

'Varsity Blues' Suit Flips The Script On 'Victim' USC

By **Chris Villani**

Law360 (September 27, 2024, 6:27 PM EDT) -- The University of Southern California could be forced to reveal unseemly details of its admissions process if it can't beat or settle a \$75 million suit filed by a private equity executive who blames the school for his being ensnared in the "Varsity Blues" college admissions scandal, experts told Law360.

The **recently filed suit** in California state court by John Wilson puts USC, considered a victim by the federal government in the wide-ranging college admissions bribery prosecution, on the defensive. The school has denied wrongdoing.

Convicted at trial, Wilson saw nearly all of his guilty findings set aside by the First Circuit. During the trial, the defense sought to argue that USC was in the business of effectively selling admissions slots to boost donations to the school, but the judge excluded much of that argument.

Civil discovery may not be so kind to USC, said Greg Henning of Henning Strategies, a defense attorney who was not involved in the college admissions case.

"If this gets past a motion to dismiss, the discovery surrounding how fundraising works at a major university is going to be a lot of dirty laundry that no school would ever want aired," he said. "Imagine deposing the head of fundraising for any university nationwide and having them describe how the sausage gets made."

Henning said the closest comparison in recent years might be the civil suit against Harvard over its race-conscious admissions policies that ultimately led the U.S. Supreme Court to end affirmative action in higher education.

But USC may also find itself facing a plaintiff in Wilson who takes an aggressive approach to litigating the case. He has also sued Netflix Inc. for defamation over a documentary about the scandal, recently **beating a dismissal bid** by the streaming service.

"He is not seeking just a dollar figure," Henning said. "He is also looking for his reputation back."

Prosecutors claimed Wilson paid \$220,000 to get his son into USC and tried to repeat the scheme years later by agreeing to pay \$1 million to secure his daughters' admission to Harvard and Stanford.

Wilson has argued all along that he was wrongly lumped in with dozens of other parents accused of paying bribes to get their children admitted to college through fraud.

While some students were phony athletes falsely claimed to be the real deal by scheme mastermind William "Rick" Singer, Wilson said his son Johnny was a talented water polo player capable of making USC's top-flight team. His daughters were also outstanding students, he said, and he always believed he was making above-board donations to the schools.

In announcing the suit last week, Wilson stressed the harm to his children, who were "falsely maligned in the media, all for crimes we did not commit."

His wife, Leslie Wilson, said in a statement that the suit against USC stems from a need "to set the record straight regarding the admissions process that USC created and guided us through."

Wilson and other parents charged in the case argued USC was well aware that admissions slots were

going to the children of parents willing to empty their deep pockets into the school's coffers through what USC called its VIP program.

Martin G. Weinberg of Martin G. Weinberg Law, who represented another parent connected to USC, said he was not sure how much more information there is to unearth after what was discovered during the criminal matters.

"The world has changed," he said. "I think people know there is a linkage between development offices, admissions policies, and, in some respects, sports."

Weinberg noted that, during the criminal proceedings, USC tried to keep its admissions policies secret. That sentiment was shared by U.S. Magistrate Judge M. Page Kelley, who wrote in a March 2020 order that "USC has been less than forthcoming about its admissions process."

The same order accused USC's admissions dean as making a "misleading" statement in an affidavit.

"While each carefully worded sentence may be true ... the unmistakable import of the statement is that donations are not important to the decision whether to admit students," Judge Kelley wrote at the time. "That message is belied by many facts that have come to light in the course of this litigation."

"USC fought vigorously against the efforts of the charged parents in Boston," Weinberg said. "And it was the equivalent of World War I where we fought over every proverbial yard of turf to get the documents that we legitimately needed to mount a principled defense."

An attorney for the Wilsons, William Charles Tanenbaum, told Law360 Friday that the family is seeking "truth and transparency" about what happened in their interactions with USC, and he referenced the school's earlier efforts to shield its admissions practices and data from public view.

"The sheer quantity of admissions materials that USC has blocked speaks volumes about their desire for opaqueness," Tanenbaum said. "Ultimately, the Wilsons have proceeded with this lawsuit because USC's lack of transparency in their admissions and fundraising activities and continued refusal to disclose the truth has the potential to cause the enormous harm experienced by the Wilsons to be experienced by future parents who engage with USC in good faith."

USC declined to comment beyond a statement released after the suit was filed saying that the claims lack merit and that the school took steps to address admissions issues after Wilson was charged in 2019.

"USC made a number of significant changes to prevent abuse of the athletics admission process, including a three-level review of every student-athlete candidate's admission file, head coach certifications, attestations from all undergraduate applicants, and annual internal audits," the school said.

Despite some evidence that may suggest top officials were aware of what Singer was up to, K&L Gates partner Christopher Nasson said USC will likely advance a similar argument to the one Wilson made during his criminal trial: that fault lies with Singer and rogue employees who were fired and, in some cases, criminally charged.

"It seems like a given that USC employees knew about Singer's scheme," Nasson said. "The question really is: Can those employees' actions be imputed against the university itself?"

But Nasson predicted that USC will likely settle if Wilson's suit survives a motion to dismiss, figuring that the school will be willing to pay a price to avoid even more reputational harm if damaging internal communications come to light.

Eoin Beirne of Mintz Levin Cohn Ferris Glovsky and Popeo PC, who represented two parents who faced admissions scandal charges, called Wilson's argument that USC duped him into making a \$100,000 donation "clever."

"He states that various USC personnel induced him to make a donation to the school to help his son's

application, and that when a USC admissions officer testified at trial, she claimed that USC did not have such a policy," he said. "If the case gets to discovery, it will very likely show that USC did in fact have a policy of giving a leg up to children of donors in admissions, which may call the admissions officer's testimony at Wilson's trial into question."

Aaron Katz of Aaron Katz Law LLC, who also represented a parent in the Varsity Blues case, pointed out that it's relatively rare for someone who beats criminal charges to turn around and sue after the fact, even if many have the urge to do so.

"It takes a special type of person to want to go through that process, because it sometimes takes multiple times longer than the person expects and they are keeping the case in their life, front of mind," he said. "It could be a very long road for him."

Wilson is represented by William Charles Tanenbaum.

Counsel information for USC was not immediately available.

The case is Wilson et al. v. University of Southern California et al., case number 24STCV24447, in the Superior Court of the State of California, County of Los Angeles.

--Editing by Adam LoBelia.