



Charles River Associates's Gordon Rausser Receives Prestigious AAEA Quality of Research Discovery Award

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BOSTON--(BUSINESS WIRE)--Aug. 7, 2001--Charles River Associates Incorporated (Nasdaq: CRAI), an internationally known leader in providing economic, financial, and management consulting services, today announced that Senior Consultant Gordon C. Rausser has been named the 2001 recipient of the American Agricultural Economics Association (AAEA) Quality of Research Discovery Award for his innovative research in bioprospecting and the conservation of genetic resources. Only one publication is selected each year from the thousands eligible. This is the fourth time Dr. Rausser has been honored with the award.

Dr. Rausser co-authored "Valuing Research Leads: Bioprospecting and the Conservation of Genetic Resources," an article appearing in the Journal of Political Economy 108:1 (2000), with Dr. Arthur A. Small of Columbia University. Biodiversity prospecting ("bioprospecting") refers to the search for valuable compounds that exist in the natural environment and are adaptable to human needs. For example, bioprospecting of the yew tree ultimately resulted in the development of cancer treatments.

In their article, Drs. Rausser and Small demonstrated that, when sequential-search bioprospecting procedures optimize useful available information, high-probability leads command information rents that contribute to the chance of success and, more importantly, to the avoidance of search costs. The magnitude of information rents depends on the degree to which ecological and taxonomic knowledge turns leads into "differentiated products," creating a monopolistically competitive market in research opportunities. Numerical results suggest that bioprospecting information rents could, in some cases, be large enough to finance meaningful biodiversity conservation.

In its citation, the AAEA recognizes the authors for having undertaken "innovative and penetrating research that demonstrates novelty, significance, and originality in developing or applying theory and/or methodological approaches to economics."

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 corporate clients, government agencies, and other organizations in thousands of engagements. In addition to its corporate headquarters in Boston and international offices in London, Melbourne, Mexico City, Toronto, and Wellington, CRA also has U.S. offices in Berkeley/Oakland, College Station, Los Angeles, Palo Alto, Salt Lake City, and Washington, D.C. More information about the Company can be found on its Web site at www.crai.com.

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