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# FEDERAL APPEALS COURT DISMISSES ANTI-TRUST CHALLENGE AGAINST IVY LEAGUE SCHOOLS: 3 THINGS SCHOOLS SHOULD KNOW ABOUT THIS WIN

Insights  
May 26, 2026

## Federal Appeals Court Dismisses Anti-Trust Challenge Against Ivy League Schools: 3 Things Schools Should Know About This Win

In an era when the NCAA and college athletics conferences can't seem to find a win, the Ivy League quietly earned one in April. The 2nd US Circuit Court of Appeals agreed to toss out a lawsuit challenging the Ivy League's no-athletic-scholarship policy as an antitrust violation. The ruling comes amid an evolving period for college athletes, as the legal lines surrounding their compensation and school-related benefits are tested. This Insight breaks down the decision and what it could mean for conferences moving forward – plus three things schools should consider doing now.

### Case Catch Up

Two former Brown University basketball players sued the eight Ivy League schools and the Ivy League Council of Presidents on behalf of themselves and a proposed class on March 7, 2023 in the US District Court of Connecticut, alleging antitrust violations over their policy of not providing scholarships to athletes. The plaintiffs claimed the institutions' "Ivy League Agreement" functioned as a conspiracy to refuse athletic scholarships and compensation to their Division I student-athletes, effectively price-fixing aid at zero.

But in October 2024, District Judge Alvin W. Thompson, a senior judge, dismissed the case in a 36-page order, finding

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that the student-athletes failed to adequately identify a relevant market for antitrust scrutiny. Judge Thompson acknowledged that the Ivy League schools offer high-achieving students a unique chance to combine elite academics and Division I athletics, but he emphasized that they are not the only institutions that do so. The order pointed to Power 4 schools and others – institutions with similarly selective admissions and Division I programs that also offer athletic scholarships – as obvious substitutes.

## Second Circuit Affirms

The plaintiffs appealed to the 2nd Circuit, where they met a similar fate on April 2, 2026. They argued that because their lawsuit directly alleged harm to competition, they shouldn't have to meet the usual requirement of defining the specific market where that harm occurred.

The panel disagreed, again holding in a summary order that the plaintiffs failed to define a plausible relevant market. Notably, **the court did not rule on the legality of the Ivy League's rules**. Instead, the decision hinged on pleading deficiencies related to market definition, a frequent hurdle for antitrust plaintiffs – and a distinction that should give institutions and conferences pause before unilaterally implementing new rules or changes.

## Why the Decision Matters

Although a summary order carries no precedential effect, courts can cite it as persuasive authority – and it lands at a critical moment for college athletics. The 2nd Circuit leaned heavily on the Supreme Court's unanimous opinion in *NCAA v. Alston* holding that the NCAA violated antitrust laws by restricting education-related benefits to student-athletes. SCOTUS drew a sharp line between the NCAA and individual conferences, noting that conferences "remain free to reimpose every single enjoined restraint tomorrow – or more restrictive ones still." The 2nd Circuit echoed that distinction, reasoning that no individual conference enjoys the level of market dominance the NCAA does.

Schools today face constant antitrust litigation, eligibility challenges, and a steady churn of transferring student-athletes. They also must answer to the College Sports Commission (CSC) – the independent regulatory body created out of the *House v. NCAA* settlement to oversee revenue sharing, name, image, and likeness (NIL), and roster



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limits – while keeping one eye on Capitol Hill, where pending legislation and executive orders threaten federal funding.

In sum, conferences may now point to the 2nd Circuit's ruling in *Choh et al v. Brown University* as a cornerstone for adopting their own rules on NIL, transfers, eligibility, and similar issues that have recently drawn antitrust scrutiny – and be confident that conference-level rulemaking sits on firmer ground than NCAA-wide restraints.

### 3 Points to Consider in the Rulemaking Process

While this decision has not captured the same attention as antitrust peers like *House v. NCAA* or *NCAA v. Alston*, the 2nd Circuit's quiet ruling could give conferences the support they need to calm the choppy waters of college athletics. Schools should keep a few practical considerations in mind:

**1. Document the Purpose:** Conferences should articulate and document the underlying objectives each rule serves and the supporting evidence. For instance, identifying how a particular rule would elevate competitive balance, academic integration, or student-athlete welfare within college athletics.

**2. Interdepartmental Transparency:** Coordinate across departments to ensure institutional policies are aligned and consistently implemented. Establish transparent internal review and communication processes for rule changes to reduce confusion, improve accountability, and mitigate risks.

**3. Be Cautious with Unilateral Rule Changes:** Recent rulings suggest courts may view conference-level governance differently than broader NCAA-wide restrictions, while unilateral or informal institutional coordination can draw greater scrutiny. Institutions may benefit from utilizing established governance processes and maintaining clear documentation of the policy development and review process.

### Conclusion

College athletics are evolving. To stay up to date on legal developments in this space, please feel free to reach out to your Fisher Phillips attorney, the authors of this Insight, or any member of our [Sports Industry Group](#) or [Higher Education Team](#) with any questions regarding NIL and

college athletics. We will continue to monitor the legal landscape and will provide updates as warranted, so make sure you are subscribed to [Fisher Phillips' Insight System](#) to get the most up-to-date information directly to your inbox.