



## **CRA International Economists Provide Key Economic Antitrust Analysis in Discover Financial Services \$2.75 Billion Settlement Agreement with Visa and MasterCard**

December 4, 2008

BOSTON--(BUSINESS WIRE)--Dec. 4, 2008--CRA International, Inc. (Nasdaq: CRAI): Agreement is One of Largest-Ever Antitrust Settlements in the U.S.

CRA International, Inc. (Nasdaq: CRAI), a worldwide leader in providing economic, financial, and management consulting services, today announced that the Company assisted counsel for Discover Financial Services with economic antitrust analysis pertaining to a lawsuit seeking damages from Visa Inc. and MasterCard Inc. for practices that suppressed third-party issuing on the Discover Network and the acceptance of its cards. On October 27, 2008, Discover announced that it had reached a \$2.75 billion settlement agreement with Visa and MasterCard in the third largest reported antitrust settlement in U.S. history.

In October 2004, Discover filed a damages suit following the conclusion of a Department of Justice lawsuit, which determined that by barring banks from issuing cards on the Discover Network, Visa and MasterCard violated antitrust laws. After four years, Visa and MasterCard agreed to settle the Discover suit on the night before the trial was to begin.

CRA International had been retained by Constantine Cannon and Kirkland & Ellis LLP to assist in analyzing the anti-competitive effects of the rules of Visa and MasterCard in prohibiting their member banks from issuing Discover credit and debit cards. CRA supported Discover's expert economist, Professor Jerry A. Hausman, MacDonald Professor of Economics at the Massachusetts Institute of Technology in Cambridge, MA, and a CRA Senior Consultant. The CRA team undertook economic analyses of market definition, market power, and the impacts of Visa's and MasterCard's rules on competition in the provision of credit and debit card network services. CRA also analyzed the monetary damages to Discover. This analysis contributed to determining the \$2.75 billion settlement amount.

Jeffrey Shinder, co-lead counsel for Discover Financial Services and managing partner of Constantine Cannon's New York office, said, "CRA's analysis was invaluable to our case and helped us achieve one of the largest antitrust settlements in U.S. history. We are extraordinarily satisfied with CRA's economic analysis, as well as their depth of knowledge of the payments industry. CRA contributed with great teamwork and with the depth and skill of its economists."

"Our consultants are regularly tapped by leading companies seeking economic antitrust expertise," said James C. Burrows, CRA's President and Chief Executive Officer. "We are pleased that our economic antitrust analysis in this matter produced a positive result for our client."

CRA's work in this matter was directed by Craig Romaine, CRA Vice President, and Dr. Steven C. Salop, CRA Senior Consultant and Professor of Economics and Law at the Georgetown University Law Center. Other key CRA senior staff assisting in this effort included Spencer Graf, Stephen Kletter, and Mary Beth Savio.

### About CRA International

Founded in 1965, CRA International is a leading global consulting firm that offers economic, financial, and business management expertise to major law firms, businesses, accounting firms, and governments. CRA's consultants combine uncommon analytical rigor with practical experience and in-depth understanding of industries and markets. CRA is adept at handling critical, tough assignments with high-stakes outcomes. The Company's analytical strength enables it to reach objective, factual conclusions that help clients make important business and policy decisions and resolve critical disputes. Headquartered in Boston, CRA has offices throughout North America, Europe, the Middle East, and Asia. Detailed information about CRA is available at [www.crai.com](http://www.crai.com).

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Source: CRA International, Inc.