

JURY AWARDS A \$10.5 MILLION VERDICT FOR CONSTRUCTION SUPERINTENDENT WHO SLIPPED INTO AN UNGUARDED ELEVATOR PIT

Featured Case:

San Francisco, California: Robert W. Johnson & Associates was retained to provide economic testimony in quantifying the present cash value of lost earning capacity, lost household services and future medical expenses.

Citation: Robert Scott v. Richter & Ratner Contracting Corp., San Francisco County Superior Court, Case No. CGC-04-434970. Plaintiff's attorneys William L. Veen (lead), Kevin Lancaster (co-lead), Eustace de Saint Phalle and Mary Anne Bendotoff of The Veen Firm, PC, San Francisco, California. The judge was the Honorable Katherine Feinstein.

Case Synopsis: Plaintiff Robert Scott, 45, a construction superintendent, was working on an interior remodel of an existing retail store and building at 225 Post Street in San Francisco. The general contractor was Richter & Ratner Contracting Corp., who hired several subcontractors, including Scott's employer, Cannon Constructors and Paramount Elevator.

Scott slipped into the unguarded elevator pit, falling backwards and landing on his back in the concrete pit. Scott sued Richter & Ratner for negligence. Plaintiff's counsel argued that the contract stipulated that Richter & Ratner was required to maintain barricades in front of each opening to the elevator shaft. In addition, plaintiff's counsel claimed that Richter & Ratner had a non-delegable duty to guard the elevator shaft.

Richter & Ratner disputed the allegations, contending that Scott was comparatively negligent. Defense counsel also pointed out that Scott had been in a methadone program, and claimed he was simply faking it in order to get pain-killers.

(Continued on page 4)

HOW CAN YOU BENEFIT FROM STRUCTURED ATTORNEY FEES?

Structured Attorney Fees provide a unique opportunity for attorneys to accumulate wealth, with unmatched rates of return.

Structuring is the ideal vehicle to achieve greater wealth accumulation. You can *defer taxes, receive unmatched rates of return* and, most importantly, be able to *pay yourself first*.

As an attorney, you already know that your fees can be unpredictable. You cannot be sure when cases will arrive or when they will conclude, which makes it challenging to manage cash flow. When your fees do arrive, taxes can take a huge bite from your income.



Structured Attorney Fees allow you to:

- Defer up to 100% of your pre-tax income
- Contribute as much income as you like
- Increase your guaranteed flow of income
- Even out your cash flow

Moreover, structuring your fees gives you a chance to plan for the "big things" in your life. For you, the "big thing" might be buying that next big house, or sending your child to Stanford,

(Continued on page 3)

IN THIS EDITION

Page 1 Featured Case

Page 2 Life Activity Calendar Case

Page 1 Structured Attorney Fees

Page 4 2006 Year End Verdict & Settlement Summaries

LIFE ACTIVITY CALENDAR® AIDS IN \$4,150,000 SETTLEMENT FOR 67 YEAR-OLD STROKE VICTIM

San Francisco, California: Robert W. Johnson & Associates was retained to prepare a **LIFE ACTIVITY CALENDAR®** that would graphically illustrate how the injury has completely changed the plaintiff's life.

Citation: *Doe v. Defendant Airline, et al., California Superior Court, Attorneys Charles Geerhart and Thomas Paoli of Paoli & Geerhart, LLP, San Francisco, California.*

Case synopsis: On May 2, 2005, Plaintiff and his wife boarded a plane at SFO embarking on a twelve hour international flight. According to the attorneys, about 2½ hours into the flight (per the plane's logs), the husband began exhibiting symptoms of illness and seizures.

The flight crew determined that this was a medical emergency and paged the cabin to see if a doctor was aboard. There was no doctor aboard, but a person identifying himself as a "medical student" looked at the plaintiff. Meanwhile, the captain of the plane identified two major airports in case of an emergency landing, which were both over an hour away.

After about 20 minutes, the plaintiff began to show signs of improvement. Consequently, the captain decided not to divert the plane for an emergency landing and continued to fly another 9 hours to its destination.

About two hours after the first seizure, the plaintiff suffered a second. The medical student was unable to provide a diagnosis. Upon

arrival at his destination, the plaintiff was unconscious.

The plaintiff was diagnosed with intracerebral hemorrhage from which he has never awakened, despite undergoing emergency brain surgery at the destination. The plaintiff remains in a persistent vegetative state.

Results: While the initial offer by the defendants was small, the plaintiff attorneys were able to negotiate a total settlement of \$4,150,000 for the plaintiff.

Attorney Comments: 'The **LIFE ACTIVITY CALENDAR®** was an instrumental tool in my case. The calendar demonstratively showed all the activities that the plaintiff participated in with his spouse and family on the "before injury" page. The "after injury" was left blank which simply sums up everything that was taken away from him. The defendants and their carrier knew that a jury would clearly see and be convinced that all of the "joy of life" had been taken from this man.'



Let us prepare a LIFE ACTIVITY CALENDAR for your next case. Call (800) 541-7435 ext. 200

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HOW CAN YOU BENEFIT FROM STRUCTURED ATTORNEY FEES?

(Continued from page 1)

or buying out your partner when they retire. Whatever the “big thing” might be for you, the important point is that structuring your fees gives you the ability to achieve it – easily, painlessly, and with an unmatched rate of return.

How do structured settlements compare to traditional investments?

Structured Attorney Fees have been around since the mid 1990's. Unfortunately, attorneys have been reluctant to structure their fees because they have not been able to accurately compare this investment with other investment vehicles. Robert W. Johnson & Associates has developed the Tax Equivalent Guaranteed Return (**T.E.G.R.SM**) methodology to simplify this comparison for you.

What is the **T.E.G.R.SM**? The **T.E.G.R.SM** is the **guaranteed** rate of return that any other investment needs to yield in order to match the pre-tax payout of Structured Attorney Fees.

Pre-Tax Comparison

It is important to remember that with Structured Attorney Fees you are working with 100% of your money because you invest on a pre-tax basis. It is also important to understand that the results are **guaranteed**. With a traditional investment, you are typically working with 60% - 65% of your money after-taxes, and the results usually are **not guaranteed**.

Unmatchable Rates of Return

Structuring your fees gives you an unmatched rate of return, with annual **Tax Equivalent Guaranteed Returns** that can reach:

- 20+% for a 5-year investment
- 15+% for a 10-year investment
- 10+% for a 20-year investment

A Long-Term Scenario: Funding Retirement

An attorney planning to retire has just settled a case with \$500,000 in fees. The attorney has the option to either **(a)** structure their \$500,000 fee, or **(b)** pay the tax and invest the balance.

(a) If the attorney structures their fee, the \$500,000 will pay out \$38,229 annually, before tax, over 20 years, **guaranteed**.

(b) On the other hand, if the attorney pays the 40% tax (\$200,000) and invests the \$300,000 balance, the investment would need to generate a **T.E.G.R.SM of 11.23%** to match the structure's **guaranteed** total payout.

Clearly, few investments are likely to yield a steady return of 11.23% over 20 years, whereas the structure is **guaranteed**, no matter what happens. The structured approach is the obvious choice to maximize the return on the initial fee.

The benefits are clear:

- Unbeatable, guaranteed returns
- Increased cash flow and lower taxes
- 100% tax deferral
- Unlimited contribution allowance

You can use the structure as an investment vehicle to meet almost any financial goal.

Structured Attorney Fees beat every other guaranteed investment vehicle for investing and maximizing the benefit from your hard-earned fees. It not only makes more money, but it is unhindered by down-turns in the economy and the stock market.

You provide the vision and we'll provide the investment vehicle.

All you need to do is contact us at (800) 541-7435 and we'll help you get started.

2006 Year End Verdict & Settlement Summary

Verdicts			
Attorneys	Case Name	Case Type	Verdicts*
Ronald H. Rouda / John M. Feder	Mowatt v. City of Los Angeles, et al.	PI - Auto v. Pedestrian	\$18,000,000
Lembhard G. Howell	Doe, et al. v. Defendants, et al.	WD & PI	\$11,352,297
William Veen / Kevin Lancaster	Scott v. Richtner & Ratner Contracting Corp.	PI - Fall	\$10,563,862
Martha A. Berman	Barnes v. A.W. Chesterton Corp., et al.	PI - Mesothelioma	\$10,250,057
Bradley C. Gage	Mark Van Holt v. City of South Gate	Wrongful Termination	\$4,216,505
John R. Malmø	Novak v. Hilti, Inc., et al.	Wrongful Death	\$1,800,000
Edward Babbitt	Mack v. Kurelko & R.B. Brown Trucking	PI - Auto Accident	\$1,200,000
Narda Newby	Simmonds v. S. Maryland Hosp. Inc., et al.	PI - Medical Malpractice	\$1,090,000
Verdicts Subtotal			\$58,472,721

Settlements			
Attorney	Case Name	Case Type	Settlements
Jan Baisch / Jerry A. Hurtbise / Michael J. Piuze Daniel Rodriguez / Raymond Slomski	Confidential	Wrongful Death	
Wrongful Death Subtotal			\$16,580,000
Paul W. Breen / John J. Farrell / Otto L. Haselhoff William C. Johnson / Marc G. Penso Anthony S. Petru / Daniel Rodriguez Randall H. Scarlett / Raymond Slomski / The Veen Firm	Confidential	Personal Injury	
Personal Injury Subtotal			\$51,230,000

Totals	\$126,282,721
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* Amounts may be rounded

(Continued from Page 1)

Scott sustained permanent, disabling back, neck and knee injuries. His vocational rehabilitation counselor testified that Mr. Scott would never be able to return to work as a construction superintendent, or to return to the physical activities that he loved.

Expert Testimony: Mr. Johnson was retained to testify regarding loss of income, household services and future medical expenses.

Mr. Johnson reviewed the vocational rehabilitation report and determined that Mr. Scott's base earnings were \$78,487 in 2004 as a construction project superintendent and by 2007, he would earn over \$103,000 per annum plus fringe benefits. Next, Mr. Johnson calculated that Mr. Scott's future medical expenses would be just shy of \$2 million. Lastly, Mr. Johnson calculated the loss of household services due to Mr. Scott's injuries.

About Robert W. Johnson & Associates: A nationally recognized, full service, consulting firm that specializes in illustrating and quantifying 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 survi-

Result: The jury found that Richter & Ratner was responsible for Mr. Scott's injuries and awarded a \$10.5 million verdict. This included \$282,248 in past economic losses, \$3,144,957 in future economic losses and \$7,136,657 for past and future non-economic damages.

Attorney's Comments: According to Plaintiff's attorney William Veen, 'Mr. Johnson is a very convincing expert. He is well prepared, thorough and communicates the dollar values of lost earnings capacity and future medical expenses in a manner that empowers the jury. His explanation of "present cash value" reassures the fact-finders that the money is necessary and not a windfall. His experience and demeanor allow him to speak to, rather than at, jurors. Plain and simple teaching, along with his analogies really enable the jurors to relate very well to him.

Over the last 5 years, Mr. Johnson has testified for this firm in four cases in which the juries collectively awarded over \$100 million. All of the verdicts far exceeded the defendants' last offer.'

vors in wrongful death cases. Other litigation support services include analysis 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[®].