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Charles H. Mullin, Bates White economist, discusses the impact of economic incentives on valuing insurance policies

WASHINGTON, D.C., March 16, 2007—Charles H. Mullin, Ph.D., Partner at Bates White, LLC, presents “The Impact of Underlying Litigation Developments” at West Legalworks’ conference, The Insurance and Reinsurance Allocation Superbowl 2007, in New York, NY, on March 20, 2007.

According to Mullin, many view the valuation of insurance policies based on asbestos-related expenditure projections as more art than science. He contends, contrary to this misperception, that “a detailed understanding of a defendant’s products and operations can produce an accurate assessment of potential future expenditure scenarios.”

It is the interaction of these potential expenditure scenarios with the possible allocation methods that determines a range of potential policy values, according to Mullin. When properly understood “the interactions between the future expenditure scenarios and the potential allocation methods often improve negotiation positions and encourage settlement.”

In his “Superbowl” presentation, Mullin recaps the history of asbestos litigation and describes today’s environment before turning to valuation. He discusses the forecasting of defendant-specific expenditure scenarios and relates the allocation of those expenditure scenarios to insurance coverage lines. Mullin wraps up by describing methods to quantify products and non-products claims and differentiate between the two types.

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For more information about the conference, visit

http://westlegalworks.com/events/pdf/Alloc_sem_032007e.pdf.

About Bates White

Bates White is a consulting firm offering services in economics, finance, and business strategy to leading law firms, FORTUNE 500 companies, and government agencies. We provide our clients with a unique combination of quantitative and analytical expertise, and an understanding of business issues across a range of industries. Bates White has offices in Washington, D.C., and San Diego, Calif. For detailed information about Bates White, visit www.bateswhite.com.

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