DOJ Confirms E-Book Pricing Probe

DOJ has confirmed that it is investigating the pricing of electronic books in the latest antitrust watchdog probe of whether there was improper collusion by Apple Inc. and publishers to prevent discounting. The DOJ’s investigation will involve the European Commission as well as the states’ attorneys general. The EC is investigating Apple and five major publishers over the way that e-books are priced and whether publishing groups engaged in illegal agreements.

Corzine’s Loss May Be Soros’s Gain

Investor George Soros has bought about $2 billion of European bonds formerly owned by MF Global Holdings Ltd., the debt that helped lead the securities firm to file for bankruptcy protection. The debt purchase by Soros is significant because it indicates that a respected investor has confidence that the country won’t default on its debts, at least by the time these bonds mature in December 2012.

Legal Outsourcing: Is the Bloom Already Unprofitable?

Margins are tighter throughout the legal industry in recent days, and even those offshore outsourcing outfits are likely to see a profitability squeeze, according to a recent report, which found wages are rising in developing countries but remain relatively soft in the U.S. and the U.K.

MARK YOUR CALENDARS

Events this week:

- “Leverage & Lockouts: Lessons from the NFL and NBA Lockouts and New Collective Bargaining Agreements,” featuring Professor Michael McCann and George Priest, 12/12, 3:00pm, 128
- Thirteen-Week Classes End, 12/15
- Happy Winter Break!

Greenberg’s AIG Bailout Suits Pursue Unique Legal Theories

Maurice R. Greenberg, the former American International Group Inc. CEO, seeks to break new ground in lawsuits challenging the U.S. takeover of the insurer in a bailout that reached $182 billion.

Greenberg’s Starr International Co. sued the government Nov. 21, calling the public assumption of 80 percent of stock in the insurer in 2008 an unconstitutional “taking” of property that requires $25 billion in compensation.

Starr also sued the Federal Reserve Bank of New York, saying it breached its duty to AIG shareholders by loaning $85 billion at 14.5 percent while offering better terms to banks in a “backdoor bailout.” AIG almost collapsed after bets tied to the housing market soured, and the bailout was revised at least four times before reaching $182 billion. The terms of the government’s assistance to Citigroup, which was aided about the same time, provide a contrast, the lawsuit contends.

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With contributions from the YLBS Board and members