

CPM Achieves Multimillion Dollar Settlement in Whistleblower Lawsuit Against Beauty School Chain

CPM's Justin Berger and Eric Buescher settled a False Claims Act case against Marinello Schools of Beauty for several million. The case was filed in 2013 on behalf of the United States by six whistleblowers, former employees of Marinello. Based on overlapping allegations, on February 1, 2016, the United States Department of Education denied Marinello's application to requalify its campuses to receive federal student loan funds, forcing Marinello to close its doors. Prior to its closure, Marinello was one of the largest chains of for-profit beauty schools in the United States. The lawsuit alleged that Marinello and four of its executives engaged in six broad schemes to induce students to enroll in the school, and to improperly receive federal student loan funds. The case settled three months before the start of trial in the United States District Court for the Central District of California. CPM handled the case with co-counsel Geralyn Skapik, Eric Morris, and John Graham.

Attorneys

Justin T. Berger

Practice Areas

False Claims / Whistleblower Law

False Claims Act