

Education

The challenge of the education industry is its constant flux — from regulatory hurdles and government scrutiny to enrollment rate fluctuations and technology advancements that drive a steady stream of new companies and online degree programs. Education companies must be responsive to multiple constituencies — students, teachers, investors, shareholders, the US Department of Education, state boards and accrediting bodies — which can test senior leadership as they strive to grow their business and enhance their programs. Our clients choose to partner with us because our breadth of industry knowledge helps them pass those tests and achieve the growth they seek.

Big law resources with boutique law service

Katten advises companies throughout the education industry in the United States, Europe and Asia, including private and publicly held for-profit, post-secondary education companies and institutions private equity and other investors, investment banks providing services to these institutions, and companies that provide resources and products to the education industry. We work with education companies at all stages of growth — from entrepreneurial ventures to established publically traded companies.

The firm's strength is derived from the depth of our experience across multiple practices, including M&A, private equity, transactional tax planning, litigation, securities, IP, and technology. Employing a multidisciplinary approach, we offer large law firm resources with the efficiency and agility of a smaller firm.

We help education clients with:

- corporate and securities matters, including M&A, private equity and securities
- regulatory issues involving accreditors, the US Department of Education, the DOJ, SEC, FTC and state attorneys general
- internal investigations and whistleblower complaints
- litigation, including student class actions, securities and derivative litigation, *qui tam* lawsuits, Telephone Consumer Protection Act (TCPA) claims, whistleblower and wage and hour lawsuits, and IP litigation
- compliance reviews and training

Key Contacts



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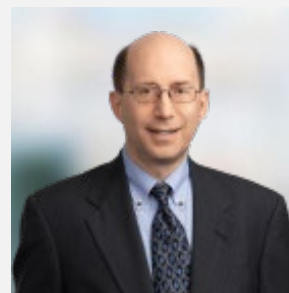
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- IT matters, including drafting and negotiating contracts for technology used to develop and administer educational institutions
- IP matters, including acquisition due diligence, licensing and policy development

Our Experience

General corporate, mergers and acquisitions, public securities, private equity and joint ventures

- Represent global education company in acquiring a variety of assets, including a publicly held, proprietary provider of career-oriented secondary education; a for-profit college focused on the health care industry; a provider of culinary arts/restaurant management and pastry arts education programs; a publicly held culinary academy; and a publicly held, international university offering specialized, flexible degree programs.
- Represented large US educational fund in establishing an international school in Chengdu.
- Represent United Kingdom-based company that specializes in setting up joint ventures with universities in acquiring a US company and several joint ventures with US-based universities. Also serve as US counsel in an equity recapitalization.
- Represent fund placement group in a follow-on offering by one of the largest, publicly held, international higher-education institutions.
- Represented private equity firm in acquiring an accredited private career institute dedicated to training drivers for careers in the trucking industry.
- Represent leading, growth-oriented private equity firm in acquiring various assets, including a controlling interest in a distance-learning college; a leading provider of top-quality online education programs; a large international provider of higher education; and an international family of college preparatory schools.
- Outside counsel for a nonprofit founded to bring environmental education to the classroom and develop young leaders in sustainability. The organization partners with a public school district, organizing bike rides to raise funds for clean energy technology. As a result of the nonprofit's first two bike rides, nine schools with a total enrollment of 11,000 students (from elementary through high school age) have solar panels and environmental programs on-site. We also assisted the organization with a number of legal concerns resulting from its rapid growth, ranging from 501(c)3 incorporation to trademark licensing, as well as a dispute with one of its vendors.
- Represented investment banking firm in a follow-on offering by one of the largest, publicly held, international higher-education institutions.

- Legal counsel to a group of investors and affiliates of a leading, growth-oriented private equity firm; the senior management of a pre-K–12 education services company; and certain equity co-investors in the acquisition of the education services company in a \$600 million going-private transaction.
- Represent provider of hands-on, experience-based learning in negotiating a program development agreement with a nonprofit farm and education center. The program development agreement will enable the farm to establish a presence within New York City, while allowing our client to deepen its curriculum with the expertise and hands-on learning opportunities provided by the farm. Ultimately, the two organizations hope to start a mobile classroom built into a food truck, bringing food and sustainability education to students throughout the New York metropolitan area.

Litigation

- Represent publicly held, for-profit education companies in numerous investigations by the SEC, DOJ, ED and FTC.
- Assist with the representation of a publicly held for-profit education company in several individual state Attorney General investigations as well as a multi-state Attorney General investigation.
- Represent publicly held, for-profit education company in an ED Office of Inspector General investigation into the company's recruitment, enrollment and retention practices; its internal controls to identify and prevent fraud; and its employment practices regarding its enrollment, finance and academic counselors.
- Conduct numerous internal investigations on behalf of education companies into potential violations of ED regulations; federal and state law; accreditation requirements; and related corporate policies with respect to admissions, academic, financial aid and career services activities.
- Represent officers and directors of a publicly held, for-profit education company in a series of stockholder derivative and class actions alleging the company misrepresented the extent to which it was successfully placing graduates in employment positions related to their fields of study.
- Represented publicly held, for-profit education company in several *qui tam* lawsuits contemporaneously filed in the US district courts for the Northern District of Georgia, Middle District of Florida, Central District of California and Northern District of Illinois. Allegations included violations of various provisions of the HEA, such as the incentive compensation ban, and other regulations relating to marketing and student recruitment practices, financial aid administration and career services. All matters were dismissed after we convinced the government to decline intervention.

- Represented publicly held, for-profit education company in three separate class actions in the Los Angeles and Santa Barbara Superior Courts. Suites were filed on behalf of a putative class of more than 10,000 students in three for-profit colleges and universities that alleged fraud, violations of the California Education Code and violations of consumer protection statutes based on alleged misstatements of graduate success rates and improper recruitment practices. While these actions were pending, we represented the schools in corresponding state regulatory and accreditor investigations.
- Represent educational institutions in lawsuits filed in Maryland, Missouri and Illinois claiming fraud in connection with admissions and financial aid practices. Allegations include falsification and/or exaggeration of graduate placement statistics, entrance requirements and exclusivity of the schools.

Intellectual property litigation and enforcement activity

- Represent educational technology company in IP enforcement and litigation in various courts.
- Counsel regarding university technology transfer and IP licensing agreements with third parties.