

# MiCRA

Microeconomic Consulting & Research Associates, Inc.

Year All Firms

1982	5208
1983	4853
1984	4523
1985	4399
1986	4713
1987	4144
1988	3961
1989	3937
1990	3767
1991	3552



microeconomics

# MiCRA

*Microeconomic Consulting & Research Associates, Inc.*

**MiCRA**—Microeconomic Consulting & Research Associates, Inc.— is an economic consulting firm based in Washington, DC. The firm was founded in 1991 by a group of economists who formerly served in staff and management positions—including Deputy Assistant General for Economics—at the Antitrust Division, U.S. Department of Justice. Over time, the firm has grown in size and now includes economists with experience at other regulatory agencies such as the Federal Trade Commission and the Federal Communications Commission.

Our goal is to provide top-quality economic analysis, expert testimony, litigation support, and economic research to law firms, corporations, government agencies, and trade associations in a wide range of industries and legal contexts. In recent years, our economists have been retained by clients to: prepare economic and econometric studies of various issues; make presentations before state, federal, and European competition authorities; and provide expert testimony and litigation support in arbitrations and litigation in federal and state courts. These assignments have included high-profile litigation such as U.S. v. Microsoft, FTC v. Staples, LePage's v. 3M, In Re: Vitamins Antitrust Litigation, and Concord Boat v. Brunswick.

Our Practice Areas cover a broad spectrum, including:

- > ANTITRUST
- > DAMAGE ANALYSIS
- > REGULATORY ECONOMICS
- > INTELLECTUAL PROPERTY
- > TAX & TRADE

# PRACTICE AREAS

## ANTITRUST

- Mergers and Joint Ventures
- Efficiencies Analyses
- Exclusionary Conduct
- Merger Simulation
- Price Fixing
- Price Discrimination

Antitrust analysis has changed significantly during the past two decades. Among other things, merger analysis may focus on unilateral effects or employ computer simulations, and monopolization cases may allege exclusionary conduct in the form of market-share discounts, all-or-nothing contracts, or bundling. Antitrust matters are increasingly global in scope, involving multiple antitrust authorities.

**MicRA's** economists have the knowledge and experience to help clients navigate the changing waters of competition policy and enforcement. Our economists have agency experience at the Antitrust Division, the FTC, and the FCC as supervisors as well as staff economists. As consultants, we have worked with private parties, federal and state agencies, and trade associations regarding the competitive effects of mergers, pricing policies, and other business practices in a wide range of industry contexts. We have also made presentations before state, federal, and European competition authorities and have provided expert testimony in arbitrations and in federal and state courts, including such high-profile cases as *U.S. v. Microsoft*.

## DAMAGE ANALYSIS

- Antitrust Damages
- Patent and Copyright Infringement
- Theft of Trade Secrets
- Breach of Contract Damages
- Class Certification Issues

The goal of damage analysis is to determine the monetary award that compensates a plaintiff for a loss caused by a defendant's conduct. While the goal may be obvious, determining exactly what the plaintiff's economic position would have been but for the alleged bad acts is typically a complex, data-intensive undertaking.

**MicRA's** economists have performed damage analyses for plaintiffs and defendants in cases involving a broad range of alleged violations and industry types. These include the estimation of: price fixing overcharges; lost profits due to monopolization, patent and copyright infringement, false advertising, and breach of contract cases; reasonable royalty rates; and appropriate discount rates for calculating the present value of future losses and post-judgment interest. Our economists have also participated in numerous class certification proceedings in class action cases.



## REGULATORY ECONOMICS

- Regulatory Reform
- Imputation of Input Costs
- Line-of-Business Restrictions
- Implementation of the 1996 Telecommunications Act

**MICRA's** economists frequently consult for public and private clients on issues arising in regulated industries such as telecommunications regulatory reform, costing and pricing of regulated service, access to essential inputs, intercarrier compensation, and financial interest and syndication rules. We have testified or appeared before dozens of state regulatory commissions, the Federal Communications Commission, the United Kingdom's Office of Telecommunications, the European Commission, the Japanese Ministry of Telecommunications, the U.S. Civil Aeronautics Board, the Food and Drug Administration, and the Copyright Royalty Tribunal. Past assignments involving regulatory matters include expert reports and testimony on the implementation of the Telecommunications Act of 1996, competition for access to local broadband facilities, the competitive impact of telephone service provided over the Internet, and the network effects of concentration in the Internet backbone market. In addition, our economists have presented expert reports on telecommunications competition issues for private and government clients in the United Kingdom, Brazil, Singapore, and before the European Commission.

## INTELLECTUAL PROPERTY

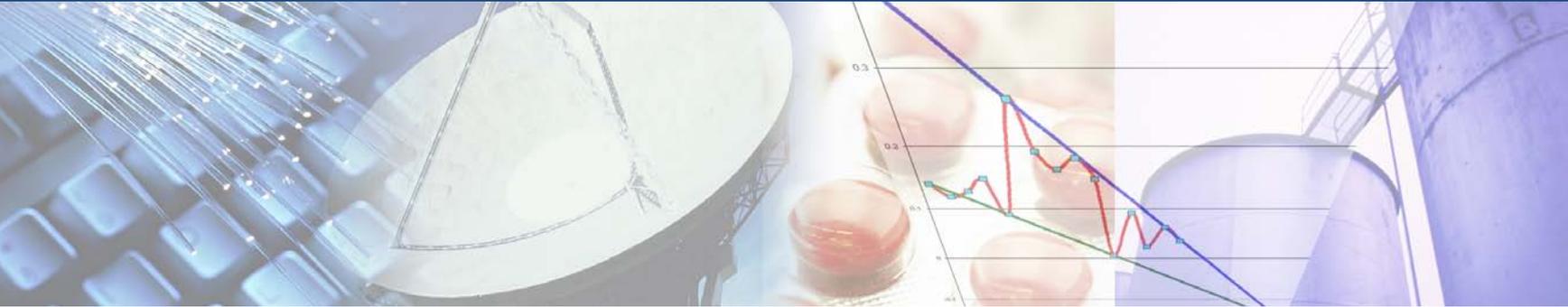
- Optimal Copyright Protection
- Standards Setting
- Lost Profits
- Reasonable Royalties

**MICRA's** economists have calculated lost profits and reasonable royalty damages in patent infringement cases in a variety of industries. In calculating patent damages, we have analyzed such issues as market definition and the patent holder's "but-for" market share, the profitability of the patented invention to the patent holder and infringer, the impact of competition from the infringer on the patent holder's prices, the economic advantages of the patented invention over alternatives to the infringer, the amount the infringer would have paid to license the infringed patent prior to infringement, and prejudgment interest. We also have analyzed the economic basis for certain legal rules toward intellectual property. For example, we examined the proper scope for copyright protection for computer software that has achieved the status of a *de facto* standard.

## TAX AND TRADE

- Cost of Capital
- Asset Valuation
- Transfer Pricing
- ITC Dumping Proceedings
- Evaluation of Like Products
- Injury and Damages

**MICRA's** economists have extensive experience applying economics, econometrics, and finance theory to issues arising in the context of tax and trade matters such as damage estimation, asset valuation, transfer pricing, and the evaluation of like products. With respect to tax, we have been retained in transfer pricing (§482) matters where the IRS has sought judgments against foreign firms accused of transferring goods to U.S. subsidiaries at prices that exceed the level that would be established through arm's-length negotiation. We have also been retained to testify in U.S. Tax Court about various economic principles that have arisen in tax litigation, including whether individual items that are sold as part of a block or portfolio have economic value. With respect to trade, we have been retained in the context of ITC Dumping Proceedings to evaluate like products, to comment on the ITC staff's methodology for calculating underselling margins, and to rebut arguments raised by opposing economists.



**MiCRA's** economists have extensive experience addressing complex economic issues in the context of numerous products and industries. A selection of specific products and industries, arranged by broad industry groups, is shown below.

<b>TECHNOLOGY</b>	Computers, Software & Other High-Tech Products
<b>HEALTHCARE</b>	Medical Services, Health Insurance & Medical Equipment
<b>CHEMICALS</b>	Pharmaceuticals, Biotechnology & Chemicals
<b>TELECOM &amp; MEDIA</b>	Telecommunications, Broadcasting, Publishing & Cable TV
<b>MANUFACTURING</b>	Producer Goods & Construction Materials
<b>BASIC INDUSTRIES</b>	Transportation, Minerals & Agriculture
<b>CONSUMER PRODUCTS</b>	Consumer Durables, Clothing, Food & Beverages
<b>SERVICES</b>	Professional, Financial, Retail & Wholesale Services

## INDUSTRIES

**MiCRA's** economists have extensive experience addressing complex economic issues in the context of numerous products and industries. A selection of specific products and industries, arranged by broad industry groups, is shown below.

### TECHNOLOGY

Operating Systems, Application Software, Networking Products, Computer Reservation Systems, Internet Browsers, PCs and Workstations, Storage Devices, Mainframes and Peripherals, Satellites, Satellite Launch Vehicles, Genetically Engineered Grain, Biotechnology Drugs, Microprocessors, Integrated Circuits, ASICs, DRAMs, Semiconductor Equipment

### HEALTHCARE

Physician and Hospital Services, Health Insurance, Home Health Care Services, Hospital-Physician Joint Ventures, Kidney Dialysis Services, PPM Services, Blood and Plasma, Medical Supplies, Medical Equipment Rentals

### CHEMICALS

Vitamins, Food Supplements, Animal Feed Supplements, Pesticides and Herbicides, Antibiotics, Photoresists, Genetic Test Probes, Petroleum Products, Gasoline Additives, Plastics, Swimming Pool Chemicals, Synthetic Wood Products

### TELECOM & MEDIA

Local and Long-Distance Telecommunication Services, Wireless, Submarine Cable Stations, Commercial Phone Systems, Internet, Scientific Journals, Newspapers, Book Publishing, Broadcast and Cable Networks, Radio, Program Syndication

### MANUFACTURING

Electrical Equipment, Graphite Electrodes, Elevators and Escalators, Engineered Pumps, Paper Products, Office Supplies, Medical Devices, Gypsum Wallboard, Roofing Materials, Aircraft Engines, Industrial Turbines, Aluminum, Industrial Gases, Steel, Refractories, Automobile Components, Bakery Equipment, Paints and Pigments

### BASIC INDUSTRIES

Airlines, Airport Gate and Landing Slots, Pipelines, Gas and Electric Utilities, Railroads, Great Lake Shipping, Iron Ore, Gypsum, Cement, Construction Aggregates, Oil and Gas Leasing, Highway Construction, Grains and Fruit, Milk, Butter and Cheese, Grain Elevators, Meat Processing, Rendering

### CONSUMER PRODUCTS

Automobiles, Tires and Batteries, Automotive Interiors, Motorcycles, Recreational Boats, Golf Spikes, Frozen Food, Home Appliances, Bakery Products, Soft Drinks, Beer and Wine, Breakfast Cereals, Spices, Pet Food, Tobacco Products, Health & Beauty Care Products, Trading Card Games

### SERVICES

Professional Sports, Stock Markets, Insurance, Banking and ATMs, Credit Cards, Brokerage Services, Real Estate Services, Mortgage Escrow Services, Interpreting Services, Office Supplies, Retail Groceries, Slotting Fees and Coupons, Advertising, Fast Food, Beer and Liquor Distribution, Brand Name Drug Distribution, Department Stores, Gasoline Retailing, Educational Services, Solid Waste Disposal



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