NEWS RELEASE

Robert W. Johnson & Associates

FORENSIC ECONOMIST

Date: September 2001

Contact: Robert W. Johnson, President • (800) 541-7435

## Recent Case:

### ***ECONOMIST'S TESTIMONY ASSISTS JURY IN \$3 BILLION VERDICT AGAINST PHILIP MORRIS***

**Los Angeles, California:** Robert W. Johnson & Associates were retained to testify regarding punitive damages and Philip Morris USA's financial health, wealth and economic status.

**Citation:** *Richard Boeken vs. Philip Morris Incorporated; Los Angeles, California Superior Court, No. BC 226593; Michael J. Piuze, Los Angeles, California*

**Case Synopsis:** Richard Boeken, currently 56 years old, started smoking Malboro cigarettes when he was 13. In 1999 he was diagnosed with lung cancer and the disease has since spread to his brain. Mr. Boeken was also a former heroin addict and alcoholic. He was able to break the addiction of both heroin and alcohol. But he was unable to break the addiction to cigarettes. Mr. Boeken claimed that Philip Morris misled him regarding the dangers of smoking and also created an unsafe product. Mr. Johnson was asked to testify in

the punitive damages part of the case. His task was to present a full picture of Philip Morris USA's financial condition.

**Expert Consultation:** Mr. Johnson, reviewed Philip Morris' financial documents, that are on file with the SEC, to determine Philip Morris' financial health, wealth and economic status. Mr. Johnson created charts that reflected Philip Morris' true financial health and ability to pay punitive damages. Mr. Johnson also helped the jury understand the size of a \$1 billion award.

**Results:** The jury awarded \$5 million in compensatory damages and \$3 billion in punitive damages.

**Attorney Comments:** "Robert Johnson's analysis of Philip Morris' U.S.A. financial condition was a key to helping the jury understand exactly how wealthy Philip Morris U.S.A. is. Philip Morris U.S.A. is not a publicly traded company, but is a subsidiary of Philip Morris Inc., who is not a defendant. Mr. Johnson's interpretation of their financial statements provided the evidence required for punitive damages.

Life Activity Calendar a trademark of Robert W. Johnson & Associates.

Copyright © 2001 by Robert W. Johnson & Associates. All Rights Reserved.

No copyright is claimed in the text of U.S. and state regulations, statutes, and excerpts from court cases quoted herein.

Life Activity Calendar Impact:

**JURY VERDICT IN DEATH OF A 19  
YEAR OLD STUDENT**

**Santa Cruz, California:** Robert W. Johnson & Associates prepared the Life Activity Calendar that was admitted into evidence in support of the jury's \$511,000 verdict.

**Citation:** *Gerkovich v. Guelich, Santa Cruz, California, Superior Court No 112128, Attorney R. Spencer Quinn, San Jose, California.*

**Case Synopsis:** Ms. Gerkovich, age 19, was a passenger in a car heading to college when the defendant's vehicle, headed in the opposite direction, swerved into oncoming traffic and collided with the Gerkovich vehicle. Gerkovich died within hours. The parents sued for their loss of her love, care, comfort, society, etc. Through the use of the Life Activity Calendar, the parents were able to catalog the activities they did with their daughter including vacations, birthdays, shopping, gardening, visiting relatives, bowling, etc. This cataloging

communicated the closeness of their relationship. The Calendar was admitted into evidence at trial and there was no cross-examination of the parents' testimony.

**Attorney Comments:** "The Life Activity Calendar made a critical difference and had a significant impact on the jury. It visually focused the parents' attention and gave them strength to testify. The family events they shared with their daughter, during a typical year in her life, were clearly displayed on the 'Before Death' chart. The jury was visually shaken when the blank 'After Death' chart was presented".

**Results:** The defense offered a pre-trial settlement of \$150,000, and asked the jury to award only \$90,000. The jury returned a verdict of \$511,000. This is the largest verdict for the death of a single adult child in Santa Cruz County, according to the Judge.

**About Robert W. Johnson & Associates:** A nationally recognized (litigation economics) full service consulting firm that specializes in illustrating and quantifying (hard to value) damages. Services include: Court-qualified expert witness testimony in quantifying the loss of enjoyment of life (pain and suffering) in personal injury cases and quantifying the loss of love, care, comfort, society, consortium, etc. to the survivors in wrongful death cases. Other litigation support services include analyzing and placement of structured settlements, generating wage loss reports that include the present value of future medical expenses and illustrating the loss of quality of life with the LIFE ACTIVITY CALENDAR™.

---

**Robert W. Johnson & Associates**

FORENSIC ECONOMISTS

---

4970 El Camino Real • Suite 250 • Los Altos, CA • 94022 • 800/541-7435 • 650/494-2413 • Fax: 650/494-2454

Email: [info@rwja.com](mailto:info@rwja.com) • Website: [www.rwja.com](http://www.rwja.com)