



Charles River Associates Acquires Consulting Practice

October 23, 2000

Expands West Coast Expertise and Provides Penetration into Southwest Region

BOSTON, October 23, 2000 — Charles River Associates Incorporated (Nasdaq: CRAI), a leading provider of sophisticated economic and financial consulting services, today announced the acquisition of a consulting business led by Dr. Gordon C. Rausser, a University of California—Berkeley agriculture and resource economics professor and former Dean of its College of Natural Resources. The acquisition both deepens and broadens CRA's West Coast operations with two new offices. Dr. Rausser's practice is concentrated in litigation, finance, and statistical analysis and adds to CRA's expertise in these three core areas of the Company.

Professor Rausser brings to CRA loyal, established client relationships, as well as a network of experienced, senior-level experts in economics and quantitative finance. As part of the agreement, CRA will be acquiring three senior academic consultants, a vice president, and other consultants; staff acquisition is ongoing and the total number is yet to be finalized. Financial terms of the deal were not disclosed; however, the acquisition is expected to be accretive to earnings in FY2001.

"This acquisition is a strategic complement to our existing core practice areas," stated Phil Cooper, CRA's Vice President, Corporate Development. "Not only does it strengthen several of our vertical practices, it enhances our geographic presence on the West Coast. Led by Gordon Rausser, the acquired group of consultants will enable CRA to start two new offices in Salt Lake City and Texas and aggressively pursue additional growth opportunities in the West and Midwest. We are actively recruiting to support our initiatives in these attractive markets."

Cooper continued, "This announcement, along with our opening in August of a major London office, now with a complement of 18 consultants, demonstrates CRA's continued implementation of our growth strategy through a combination of geographic expansion and select acquisitions that both bolster and expand our core practices. We will continue to seek opportunities to capitalize on this strategy in the future."

Dr. Gordon C. Rausser will serve as a senior consultant to the firm. He is the Robert Gordon Sproul Distinguished Professor at the University of California—Berkeley and a co-founder of LECG, Inc. Dr. Rausser is the founder and former president of the Institute for Policy Reform, and has served as chief economist of the Agency for International Development. He has been selected as a Fellow of numerous economic and statistical associations. Dr. Rausser is an expert in various economic, financial, and litigation disciplines, including: antitrust, asset evaluation, damage estimation, merger and statistical analysis, commodities futures markets, industrial organization, and the economics of negotiations.

Dr. Gregory D. Adams has joined CRA as a vice president, and heads CRA's Utah office, currently with four employee consultants. Dr. Adams was previously a principal and managing director with the former LECG division of Navigant Consulting, Inc. His areas of expertise include environmental and natural resource economics, including property value diminution and environmental policy analysis; antitrust, intellectual property, business strategy, and lost profits analysis issues in the food and agribusiness industries; public policy analysis; damages estimation; and statistical analysis. He is also an adjunct professor at the University of Utah. Dr. Adams received his Ph.D. in environmental and natural resource economics from the University of California—Berkeley.

Dr. J. R. Kearl will join CRA as a senior consultant. He is the A.O. Smoot Professor of Economics at Brigham Young University. Following the completion of his Ph.D. in economics, Dr. Kearl engaged in postdoctoral studies in law and economics at Harvard Law School. While a White House Fellow, he served as a special assistant to the Secretary of Defense and to the U.S. Trade Representative, and has also served on the U.S. Census Advisory Committee on Population Statistics. Dr. Kearl's areas of expertise include public policy analysis, the economics of antitrust, regulation, common law, and trade policy.

Dr. Steven N. Wiggins will join CRA as a senior consultant and will head a College Station, Texas office. He is a Professor of Economics at Texas A&M University. Dr. Wiggins has served as the George and Mary Jordan Professor of Economics and Public Policy and a University Scholar in the Honors Program at Texas A&M and has been a distinguished lecturer in Germany on American Economic Institutions. He received his Ph.D. in Economics from the Massachusetts Institute of Technology.

Founded in 1965, CRA is a leading provider of sophisticated economic and financial consulting services, expert testimony and litigation support, and business consulting. The firm's areas of expertise include auctions, antitrust, mergers and acquisitions, policy impact assessments, corporate finance, strategy and business operations, and regulatory economics. CRA has advised legal and corporate clients, government agencies, and other organizations in thousands of engagements. In addition to its corporate headquarters in Boston, CRA has U.S. offices in Berkeley/Oakland, College Station, Texas, Los Angeles, Palo Alto, Salt Lake City and Washington, DC, as well as international offices in London, Mexico City, and Toronto. More information about the Company can be found on its Web site at www.crai.com.

Statements in this press release concerning CRA's expectation that the acquisition will be accretive or its ability to expand geographically and pursue additional growth opportunities in the Midwest and West are "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties. Information contained in these forward-looking statements is inherently uncertain, and actual performance and results may differ materially. Such factors that could cause actual results to differ materially from any forward-looking statements made by the Company include, among others, its ability to successfully integrate or profitably manage this acquisition and the associated new personnel, dependence on key personnel, attracting and retaining qualified consultants, dependence on outside experts, intense competition, and professional liability. Further information on factors that could affect the Company's financial results is included in the Company's filings with the Securities and Exchange Commission

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