Students Receive Scholarships

Wanted: 
-I am an experienced attorney and a graduate of MIT who will work with you to solve your legal problems. My office is conveniently located in downtown Boston, and I specialize in business law, family law, real estate, small business, and intellectual property. Call Attorney Esther Horwich at 617-247-0220.

---

Call NOW for more Information!

---

Negotiators Avoid Second Trial

By Jeremy Hytton

The settlement reached in the Overlap antitrust lawsuit last December cancelled months of negotiating aimed at avoiding a trial scheduled to begin in March.

The Justice Department challenged the Institute's practice of sharing financial aid information about prospective students with other universities that offered admission to those students. The trial scheduled for March would have been MIT's second appearance before the U.S. District Court in Philadelphia. In June 1992, District Judge Louis C. Bechtle ruled that the Overlap meetings violated the Skreason Antitrust Act, but in September 1993 an appeals court ordered a new trial.

In a 2-1 ruling, the 3rd U.S. Circuit Court of Appeals decided that Justice had erred by taking only a "quick look" at the argument offered by MIT in defense of the Overlap arrangement. The appeals court found that the district court was obliged to more fully investigate the precompetitive and non-economic justifications preferred by MIT.

"It really put [the Justice Department] into a tailspin when the 3rd Circuit Appeals Court took their arguments out from under them... It provided significant impetus to settle the case," said Michael Gass, a lawyer representing MIT.

The Justice Department, then headed by Richard P. Thornburgh, began its investigation of the financial aid practices of 57 colleges and universities in 1989. Eventually it focused on 23 eastern schools, including MIT and the Ivy League schools, known as the Overlap Group.

The Overlap Group, formed in 1958, met each spring to negotiate financial aid packages for students accepted at more than one of the Overlap schools. The individual financial aid packages were adjusted at the meeting to make each package similar or identical. The overall process for calculating aid was also the same at each school.

The Overlap Group stopped meeting in March 1991, and two months later the eight Ivy League members signed consent decrees stating that they "will no longer collude or conspire on financial aid."