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Minutes of FER Annual Meeting Napa Valley July 20-22, 2013

The 21st annual meeting of the Financial Economists Roundtable was held at the Napa Valley Marriott. As usual, we began with a reception and dinner on Saturday evening. Because of the efficiency of the drafting committee (and the number of excellent restaurants in the area) we concluded before lunch. Twenty-five members attended.

The general meeting was preceded by a meeting of the Steering Committee. We are pleased to announce that two well-known financial economists accepted invitations to join FER: Arnoud Boot, Amsterdam University and David Scharfstein, Harvard University. We look forward to welcoming them to our 2014 meeting.

Kaufman reviewed the finances, which are little changed with a bank balance of just under \$12,000. This is the accumulated amount of the one-time dues paid by members over the years and has been used to pay minor incidental expenses at the annual meeting. It may, on occasion, be needed to guarantee a minimum number of hotel rooms. (The Wharton Financial Institutions Center absorbs the administrative costs of managing FER.) The transfer of the FER account between Loyola and Wharton was accomplished just before the meeting of the Executive Committee and members of the committee noted that record-keeping regarding dues collection had been unreliable during the transition. The Executive Director was requested to ask each member who was appointed over the last five years whether they had paid their dues.

The Executive Committee continued to discuss various ways to stabilize attendance. Although the *average* attendance of 25 has remained remarkably stable over the past 20 years, the *volatility* has increased since 2003. For example, over the last five years attendance has fluctuated from 19 to 34. West Coast locations seem to be somewhat less popular, principally because we tend to lose a number of European members and some East Coast members. Moreover, our West Coast membership has declined a bit in recent years. This has created difficulties in planning for the meetings because hotels are increasingly aggressive in demanding that minimum guarantees be paid well in advance of meetings.

The drafting committee, Stephen Schaefer (chair), Larry Harris and Jay Ritter, provided an excellent set of readings and conducted a lively discussion on “Financial Transactions Taxes.” They produced a draft statement and made revisions in record time. After the statement was approved by the requisite two-thirds of the members attending the Napa Valley meeting and made

available to those who did not attend for endorsement, the statement was circulated widely. The statement was cited in the Wall Street Journal and reprinted in full in the *Financial Analysts Journal*. In addition, it was noted on several websites.

You may read the 2013 Statement as well as all past statements, the revised By-Laws and the current list of members at our website: <http://fic.wharton.upenn.edu/fic/Policy%20page/FER.htm> . Photographs of past meetings may be found under the somewhat misleading tab “FER at Work.”

The members of FER expressed their gratitude to Chester Spatt and Hans Stoll for their service on the Steering Committee. Rafael Repullo and Bob Eisenbeis have agreed to join the Steering Committee starting this year. The members also expressed their appreciation to Franklin Edwards for his valuable service on the Executive Committee. Bob Eisenbeis has agreed to follow Franklin in this role.

The Committee considered a number of potential venues for our 2014 meeting, which by tradition, will be on the East Coast. We narrowed the list to two possibilities, the Inn at Montchanin Village in the Brandywine Valley and Le Château Frontenac in Quebec City. After long negotiations it was apparent that the Montchanin Inn would require that either we guarantee Friday night or pay a very high rate for Saturday and Sunday. (We would be booking their entire facility on one of their busier weekends and they wanted to be guaranteed the revenue they would otherwise expect to receive.) We obtained a much better rate at Le Château Frontenac and so we will meet there on July 19th until noon on July 21nd.

Looking ahead, the 2015 meeting will be on the West Coast. The Steering Committee would be grateful for recommendations regarding possible venues. In general, we try to be no more than 2 hours away from a major international airport.