AMERICANS FOR EQUAL OPPORTUNITY

August 12, 2026

The Honorable Andrew N. Ferguson, Chairman
Mark Meador, Commissioner

Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: Request for Investigation of Sponsors for Educational Opportunity (SEO) and the SEO Law Fellowship

Dear Chairman Ferguson and Commissioner Meador:

Americans for Equal Opportunity ("AEO")[1] requests that the Federal Trade Commission investigate Sponsors for Educational Opportunity ("SEO"), the SEO Law Fellowship ("SEO Law" or "the Fellowship") and participating employers for potential violations of Section 1 of the Sherman Act and Section 5 of the Federal Trade Commission Act.

The Commission has demonstrated concerns about law firms' participation in Diversity Lab's Mansfield Rule program. These included "collusion or unlawful coordination on DEI metrics," "sharing of competitively sensitive information about pay and other benefits between employers," and "agreements between law firms to share competitively sensitive information."[2]

SEO and SEO Law have the same problems.

This complaint presents two grounds for investigation.

First, SEO facilitates anti-competitive activity among competing law firms. SEO Law is a labor market intermediary through which competing law firms coordinate to obtain access to legal talent. It functions as a staffing agency that serves as a central source for labor for at least fifteen law firms.[3] SEO recruits, screens, evaluates, trains, and places candidates in summer associate positions at participating firms (the "Sponsor Firms"). The Sponsor Firms provide jobs and pay

[1] AEO is a nonprofit membership organization advocating for equal opportunity in employment. AEO filed charges of discrimination with the Equal Employment Opportunity Commission on behalf of members rejected from the SEO Law program in 2025 and 2026. AEO's 2025 charge is attached as Appendix A. The EEOC's investigation remains in progress.

[2] Chairman Andrew N. Ferguson, *Re: Your Participation in the Mansfield Certification Program*, FED. TRADE COMM'N (Jan. 30, 2026), https://www.ftc.gov/system/files/ftc_gov/pdf/2026-01-29-warning-letter-diversity-lab.pdf.

[3] AEO has confirmed that the following law firms accepted SEO interns in 2026: Alston & Bird LLP; Cooley LLP; Covington & Burling LLP; Cravath, Swain & Moore LLP; Debevoise & Plimpton LLP; Foley Hoag LLP, Jones Day; Morgan, Lewis & Bockius LLP; Patterson Belknap Webb & Tyler LLP; Proskauer Rose LLP; Quinn Emanuel Urquhart & Sullivan LLP; Wachtell, Lipton, Rosen & Katz LLP; White & Case LLP; Williams & Connolly LLP; and Wilmer Cutler Pickering Hale and Dorr LLP (WilmerHale). Additional firms may have participated in the program.

SEO-selected students.[4] SEO also dictates minimum compensation for law firm internships, tracks intern demographics, provides "interview bias training" to Sponsor Firms, and reports hiring outcomes to Sponsor Firms.[5]

SEO seems to engage in anti-competitive activity within your jurisdiction.

The participating firms are direct competitors in the market for legal talent. The very same prohibitions were central to the Commission's investigation of Diversity Lab.

Second, SEO's anti-competitive behavior may have been aided by materially misleading representations to Sponsor Firms. These misrepresentations extended to the nature of its selection processes and services. SEO claims to be a program designed to identify overlooked and talent. SEO indicated to Sponsor Firms that it focused on identifying low-income, first-generation, and other "underserved" students, regardless of race.

In truth, selecting and advancing candidates on the basis of race and ethnicity was SEO's business model. The facts show that SEO tracked and reported racial enrollment figures and marketed its success in capturing specific racial populations at specific law schools.

AEO's investigation of SEO's 2026 program found compelling and substantial evidence that SEO discriminates on the basis of race and other protected categories. Many 2026 Fellows are in no way "underserved." Many already possess significant legal industry experience and extensive professional networks. SEO's representations to participating employers that it was operating a race-neutral program focused on "underserved" students appear false.

SEO's material misrepresentations raise concerns under the Commission's consumer protection authority.

[4] Respondent Position Statement (2025) (on file with AEO). Sponsor Firms also pay "annual contributions" to SEO. In return, SEO identifies Fellows for the firms.
[5] Internal SEO PowerPoint (2024) (on file with AEO).

1. <u>SEO's Potential Anti-Competitive Activities</u>

SEO Is a Labor-Market Intermediary That Controls Access to Exclusive Job Opportunities

SEO operates a centralized application and screening system. Students submit a single application to SEO, rather than applying directly to Sponsor Firms. SEO advertises to prospective law students that it is "the only program of its kind to offer ... the opportunity to work at a top law firm during the summer before law school."[6] SEO possesses the ability to shape applicant pools, influence hiring decisions, and affect employment opportunities across a considerable portion of the nation's largest law firms.

SEO evaluates applicants, conducts initial interviews with students, and either directly selects interns on behalf of Sponsor Firms or forwards a short list of candidates for final interviews conducted by the Firms. As a result, SEO exercises substantial control over which candidates gain access to participating employers.

This system is a centralized gateway to some of the most valuable entry-level opportunities in the legal profession. Sponsor Firms hire "pre-law" interns who work alongside traditional summer associates. These positions provide a direct pathway to first-year summer associate positions following the Fellows' first year of law school. Many Sponsor Firms appear to give SEO Fellows special consideration for first-year summer positions.[7] Such positions give these students an advantage in applying to second-year summer associate positions. Second-year summer associate positions are traditionally the sole pathway for law students to join Sponsor Firms as full-time associates after completing law school. Sponsor Firms invite most second-year summer associates to return as full-time first-year associates after graduation. These positions pay new graduates $235,000 a year or more.

SEO's own placement statistics demonstrate that the organization is much more than a mentorship or educational program.[8] According to a 2024 SEO materials distributed to Sponsor Firms, 71 percent of the 2020 Fellowship class obtained full-time postgraduate employment with Sponsor Firms.[9] 84 percent of SEO's 2021 class obtained second-year summer associate positions with Sponsor Firms.[10] 63 percent of the 2022 class obtained first-year summer associate positions

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[6] *SEO Law: About Us*, SPONSORS FOR EDUC. OPPORTUNITY, https://www.seo-usa.org/law/about-us/ (last visited Aug. 5, 2026).

[7] Internal SEO PowerPoint (2024) (on file with AEO). Historically, Sponsor Firms hired second-year summer associates after students' first year of law school. In recent years, Sponsor Firms have increasingly hired first-year summer associates; an increasing proportion of second-year summer associates are drawn from the ranks of first-year summer classes. SEO Fellows appear to have a material advantage in competing for both first and second-year positions, which are associated with a near-guarantee of post-graduate employment as a first-year associate.

[8] *Id.*

[9] *Id.*

[10] *Id.*

with Sponsor Firms, while 41 percent returned to the same firm at which they interned before law school.[11]

An SEO internship therefore appears to offer students a significant leg up in recruiting for subsequent internships, which generally lead to full-time jobs. In some cases, summer associate positions are the *sole* pathway for entry-level postgraduate employment at Sponsor Firms.

These figures demonstrate that SEO plays a substantial role in allocating employment opportunities among participating firms and shaping hiring outcomes throughout the legal profession. SEO does not merely prepare candidates for the legal market; it serves as a labor intermediary through which competing employers identify, evaluate, and recruit future attorneys.

SEO's influence extends beyond candidate identification and placement. SEO explicitly recommends minimum price floors (salaries) for participating firms. In this regard, SEO acts as a collusive entity that sets labor prices among participant Sponsor Firms.

In addition to recommending price floors across participating firms, SEO provides interview bias training. Such training normalizes and standardizes interview methods among competing firms. SEO tracks demographic and racial outcomes, and reports placement data to Sponsor Firms. SEO provides Sponsor Firms with data regarding labor prices and hiring decisions at other Sponsor Firms which Sponsor Firms would not otherwise know but for their participation with SEO.

The Commission should examine whether these activities give SEO influence over recruiting, hiring, compensation, and workforce composition decisions across multiple competing employers resulting in behavior that implicates the statutes which you enforce.

SEO Markets Access to Specific Talent Pools and Shares DEI-related Data With Sponsor Firms

SEO maintains a web page soliciting law firm sponsors, where it advertises that it is “the nation’s only summer associate program for pre-law students.”[12] In addition, SEO communicates program information through meetings convened for Sponsor Firms. Representatives of competing law firms attend these meetings and receive information simultaneously.

At one such meeting in 2024, SEO represented to participating firms that it was “open to all racial and ethnic backgrounds" and focused on supporting “low-income, first-generation, and underserved individuals” without regard to race or

[11] *Id.*
[12] *SEO Law: Partners*, SPONSORS FOR EDUC. OPPORTUNITY, https://www.seo-usa.org/law/partners/ (last visited Aug. 5, 2026).

ethnicity. [13] SEO explained that it changed its mission language from "underrepresented" to "underserved" following the Supreme Court's *Students for Fair Admissions* decision because the former term was understood to have impermissible racial implications.[14]

On this same call, SEO continued to describe participants as "underrepresented talent." Further, SEO broke down program participants by race. SEO staff touted the organization's ability to identify and train a growing percentage of admitted Black and Latino students at law schools that SEO had identified as target schools.[15]

SEO reported to participating firms that in 2024, it enrolled:

- 50 percent of Black men and women admitted to Yale Law School;
- 57 percent of Black women admitted to Stanford Law School;
- 38 percent of Black men admitted to the University of Pennsylvania Law School; and
- 100 percent of multiracial men admitted to Columbia and Cornell Law Schools.

These figures reveal the actual purpose of SEO's services. SEO does not merely identify talented candidates: SEO measures, tracks, and promotes its ability to 1) aggregate access to specific racial populations at elite institutions, and 2) deliver those candidates to firms through a collusive recruiting process with collusive price floors.

The Emergence of Competing Recruiting Programs Suggests Competition Was Previously Restrained

SEO advertised as recently as November 2024 that Sponsor Firms would "participat[e] in the nation's only summer associate program for incoming law students" and receive "lateral hiring opportunities with [SEO's] diverse alumni network of 1,800+ legal professionals."[16]

Recent developments in the legal recruiting market suggest that SEO played a role in restraining competition. This year, Latham & Watkins ("Latham"), which participated in SEO as a Sponsor Firm prior to 2025, appears to have rebranded its own pre-law internship program to compete with SEO.

AEO is aware of at least one incoming University of Pennsylvania Law School student – an Ivy League graduate with a prestigious judicial internship and a religious, ethnic and/or racial background preferred by SEO – who declined an

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[13] Internal SEO PowerPoint (2024) (on file with AEO).
[14] *Id.*
[15] SEO allows Sponsor Firms to indicate that they prefer to receive interns who attend specific law schools.
[16] *SEO Law: Partners*, SPONSORS FOR EDUC. OPPORTUNITY (archived Nov. 16, 2024), https://web.archive.org/web/20241126220338/https://www.seo-usa.org/law/partners/.

offer from the 2026 SEO Law Fellowship to participate instead in Latham's pre-law internship. AEO is also aware of an incoming Georgetown Law student who is participating in this same program and believes this student may likewise have chosen Latham over SEO.

Latham has offered an internship to incoming law students since at least 2024.[17] Previous communications from the firm characterize the internship as focused on internal law firm operations.[18] In 2026, Latham advertised the position with new materials touting that the program would offer "substantive work experience." Prospective applicants now discuss the position as one where Latham is "recruiting" incoming students.[19] One student who selected Latham's pre-law internship over the SEO Law Fellowship identifies as a "0L associate" on LinkedIn – language previously used by SEO students who participated in Sponsor Firms' summer classes.[20]

For many years, participating firms relied upon SEO as the sole intermediary for diversity-focused pre-law ("0L") recruiting. (SEO was frequently listed in Vault surveys as a cornerstone of law firm diversity initiatives in industry surveys.)[21] Yet, in the wake of scrutiny from the EEOC, these same firms are demonstrating that they are fully capable of identifying, recruiting, and competing directly for highly desirable candidates without relying upon a centralized process administered by a third party.[22]

This highlights a central question: If major firms are capable of establishing their own independent and competitive recruiting pathways, *why did they rely for so many years on SEO?*

Markets do not ordinarily require competing employers to rely upon a common intermediary for access to labor pools. The Commission should consider whether SEO's role as a centralized intermediary had market implications and violated statutes enforced by the Commission. What began as a program ostensibly

[17] Juliette Fernandez, LinkedIn post (2024), https://www.linkedin.com/posts/juliettemfernandez_i-am-thrilled-to-share-that-latham-watkins-activity-7168030150981304320-IcWU/.

[18] *Id.* Ms. Fernandez, an Associate Recruiting and Legal Talent Manager at Latham, described the program as one offering the opportunity to "learn about various legal support departments within a large firm" and gain "an understanding of how various legal support departments assist attorneys" through "conducting legal research, exploring litigation technology, supporting the delivery of the firm's knowledge management program, and supporting our legal professional and paralegal teams."

[19] Deleted User, *biglaw recruiting 0ls??*, REDDIT (Feb. 2026), https://www.reddit.com/r/LawSchool/comments/1qw8443/biglaw_recruiting_0ls/.

[20] *LinkedIn screenshot* (Jul. 9, 2026) (on file with AEO).

[21] See AEO's 2025 Charge, detailing Sponsor Firm responses to industry surveys regarding DEI initiatives.

[22] On March 17, 2025, EEOC Chair Andrea Lucas sent a letter to twenty law firms, including Latham, seeking information about their DEI practices, including their participation in the SEO Fellowship. Latham withdrew from SEO on April 2, 2025. In 2026, Latham made significant changes to advertising regarding its pre-law internship program.

intended to expand access to the legal profession now functions as a placement system for competing firms.

The Commission should also investigate whether Sponsor Firms collude on labor prices beyond their use of SEO. Several Sponsor Firms indicated during the EEOC investigation that they rely on SEO to "compete" for talent.[23] One would expect firms competing for the same candidates to engage in individualized negotiations with individual candidates. But Sponsor Firms instead offer "lockstep" compensation to associates[24] and match one another's salary increases dollar-for-dollar.[25] Such lockstep, coordinated compensation practices are difficult to reconcile with independent competition for legal talent.

SEO's role in the legal hiring market facilitates the concentration and allocation of opportunities through a centralized intermediary operating on behalf of numerous competing employers that would seem to offend a number of statutes the Commission enforces.

Potential Labor-Market Coordination Concerns

SEO may facilitate potentially anticompetitive collusion between law firms on DEI metrics. The Commission has indicated that such DEI coordination "can distort competition for labor in legal professions."[26]

AEO requests that the Commission investigate whether SEO facilitates coordination among competing law firms through common diversity-related hiring objectives, demographic benchmarks, candidate-selection criteria, or information-sharing arrangements. Most of all, AEO requests that the Commission investigate whether SEO engages in anti-competitive agreements to fix prices.

2. SEO's Potential False Advertising Practices

SEO Misrepresents Its Selection Practices to Sponsor Firms

AEO has found evidence that SEO's statements to law firm sponsors are misleading. AEO will make this evidence available to the Commission.

SEO historically advertised that the program served "underrepresented" students. In 2024, SEO informed participating firms that it had replaced the term "underrepresented" with "underserved" following the Supreme Court's decision in

[23] Respondent Position Statement, on file with AEO.
[24] At most Sponsor Firms, law firm associates are paid a fixed salary based on their law firm graduation year, and receive identical annual bonuses.
[25] David Lat, *Latest Associate Pay Raises Reflect Start of 'Prestige Law' Era*, BLOOMBERG LAW (June 17, 2026), https://news.bloomberglaw.com/legal-exchange-insights-and-commentary/latest-associate-pay-raises-reflect-start-of-prestige-law-era.
[26] Chairman Andrew N. Ferguson, *Re: Your Participation in the Mansfield Certification Program*, FED TRADE COMM'N (Jan. 30, 2026), https://www.ftc.gov/system/files/ftc_gov/pdf/2026-01-29-warning-letter-diversity-lab.pdf.

Students for Fair Admissions because the former term had become associated with race-based criteria. SEO represented to Sponsor Firms that the Fellowship was open to all racial and ethnic backgrounds. It purported to focus on identifying low-income, first-generation, and other “underserved” students through race-neutral criteria emphasizing academic merit, professional experience, and other indicators of merit.[27] SEO also indicated that students from certain elite law schools targeted by Sponsor Firms received preference.

These assertions were false.

In 2025 and 2026, SEO continued to make hiring decisions based on race and other prohibited characteristics. SEO stated that “the program looks for the perspective that candidates could bring to the legal industry” based on their “race, ethnicity, gender identity, sexual orientation, immigration status, veteran status, disability, religious affiliation, socio-economic status, experience with the criminal justice or child welfare systems, first-gen college or graduate student, etc.”[28]

All these are admissions against interest as employers are forbidden from making hiring decisions on the basis of an individual’s race, ethnicity, sexual orientation, immigration status, disability, and religious affiliation. Rather than discovering overlooked talent, SEO concentrates opportunities among candidates who already possess necessary credentials, existing law-firm connections, and access to elite professional networks. Its representations to the contrary are false and may constitute misleading advertising under your jurisdiction.

AEO’s investigation revealed that SEO deviates from its stated selection criteria to continue its discriminatory conduct. SEO professes a “strong preference for working professions over current college students,”[29] yet enrolled minority students without post-graduate work experience. SEO also professes a preference for students attending certain “target law schools,” yet enrolled minority students at non-target schools (including minority students with no postgraduate work experience).

SEO’s representations to Sponsor Firms that it identifies “underserved” students are also false. SEO misrepresents the characteristics of students it selects as Fellows. SEO and participating firms describe the Fellowship as a program designed to identify “underserved” students who might otherwise lack access to legal-profession opportunities. AEO's investigation suggests that many Fellows differ substantially from this description.

In 2026, SEO enrolled the same proportion of black Yale Law students as it did in prior years where it explicitly considered race. Incoming students at Yale Law School are among the most heavily recruited law students in the United

[27] Sponsor Firm EEOC position statement; on file with AEO.
[28] *Id.*
[29] *Id.*

States. Black students at Yale Law School, in particular, are arguably the single most sought-after demographic cohort in elite law firms. Yet, SEO enrolls approximately 50% of these students. It is difficult to square this practice with SEO's claims that participating students are "underserved" or otherwise lack access to professional legal networks.

Likewise, a significant portion of Fellows selected for the 2026 summer program appear to have entered the program after already obtaining substantial legal industry experience, including employment as paralegals, legal assistants, interns, or other positions at major law firms, including participating Sponsor Firms. Many students also come from privileged socioeconomic backgrounds. The mismatch between SEO's stated selection criteria and the Fellows selected suggests continuing racial preferences are in play. The obvious lack of socioeconomic hardship and extensive professional networks enjoyed by many in the 2026 Fellowship class also suggest dishonest advertising by SEO.[30]

Rather than identifying students who lack access to legal networks, SEO increasingly concentrates opportunities among applicants who are already highly connected to the legal industry.

To the extent that competing employers are utilizing a centralized intermediary to achieve common demographic objectives while allocating opportunities among a preferred pool of already highly credentialed candidates, the Commission should also examine whether such practices distort competition in the market for legal talent.

[30] AEO has compiled detailed demographic and biographical information about the 2026 Fellows and will provide this information on request.

Request for Investigation

SEO effectively functions as a cartel-administered credentialing and placement system for elite legal employers. It attempts to fix labor prices. The concentration of Fellows among students from the nation's most prestigious law schools, together with the substantial number who already possess law firm experience, suggests that the program operates not as a pipeline for opportunity but as a mechanism for distributing sought-after candidates among competing law firms.

Accordingly, AEO requests that the Federal Trade Commission:

1. Open an investigation into SEO and the SEO Law Fellowship;
2. Determine whether SEO and Sponsor Firms exchange information in a manner that affects competition;
3. Determine whether SEO establishes, recommends, coordinates, or enforces compensation requirements, including wage floors, salary ranges, or other employment terms for Fellowship participants, and whether such practices affect competition among Sponsor Firms;
4. Determine whether SEO's activities have reduced incentives for participating firms to compete independently for entry-level attorneys;
5. Determine whether SEO and Sponsor Firms otherwise engage in conduct that may constitute an unfair method of competition, an unfair or deceptive act or practice, or otherwise violate Section 1 of the Sherman Act or Section 5 of the Federal Trade Commission Act; and
6. Take any and all appropriate enforcement action(s).

Coordination among competing employers threatens competition as much as coordination among sellers. SEO shares many anti-competitive practices with Diversity Lab, including common diversity metrics, centralized hiring standards, coordinated compensation practices, and coordinated employment practices.

Indeed, SEO raises additional concerns because it is a single intermediary that recruits, screens, trains, evaluates, places, and potentially influences compensation for candidates employed by competing law firms.

AEO will provide supporting materials, including demographic analyses and Sponsor Firm communications, upon request.

Sincerely,

J Clegg Ivey
Americans for Equal Opportunity