

CRA INTERNATIONAL, INC.
Form DEF 14A
March 14, 2008

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

**INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION**

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

CRA INTERNATIONAL, INC.

(Name of Registrant as Specified In Its Charter)

Not Applicable

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

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(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CRA INTERNATIONAL, INC.

Notice of Annual Meeting of Shareholders to be held on April 17, 2008

CRA International, Inc. hereby gives notice that it will hold its annual meeting of shareholders at its offices in the John Hancock Tower, 200 Clarendon Street, 33rd Floor, Boston, Massachusetts on Thursday, April 17, 2008, beginning at 8:00 A.M., local time, for the following purposes:

1. To consider and vote upon the election of three Class I directors and one Class III director;
2. To approve amendments to our 2006 equity incentive plan, including increasing the shares of our common stock issuable under the plan by 210,000 shares;
3. To ratify the appointment by our audit committee of KPMG LLP as our independent registered public accountants for the fiscal year ending November 29, 2008; and
4. To transact such further business as may properly come before the annual meeting or any adjournment thereof.

Our board of directors has fixed the close of business on Monday, March 3, 2008, as the record date for the determination of the shareholders entitled to receive notice of, and to vote at, the annual meeting and any adjournment thereof. Only shareholders of record on March 3, 2008 are entitled to receive notice of, and to vote at, the annual meeting or any adjournment thereof.

By order of the board of directors,

Peter M. Rosenblum
Secretary

Boston, Massachusetts
March 14, 2008

YOUR VOTE IS IMPORTANT

**Please sign and return the enclosed proxy, whether or not you
plan to attend the annual meeting.**

CRA INTERNATIONAL, INC.

200 Clarendon Street
Boston, Massachusetts 02116
(617) 425-3000

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

to be held on April 17, 2008

This proxy statement relates to the 2008 annual meeting of shareholders of CRA International, Inc. The annual meeting will take place as follows:

Date: April 17, 2008
Time: 8:00 A.M.
Place: CRA International, Inc.
John Hancock Tower
200 Clarendon Street
33rd Floor
Boston, Massachusetts

Our board of directors is soliciting proxies for the annual meeting and any and all adjournments of the annual meeting. The shares represented by your properly signed proxy will be voted in accordance with your directions. If you do not specify a choice with respect to a proposal for which our board of directors has made a recommendation, the shares covered by your signed proxy will be voted as recommended in this proxy statement. We encourage you to vote on all matters to be considered. You may revoke your proxy at any time before it has been exercised.

We are mailing this proxy statement and the enclosed form of proxy to shareholders on or about March 21, 2008.

**PROXY STATEMENT
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ANNUAL MEETING OF SHAREHOLDERS

Purpose of the annual meeting

At the annual meeting, we will submit the following proposals to our shareholders:

Proposal One: To elect three Class I directors to a three-year term and one Class III director to a two-year term;

Proposal Two: To approve amendments to our 2006 equity incentive plan, including increasing the shares of our common stock issuable under the plan by 210,000 shares; and

Proposal Three: To ratify the appointment by our audit committee of KPMG LLP as our independent registered public accountants for the fiscal year ending November 29, 2008.

Our board of directors does not intend to present to the annual meeting any business other than the proposals described in this proxy statement. Our board of directors was not aware, a reasonable time before mailing this proxy statement to shareholders, of any other business that properly may be presented for action at the annual meeting. If any other business should come before the annual meeting, the persons present will have discretionary authority to vote the shares they own or represent by proxy in accordance with their judgment, to the extent authorized by applicable regulations.

Record date

Our board of directors has fixed the close of business on Monday, March 3, 2008, as the record date for the annual meeting. Only shareholders of record at the close of business on that date are entitled to receive notice of the annual meeting and to vote at the annual meeting. At the close of business on the record date, 11,010,365 shares of our common stock were issued and outstanding. Each share of our common stock outstanding on the record date will be entitled to cast one vote. A list of the shareholders entitled to notice of the annual meeting is available for inspection by any shareholder at our principal office at 200 Clarendon Street, T-33, Boston, Massachusetts.

Quorum

Our by-laws provide that a quorum consists of a majority in interest of all shares of common stock issued, outstanding and entitled to vote at the annual meeting. Shares of common stock represented by a properly signed and returned proxy will be treated as present at the annual meeting for purposes of determining the existence of a quorum at the annual meeting. In general, votes withheld from any nominee for election as director, abstentions, if applicable, and broker "non-votes," if applicable, are counted as present or represented for purposes of determining the existence of a quorum at the annual meeting. A broker "non-vote" occurs when a broker or nominee holding shares for a beneficial owner returns a proxy but does not vote on a proposal because the broker or nominee does not have discretionary voting power and has not received instructions from the beneficial owner.

Vote required; tabulation of votes

A plurality of the votes properly cast at the annual meeting will be necessary to elect the three Class I directors to a three-year term and the one Class III director to a two-year term. A majority of the votes properly cast at the annual meeting will be necessary to approve the amendments to our 2006 equity incentive plan and to ratify the appointment by our audit committee of KPMG LLP as our independent registered public accountants for fiscal 2008. Abstentions and broker "non-votes" will not be considered when determining whether or not the necessary proportion of votes properly cast at the annual meeting on any proposal were achieved.

Each share of common stock outstanding on the record date will be entitled to cast one vote.

Our transfer agent, Computershare, will tabulate the votes at the annual meeting.

Solicitation of proxies

No compensation will be paid by any person in connection with our solicitation of proxies. We will reimburse brokers, banks and other nominees for the out-of-pocket expenses and other reasonable clerical expenses they incur in obtaining instructions from beneficial owners of our common stock. In addition to our solicitation by mail, our directors, officers, and employees may make special solicitations of proxies personally or by telephone, facsimile, courier, or e-mail. We expect that the expense of any special solicitation will be nominal, and we will pay all expenses incurred in connection with it.

PROPOSAL ONE ELECTION OF DIRECTORS

Proposal One concerns the election of three Class I directors and one Class III director.

Our board of directors currently consists of nine directors and is divided into three classes. We refer to these classes as Class I, Class II, and Class III. The term of one class of directors expires each year at our annual meeting of shareholders. Each director also continues to serve as a director until his or her successor is duly elected and qualified. This year, the term of the Class I directors is expiring.

Accordingly, our board of directors has nominated Rowland T. Moriarty, William F. Concannon and Steven C. Salop to serve as Class I directors for a three-year term. Our shareholders elected Drs. Moriarty and Salop and Mr. Concannon at our annual meeting of shareholders in April 2005. The current terms of Drs. Moriarty and Salop and Mr. Concannon will expire at the annual meeting.

Normally, only the members of one class of directors are eligible for election at our annual meeting of shareholders. However, our board of directors recently appointed William T. Schleyer as a Class III director. Mr. Schleyer would typically continue to serve as a director at least until our Class III directors next stand for election. However, with the cooperation of Mr. Schleyer, our board of directors wishes to afford our shareholders the opportunity to ratify Mr. Schleyer's appointment to our board of directors by voting upon his re-election to our board of directors this year.

Accordingly, our board of directors has nominated Mr. Schleyer to serve as a Class III director for a two-year term. Our board nominated Mr. Schleyer to serve as a Class III director, rather than a Class I director, in order to balance out the number of directors in each of our classes of directors. Our board of directors appointed Mr. Schleyer as a Class III director in January 2008 and, were he not standing for re-election at this annual meeting of our shareholders, his current term would expire at the 2010 annual meeting.

Proxies will not be voted at the annual meeting for more than four candidates.

Drs. Moriarty and Salop and Messrs. Concannon and Schleyer have each agreed to serve if elected, and we have no reason to believe that they will be unable to serve. If any of them is unable or declines to serve as a director at the time of the annual meeting, proxies will be voted for another nominee designated by our board at that time.

Our board of directors recommends that you vote FOR the election of Drs. Moriarty and Salop and Messrs. Concannon and Schleyer.

CORPORATE GOVERNANCE

In designing our corporate governance structure, we seek to identify and implement the practices that we believe will best serve the interests of our business and shareholders, including the practices mandated by the Sarbanes-Oxley Act of 2002 and the related rules of the Securities and Exchange Commission and the Nasdaq Stock Market. You can find our current corporate governance principles, including our code of business conduct and ethics and the charters for the standing committees of our board of directors, through the Investor Relations page of our website at www.crai.com. Our code of business conduct and ethics applies not only to our principal executive officer, principal financial officer and principal accounting officer, but also to all of our other employees, executive officers, directors, and outside consultants. Our code of business conduct and ethics includes, among other things, provisions covering compliance with laws and regulations, conflicts of interest, insider trading, fair dealing, proper use of our assets, confidentiality, health and safety, discrimination and harassment, accounting and record keeping, and the reporting of illegal or unethical behavior. We intend to continue to modify our policies and practices to address ongoing developments in the area of corporate governance. We have discussed many features of our corporate governance principles in other sections of this proxy statement. Some of the highlights of our corporate governance principles are the following:

Director and committee independence. A majority of our directors are independent directors under the rules of the Nasdaq Stock Market. Our board of directors has determined that our independent directors under these rules are Drs. Moriarty and Rose and Messrs. Anderson, Concannon, Maheu, and Schleyer. Each member of our audit committee, nominating and corporate governance committee, and compensation committee meets the independence requirements of the Nasdaq Stock Market for membership on the committees on which he or she serves.

Separate chairman and chief executive officer. We have a separate chairman of our board of directors, a non-executive position, and chief executive officer. Our chairman is an independent director.

Audit committee. Our audit committee is directly responsible for appointing, compensating, evaluating, and, when necessary, terminating our independent registered public accountants. Our independent registered public accountants report directly to our audit committee. Our board of directors has determined that we have at least two audit committee financial experts under the rules of the Securities and Exchange Commission. Our audit committee's prior approval is required for all audit services and non-audit services (other than de minimis non-audit services as defined by the Sarbanes-Oxley Act of 2002) to be provided by our independent registered public accountants.

Committee authority. Each of our audit committee, nominating and corporate governance committee, and compensation committee has the authority to retain independent advisors and consultants, with all fees and expenses paid by us.

Whistleblower procedures. Our audit committee has adopted procedures for the treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for the confidential and anonymous submission by our directors, officers, employees, and outside consultants of concerns regarding questionable accounting, internal accounting controls, or auditing matters.

EXECUTIVE OFFICERS AND DIRECTORS**Executive officers and directors**

Set forth below are the names and certain information with respect to each of our directors and executive officers as of March 14, 2008:

Name	Age	Position
Rowland T. Moriarty (1)(2)(3)	61	Chairman of the board
James C. Burrows (3)(4)	64	President, chief executive officer and director
Wayne D. Mackie	58	Executive vice president, treasurer and chief financial officer
Frederick T. Baird	59	Executive vice president
Gregory K. Bell	47	Executive vice president
Arnold J. Lowenstein	54	Executive vice president
Paul A. Maleh	44	Executive vice president
Monica G. Noether	54	Executive vice president
Basil L. Anderson (1)(4)(5)	62	Director
William F. Concannon (2)(5)	52	Director
Ronald T. Maheu (1)(3)(5)	65	Director
Nancy L. Rose (2)	49	Director
Steven C. Salop (4)	61	Director
William T. Schleyer (2)	56	Director
Carl Shapiro (4)	52	Director

- (1) Member of the nominating and corporate governance committee
- (2) Member of the compensation committee
- (3) Member of the executive committee
- (4) Member of the strategic planning committee
- (5) Member of the audit committee

Our board of directors is divided into three classes. The term of one class of directors expires each year at our annual meeting of shareholders. Each director also continues to serve as a director until his or her successor is duly elected and qualified. Our executive officers are elected by, and serve at the discretion of, our board of directors. There are no family relationships among our directors and executive officers. Below we have identified each of our directors by class.

Directors serving a term expiring at the 2008 annual meeting (Class I directors):

Rowland T. Moriarty has served as a director since 1986 and as chairman of our board of directors, a non-executive position, since May 2002. From December 1992 until May 2002, Dr. Moriarty served as vice chairman of our board of directors. Dr. Moriarty has been the chief executive officer of Cubex Corporation, an international marketing consulting firm, since 1992. Dr. Moriarty was a professor at Harvard Business School from 1981 to 1992. He received his D.B.A. from Harvard University in 1980. He is a director of Staples, Inc., Wright Express Corp. and Virtusa Corporation.

William F. Concannon has served as a director since June 2000. Since December 2006, Mr. Concannon has served as vice chairman of global corporate services of CB Richard Ellis Group, Inc., a global commercial real estate firm. Mr. Concannon served as vice chairman, from June 2003, and as director, from 1991, of Trammell Crow Company, a diversified commercial real estate firm, until its acquisition by CB Richard Ellis in December 2006. From February 2001 to June 2003,

Mr. Concannon was the president of the global services group of Trammell Crow Company. Mr. Concannon has also served as the president and chief executive officer of Trammell Crow Corporate Services, a real estate company. Mr. Concannon received his B.S. in accounting from Providence College in 1977, where he currently serves on the board of trustees.

Steven C. Salop has served as a director since September 1998 and as an outside expert since 1987. Dr. Salop has been a professor of economics and law at the Georgetown University Law Center since August 1982. Dr. Salop has been the president of Salop Economics Inc., an economic consulting firm, since 1982. Dr. Salop previously served on our board of directors from June 1993 to April 1998. Dr. Salop received his Ph.D. in economics from Yale University in 1972.

Directors serving a term expiring at the 2009 annual meeting (Class II directors):

Basil L. Anderson has served as a director since January 2004. From September 2001 until March 2006, Mr. Anderson was employed as vice chairman of Staples, Inc. From April 1996 to April 2001, Mr. Anderson served as executive vice president and chief financial officer of Campbell Soup Company. Prior to joining Campbell Soup, Mr. Anderson had a twenty-year career with Scott Paper Company, where he served most recently as vice president and chief financial officer from February 1993 to December 1995 and as treasurer from 1985 to February 1993. Mr. Anderson holds an M.B.A. from the University of Chicago and an M.S. from the University of Illinois. Mr. Anderson is a director of Becton, Dickinson and Company, Hasbro, Inc., Moody's Corporation and Staples, Inc.

Ronald T. Maheu has served as a director since January 2003. From 2000 to 2004, Mr. Maheu was a lecturer at the Graduate School of Management at Boston University. Mr. Maheu retired in July 2002 from PricewaterhouseCoopers, LLP. Since 2002, Mr. Maheu has been a financial and business consultant. Mr. Maheu was a founding member of Coopers & Lybrand's board of partners. Following the merger of Price Waterhouse and Coopers & Lybrand in 1998, Mr. Maheu served on both the U.S. and global boards of partners and principals of PricewaterhouseCoopers until June 2001. Mr. Maheu holds an M.B.A. from Boston University and an M.S. in taxation from Bentley College. He is also a director of Wright Express Corp. and Virtusa Corporation.

Nancy L. Rose has served as a director since March 2004. Dr. Rose has been a professor of economics in the department of economics at the Massachusetts Institute of Technology since 1995. She has been a director of the National Bureau of Economic Research research program in industrial organization since 1991. Dr. Rose was a George and Karen McCown Distinguished Visiting Scholar at the Hoover Institution from August 2000 through June 2001 and a fellow of the Center for Advanced Study from August 1993 through June 1994. From 1985 to 1997, she held various faculty positions at the Massachusetts Institute of Technology's Sloan School of Management, including professor of management and economics from 1995 to 1997. She received her Ph.D. in economics from the Massachusetts Institute of Technology in 1985. Dr. Rose is also a director of Sentinel Group Funds, Inc.

Directors serving a term expiring at the 2010 annual meeting (Class III directors):

James C. Burrows joined us in 1967 and has served as our president and chief executive officer since March 1995 and as a director since April 1993. From December 1992 to February 2001, Dr. Burrows directed our legal and regulatory consulting practice. From 1971 to March 1995, Dr. Burrows served as a vice president and from June 1987 to December 1992 also directed our economic litigation program. Dr. Burrows received his Ph.D. in economics from the Massachusetts Institute of Technology in 1970.

William T. Schleyer has served as a director since January 2008. Mr. Schleyer served as chairman and chief executive officer of Adelpia Communications Corporation from March 2003 until it emerged from bankruptcy in February 2007. Adelpia was already involved in bankruptcy proceedings at the

time Mr. Schleyer became its chairman and chief executive officer. Prior to joining Adelphia, Mr. Schleyer was president and chief executive officer of AT&T Broadband from October 2001 until February 2003 and a principal in Pilot House Ventures, a telecommunications venture capital company, from 1997 to 2001. From 1978 to 1997, Mr. Schleyer was president and chief operating officer of Continental Cablevision Corporation. Mr. Schleyer received his M.B.A. from Harvard University in 1977 and his B.S. in mechanical engineering from Drexel University in 1973. He is a director of Rogers Communications, a diversified Canadian communications and media company.

Carl Shapiro has served as a director since June 2000 and as an outside expert since December 1998. Since 1990, Dr. Shapiro has been a professor of business strategy at the Haas School of Business at the University of California at Berkeley. Since 1998, he has also been the director of the Institute of Business and Economic Research at U.C. Berkeley. In October 1996, he co-founded The Tilden Group, LLC, an economic consulting firm which we acquired in December 1998. From August 1995 to June 1996, Dr. Shapiro served as Deputy Assistant Attorney General for Economics in the Antitrust Division of the United States Department of Justice. Dr. Shapiro received his Ph.D. in economics from the Massachusetts Institute of Technology in 1981.

Our executive officers who are not also directors are listed below:

Frederick T. Baird, who joined us in 2002, has served as our executive vice president and chief corporate development officer since October 2006. Mr. Baird also served as our head of Europe and the Middle East from January 2005 to May 2007. Prior to joining us, Mr. Baird served as project director for the design and development of the Singapore electricity market, as a senior vice president at PHB Hagler Bailly, and as a managing director at Putnam, Hayes & Bartlett. Mr. Baird is a former tenured professor at the University of Canterbury, where he received his M.Sc. and B.E.

Gregory K. Bell, who joined us in 1992, has served as our executive vice president since October 2006 and as head of our strategy and business consulting platform since December 2006. Dr. Bell has also directed our life sciences practice since 1994 and our intellectual property practice from its inception in 2001 through fiscal year 2006. Dr. Bell has also served as a group vice president and co-head of our business consulting group from 2001 through fiscal year 2006. Dr. Bell is a chartered accountant in British Columbia, Canada and received his M.B.A. and Ph.D. in business economics from Harvard University.

Arnold J. Lowenstein, who joined us in June 1993, has served as our executive vice president and chief strategy officer since October 2006. Mr. Lowenstein has also served as a group vice president and co-head of our business consulting practice from 2001 through fiscal year 2006. Mr. Lowenstein received his M.A. in industrial economics from the University of British Columbia.

Wayne D. Mackie has served as our executive vice president since October 2006 and as our chief financial officer and treasurer since July 2005. From July 2005 to October 2006, Mr. Mackie also served as our vice president. Prior to joining us, Mr. Mackie had been a member of the board of directors of Novell, Inc. since June 2003. From 1972 through December 2002, Mr. Mackie was with Arthur Andersen, LLP, where he became a partner in 1983. Since leaving Arthur Andersen, he has served as a consultant to a number of organizations. From May 2004 until December 2004, Mr. Mackie was managing partner financial operations at Beacon Capital Partners, a private equity firm. He received an M.S. from the Wharton School of the University of Pennsylvania and a B.S. from Babson College, and is a CPA. Mr. Mackie is a member of the board of directors of the Massachusetts Eye and Ear Infirmary.

Paul A. Maleh, who joined us in 1989, has served as our executive vice president since October 2006 and as head of our finance platform since December 2006. Mr. Maleh has also directed our finance practice since 2000 and served as a vice president from 1999 to October 2006. Mr. Maleh received his M.B.A. from Northeastern University.

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Monica G. Noether, who joined us in April 1996, has served as our executive vice president since October 2006 and as head of our litigation and applied economics platform since December 2006. Dr. Noether has also directed our competition practice since 2001. Dr. Noether received her M.B.A. in economics and finance and her Ph.D. in economics from the University of Chicago.

Board and committee meetings

During the fiscal year ended November 24, 2007, our board of directors met five times and acted by unanimous written consent six times. During fiscal 2007, each incumbent director attended at least 75% of the total number of meetings held by our board and the committees of our board on which he or she served. To the extent reasonably practicable, directors are expected to attend board meetings, meetings of committees on which they serve, and our annual meeting of shareholders. Last year, six of the nine individuals then serving as directors attended the annual meeting in person or by telephone conference.

Our board of directors has five standing committees: our audit committee, our nominating and corporate governance committee, our compensation committee, our executive committee, and our strategic planning committee. All of the members of our audit committee, our nominating and corporate governance committee, and our compensation committee are independent under the rules of the Nasdaq Stock Market. Our board of directors has adopted charters for each of these committees, which are available through the Investor Relations page of our website at www.crai.com. Each of our audit committee, our nominating and corporate governance committee, our compensation committee, and our strategic planning committee has the authority to retain independent advisors and consultants, with all fees and expenses paid by us.

The membership of each committee of our board is as follows:

Audit committee:

Ronald T. Maheu (Chair)
Basil L. Anderson
William F. Concannon

Compensation committee:

William F. Concannon (Chair)
Rowland T. Moriarty
Nancy L. Rose
William T. Schleyer

**Nominating and corporate
governance committee:**

Basil L. Anderson (Chair)
Ronald T. Maheu
Rowland T. Moriarty

Executive committee:

Rowland T. Moriarty (Chair)
James C. Burrows
Ronald T. Maheu

Strategic planning committee:

Steven C. Salop (Chair)
Basil L. Anderson
James C. Burrows
Carl Shapiro

Audit committee

Our audit committee is currently composed of Messrs. Anderson, Concannon, and Maheu. Our audit committee provides the opportunity for direct contact between members of our board of directors and our independent registered public accountants, who report directly to the committee. The committee assists our board in overseeing the integrity of our financial statements; our compliance with legal and regulatory requirements; and our independent registered public accountants' qualifications, independence, and performance. The committee is directly responsible for appointing, compensating, evaluating and, when necessary, terminating our independent registered public accountants. Our audit

committee has adopted procedures for the treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for the confidential and anonymous submission by our employees of concerns regarding questionable accounting, internal accounting controls, or auditing matters. Our board has determined that Messrs. Anderson and Maheu are each audit committee financial experts under the rules of the Securities and Exchange Commission. Our audit committee met 15 times during fiscal 2007.

Nominating and corporate governance committee

Our governance committee predates our public offering in 1998, and we have since renamed it the nominating and corporate governance committee. The current members of our nominating and corporate governance committee are Messrs. Anderson and Maheu and Dr. Moriarty. Our nominating and corporate governance committee's responsibilities include providing recommendations to our board of directors regarding nominees for director, membership on the committees of our board, and succession plans for our chief executive officer. An additional function of the committee is to develop corporate governance practices for recommendation to our board and, once implemented, to assist our board in complying with them. Our nominating and corporate governance committee met five times during fiscal 2007.

Compensation committee

Our compensation committee's responsibilities include providing recommendations to our board regarding the compensation levels of directors; approving, or recommending for approval by our board, the compensation levels of executive officers; providing recommendations to our board regarding compensation programs; administering our employee benefit plans, including all incentive compensation plans and equity-based plans; authorizing grants under our stock option plans; and authorizing other equity compensation arrangements. Our compensation committee met 17 times and acted by unanimous written consent one time during fiscal 2007.

Executive committee

Our executive committee, currently composed of Drs. Moriarty and Burrows and Mr. Maheu, has delineated authority to act on behalf of our board of directors in situations arising between regular meetings of our board. It is intended that our executive committee shall take action only when reasonably necessary to expedite our interests between regularly scheduled board meetings. Our executive committee met four times during fiscal 2007.

Strategic planning committee

Our strategic planning committee, currently composed of Drs. Salop, Burrows, and Shapiro and Mr. Anderson, was established by our board of directors in August 2006. Our strategic planning committee is responsible for making recommendations to our board regarding our strategic planning direction and process, including corporate level strategic planning, assessment of interactions among our different practice groups and geographies, strategic planning of our practice level groups and geographies, identifying and assessing the performance of various of our practice areas, evaluating our acquisition process and results, and coordinating the input of our board into the planning of our annual strategic session involving our board and our senior management. Our strategic planning committee met one time in fiscal 2007.

Director candidates and selection processes

The process followed by our nominating and corporate governance committee to identify and evaluate director candidates includes requests to our current directors and others for recommendations,

meetings from time to time to evaluate biographical information and background materials relating to potential candidates, and interviews of selected candidates by members of the committee and other members of our board of directors. The committee often solicits the opinions of third parties with whom a potential candidate has had a business relationship. Once the committee is satisfied that it has collected sufficient information on which to base a judgment, the committee votes on the candidates under consideration.

In evaluating the qualifications of any candidate for director, the committee considers, among other factors, the candidate's depth of business experience, intelligence, quality of judgment, integrity, familiarity with the legal, regulatory, and business consulting industry, ability to assist in recruiting outside experts and employee consultants, understanding of financial matters, familiarity with the periodic financial reporting process, reputation, level of educational attainment, degree of independence from management, contribution to the diversity of our board, and willingness and ability to serve. The committee also considers the degree to which the candidate's skills, experience, and background complement or duplicate those of our existing directors. Among the qualities or skills that the committee believes to be necessary for one or more members of our board to possess are familiarity with the segments of the consulting industry in which we compete, substantial experience with the financial reporting process for public companies, and knowledge of the academia of economics. In the case of incumbent directors whose terms are set to expire, the committee also gives consideration to each director's prior contributions to our board. In evaluating candidates, the committee prefers to retain the flexibility to consider each candidate's overall mix of qualifications, rather than to specify minimum qualifications that each candidate must possess. In selecting candidates to recommend for nomination as a director, the committee abides by our firm-wide non-discrimination policy.

The committee considers director candidates recommended by shareholders and uses the same process to evaluate candidates, whether the candidates were recommended by shareholders, directors, management, or others. The committee has not adopted any particular method that shareholders must follow to make a recommendation. We suggest that shareholders make recommendations by writing to the chairman of our nominating and corporate governance committee, in care of our offices, with sufficient information about the candidate and his or her work experience, qualifications for director, and references, to enable the committee to evaluate the candidacy properly. We also suggest that shareholders make their recommendations well in advance of the anticipated mailing date of our next proxy statement to provide our nominating and corporate governance committee an adequate opportunity to complete a thorough evaluation of the candidacy, including personal interviews. We remind shareholders of the separate requirements set forth in our by-laws for nominating individuals to serve as directors, which are discussed elsewhere in this proxy statement.

Communications with our board of directors

Our board of directors has established the following process for shareholders to communicate with them, and this process has been approved by a majority of our independent directors. Shareholders wishing to communicate with our board should send correspondence to the attention of Rowland T. Moriarty, Chairman of the Board, CRA International, Inc., 200 Clarendon Street, T-33, Boston, Massachusetts 02116. The correspondence should include evidence that the sender of the communication is one of our shareholders. Satisfactory evidence would include, for example, contemporaneous correspondence from a brokerage firm indicating the identity of the shareholder and the number of our shares held. Our chairman will review all correspondence confirmed to be from shareholders and decide whether or not to forward the correspondence, or a summary, to our board or a committee of our board. Accordingly, our chairman will review all shareholder correspondence, but the decision to relay any correspondence to our board or a committee of our board will rest entirely within his discretion.

Our board believes this process suffices to handle the relatively low volume of communications we have historically received from our shareholders. If the volume of communications increases to the extent that this process becomes burdensome to our chairman, our board may elect to adopt more elaborate screening procedures.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Director compensation

We pay our non-employee directors an annual fee of \$20,000 for their services as directors, plus \$2,400 for each regular board meeting attended and \$1,000 for each special board meeting attended. We pay an annual fee of \$40,000 to the chair of the audit committee, \$20,000 to the chair of the compensation committee, \$12,000 to the chairs of the executive committee, the nominating and corporate governance committee, and the strategic planning committee, and \$5,000 to each non-employee director who serves as a member, but not the chair, of any committee. We pay all non-employee committee members \$2,000 for each committee meeting attended. Dr. Moriarty also receives an annual fee of \$150,000, as well as office space, support services, and healthcare benefits for his services as chairman of our board. Directors who are employees do not receive separate fees for their services as directors. All of the payments described in this paragraph are made in cash. See the "All Other Compensation" column of the "Non-Employee Director Compensation Table for Fiscal 2007" table below and the section of this proxy statement entitled "Transactions with Related Parties Payments to directors" and for information concerning consulting fees we paid in fiscal 2007, and will pay in fiscal 2008, to some of our directors for their services as outside experts.

Under the terms of our 2006 equity incentive plan, each director who is not employed by, and does not provide independent contractor services as a consultant or advisor to, us or our subsidiaries receives automatic restricted stock awards. We refer to these directors as our "outside directors." Currently, our outside directors are Drs. Moriarty and Rose, and Messrs. Anderson, Concannon, Maheu, and Schleyer. Each outside director who is re-elected as one of our directors or whose term continues after the annual meeting will, on the date of the annual meeting, receive a restricted stock award, vesting in four equal annual installments beginning on the first anniversary of the date of grant, valued at \$75,000, based on the closing price of our common stock as of that date. Each person who is first elected an outside director at the annual meeting will receive, on the date of his or her election, a restricted stock award, vesting in four equal annual installments beginning on the first anniversary of the date of grant, in an amount to be determined by our board of directors. We expect to make similar annual grants of restricted stock to our non-employee directors who provide consulting services to us, currently Drs. Salop and Shapiro; however, these grants are not automatic under our 2006 equity incentive plan, and instead must be approved by our board annually.

In fiscal 2007, we gave the following grants to our directors in accordance with the terms of our 2006 equity incentive plan. In connection with our annual meeting of shareholders in April 2007, each of Drs. Moriarty and Rose and Messrs. Anderson, Concannon, and Maheu received a restricted stock award of 1,434 shares of our common stock. Each of these restricted stock awards vests in four equal annual installments, beginning on April 20, 2008. On May 18, 2007, each of Drs. Salop and Shapiro received a restricted stock award of 1,434 shares of our common stock. Each of these restricted stock awards vests in four equal annual installments, beginning on May 18, 2008. Additionally, in fiscal 2008, we granted Mr. Schleyer on January 31, 2008 a restricted stock award of 1,796 shares of our common stock, in accordance with the terms of our 2006 equity incentive plan, in connection with his appointment to our board of directors. This restricted stock award vests in four equal annual installments, beginning on January 31, 2009.

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The following table provides information regarding the compensation earned by our non-employee directors with respect to fiscal 2007.

Non-Employee Director Compensation Table for Fiscal 2007

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(1)(2)	Option Awards (\$)(4)	All Other Compensation (\$)	Total (\$)
Rowland T. Moriarty	\$ 250,500	\$ 29,856	\$	\$	\$280,356
Basil L. Anderson	95,500	29,856	4,357 (3)		129,713
William F. Concannon	116,000	29,856			145,856
Ronald T. Maheu	133,000	29,856			162,856
Nancy L. Rose	64,000	29,856	10,024 (3)		103,880
Steven C. Salop	38,700	18,918		2,283,606 (5)	2,341,224
Carl Shapiro	41,100	18,918		1,422,172 (5)(6)	1,482,190

(1)

The amount shown does not reflect compensation actually received by the non-employee director. Instead, the amount shown reflects the compensation expense recognized in our financial statements for fiscal 2007 in respect of the grants of restricted stock to our non-employee directors under our 2006 equity incentive plan listed below. The amount shown was computed in accordance with Statement of Financial Accounting Standards No. 123(R), *Share-Based Compensation* or "SFAS No. 123(R)," using a grant date fair value, indicated in the table below, based upon the fair market value of our common stock on the date of grant. Pursuant to SEC rules, the amount shown excludes the impact of estimated forfeitures related to service-based vesting conditions.

Name	Grant date	Shares (#)	Grant date fair value (\$)
Rowland T. Moriarty	4/21/2006	1,487	\$ 75,019
	4/20/2007	1,434	75,013
Basil L. Anderson	4/21/2006	1,487	75,019
	4/20/2007	1,434	75,013
William F. Concannon	4/21/2006	1,487	75,019
	4/20/2007	1,434	75,013
Ronald T. Maheu	4/21/2006	1,487	75,019
	4/20/2007	1,434	75,013
Nancy L. Rose	4/21/2006	1,487	75,019
	4/20/2007	1,434	75,013

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Steven C. Salop	10/20/2006	722	37,508
	5/18/2007	1,434	73,851

Carl Shapiro	10/20/2006	722	37,508
	5/18/2007	1,434	73,851

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(2)

Each non-employee director held the following number of unvested shares of our common stock underlying restricted stock awards outstanding as of November 24, 2007:

Name	Shares (#)
Rowland T. Moriarty	2,550
Basil L. Anderson	2,550
William F. Concannon	2,550
Ronald T. Maheu	2,550
Nancy L. Rose	2,550
Steven C. Salop	1,976
Carl Shapiro	1,976

(3)

The amount shown does not reflect compensation actually received by the named executive officer. Instead, the amount shown reflects the compensation expense recognized in our financial statements for fiscal 2007 in respect of 10,000 options to purchase shares of our common stock granted to Mr. Anderson, on January 8, 2004, and to Dr. Rose, on March 11, 2004, each of which vests in three equal annual installments beginning on the first anniversary of the date of grant. The amount shown was computed in accordance with SFAS No. 123(R), using the assumptions set forth below. Pursuant to SEC rules, the amount shown excludes the impact of estimated forfeitures related to service-based vesting conditions.

Name	Grant date	Expected Life (Years)	Expected Volatility	Risk-free Interest Rate	Expected Dividends
Basil L. Anderson	1/8/2004	3	42.3%	2.3%	
Nancy L. Rose	3/11/2004	3	44.2%	2.2%	

(4)

Each non-employee director held outstanding options to purchase the following number of shares of our common stock as of November 24, 2007:

Name	Shares (#)
Rowland T. Moriarty	25,000

Basil L. Anderson	20,000
William F. Concannon	11,722
Ronald T. Maheu	21,667
Nancy L. Rose	20,000
Steven C. Salop	
Carl Shapiro	

- (5) Amount shown reflects amounts earned by Drs. Salop and Shapiro, or their respective wholly-owned companies, for their services as outside experts, including consulting services to clients, and for the generation of engagements for us. The amount shown for Dr. Shapiro additionally includes the bonus described in footnote (6) below.
- (6) Based on the terms of an agreement we entered into with Dr. Shapiro when we acquired the Tilden Group in December 1998, Dr. Shapiro is eligible for a specified bonus payment if certain billable hour conditions are met. Pursuant to that agreement, in January 2008, we paid Dr. Shapiro a performance bonus of \$113,495 for fiscal 2007.

Compensation committee interlocks and