

IN THE MATTER OF
McCONNELL AIRLINE SCHOOL, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket C-520. Complaint, June 28, 1963—Decision, June 28, 1963

Consent order requiring Minneapolis, Minn., sellers of a study course to prepare students for employment as stewardesses, ticket agents, reservation agents and in other positions with airlines, to cease representing falsely by advertisements in national magazines and newspapers that persons who complete their course would be qualified for employment with 35 airlines and given preference by all airlines seeking employees, and would be given assistance in securing such employment until successful.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal

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Trade Commission, having reason to believe that McConnell Airline School, Inc., a corporation and William McKay and Irene Juderjohn McKay, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent McConnell Airline School, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Minnesota, with its principal office and place of business located at 1030 Nicollet Avenue, in the city of Minneapolis, State of Minnesota.

Respondents William McKay and Irene Juderjohn McKay, his wife, are officers of said corporate respondent. They formulate, direct and control the acts and practices of said corporate respondent, including the acts and practices hereinafter set forth. Their addresses are the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for more than two years last past have been, engaged in the sale of a course of study and instruction offered to prepare students thereof for employment as stewardesses, ticket agents, reservation agents and in various other positions with airlines, said course being pursued in part by correspondence through the United States mails and in part through resident training at the respondents' principal office and place of business in Minneapolis, Minnesota.

PAR. 3. In the course and conduct of their business, respondents have caused said course of study and instruction to be sent from their place of business in the State of Minnesota to, into and through States of the United States other than the State of Minnesota, to purchasers thereof located in such other States. There has been at all times mentioned herein a substantial course of trade in said course of study and instruction offered and sold by respondents, in commerce, as "commerce" is defined in the Federal Trade Commission Act. Respondents further engage in commerce in that respondents' sales agents or representatives, when they have obtained a signed contract and down payment from a purchaser, transmit such contract and all or a portion of the money thus obtained through the mails, and by other means, to respondents' place of business in the State of Minnesota from various other States of the United States. Respondents also transmit various instruments of a commercial nature such as contracts, bank checks and others, to purchasers located in States other than Minnesota and receive from purchasers instruments of the same nature.

PAR. 4. In the course and conduct of their aforesaid business, respondents have published and caused to be published, advertisements

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in magazines of national circulation and in newspapers distributed through the United States mails and by other means, typical, but not all inclusive, of which is the following:

Be An Air Hostess, Romance, Travel, Adventure, Fun, Train in just four weeks for exciting flight and ground positions. Free placement service with 35 airlines * * *.

Respondents have also made various representations in brochures, pamphlets and other items of printed material which have been sent to prospective students through the United States mails and by other means, for the purpose of inducing and which have induced the sale of respondents' said course. Among and typical, but not all inclusive, of which are the following:

McConnell trained girls find airline jobs easy to get. Its Free Placement Service has secured rewarding flight and ground positions for its over 4,000 graduates with 35 airlines across the country * * *.

McConnell Airline School is now known as the oldest and foremost school of its kind. It is recognized by every airline in the world. Airlines are proud to hire the well-trained, gracious and friendly young ladies and men who are the typical "McConnell Graduate" * * *.

The Airlines Prefer McConnell Trained Flight and Career Personnel.

The McConnell Placement Director is in constant touch with the airlines and works personally with each graduate until she is placed * * *.

PAR. 5. By means of the foregoing statements and representations and others similar thereto but not set forth herein, respondents represent, directly and by implication, that:

(1) Completion of respondents' course of study and instruction by itself qualifies a person for employment with 35 airlines;

(2) Persons completing respondents' said course are given a preference over persons who have not completed respondents' said course by all airlines seeking employees;

(3) Persons who complete respondents' said course will receive assistance in securing employment with an airline until successful in obtaining such employment.

PAR. 6. In truth and in fact:

(1) Completion of respondents' course of study and instruction, by itself, does not qualify a person for employment with any airline much less qualify a person for employment with 35 airlines. Each airline establishes its own qualifications for employment which include such factors as age, weight, height, personality and character and whether or not a person is qualified for employment with a particular airline can be determined only when that person actually applies for employment with such airline.

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(2) All airlines seeking employees do not give a preference to persons who have completed respondents' said course. Many airlines maintain their own specialized training programs for stewardesses and other positions and require new employees to complete such programs regardless of any training such new employees may have received from other sources.

(3) Persons who complete respondents' said course do not in every instance receive assistance in securing employment with an airline until successful in obtaining such employment. Many of the persons who complete respondents' course are not successful in obtaining employment with an airline.

Therefore, the statements and representations as set forth in Paragraph 5 hereof were, and are, false, misleading and deceptive.

PAR. 7. In the course and conduct of their business, as aforesaid, respondents employ sales agents or representatives who call upon prospective students and solicit their purchase of said course of study and instruction.

In the course of such solicitation, respondents' sales agents or representatives have made many statements and representations, directly or by implication, to students and prospective students, for the purpose of inducing, and which have induced, the purchase of respondents' said course. Among, and typical, but not all inclusive, of such representations, are the following:

(1) That young women who have passed their seventeenth but not their eighteenth birthday are eligible for employment with airlines;

(2) That respondents' sales agents or sales representatives are competent to determine whether or not a person is suitable for employment as an airline stewardess.

PAR. 8. In truth and in fact:

(1) Airlines generally will not employ young women who have not yet passed their eighteenth birthday;

(2) Respondents' sales agents or sales representatives are not competent to determine whether or not a person is suitable for employment as an airline stewardess. In fact, many of the young women enrolled by respondents' sales agents or representatives for training as airline stewardesses are not suitable for employment in such positions. When such young women arrive at respondents' resident training school in Minneapolis, Minnesota respondents inform them that they are not suitable for employment as stewardesses and such young women are encouraged and persuaded to take training for various non-flight positions such as reservationist, ticket agent and others.

Therefore, the statements and representations as set forth in Paragraph 7 hereof were, and are, false, misleading and deceptive.

PAR. 9. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals engaged in the sale of courses of study and instruction covering the same or similar subjects as are covered by respondents' courses.

PAR. 10. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondents' course of study and instruction by reason of said erroneous and mistaken belief.

PAR. 11. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents of all the jurisdictional facts set forth in the complaint to issue herein, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as set forth in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent McConnell Airline School, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Minnesota, with its office and principal place of business located at 1030 Nicollet Avenue, in the city of Minneapolis, State of Minnesota.

Respondents William McKay and Irene Juderjohn McKay are of-

ficers of said corporation, and their address is the same as that of said corporation.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondents McConnell Airline School, Inc., a corporation, and its officers, and William McKay and Irene Juderjohn McKay, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of courses of study and instruction, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing, directly or by implication, that:

(1) Completion of respondents' course of study and instruction, by itself, qualifies a person for employment with 35 airlines, or otherwise representing in any manner that completion of respondents' course, by itself, qualifies a person for employment with any airline.

(2) All airlines seeking employees prefer persons completing respondents' course of study and instructions over persons who have not completed respondents' said course, or misrepresenting in any other manner the preference given by airlines to persons who have completed respondents' course.

(3) Persons who complete respondents' course of study and instruction will receive assistance in securing employment with an airline until they are successful in obtaining such employment, or otherwise misrepresenting in any manner the assistance in securing employment that a person completing respondents' course will receive.

(4) Young women who have passed their seventeenth but not their eighteenth birthday are eligible for employment with the airlines or misrepresenting in any other manner the qualifications for employment with the airlines.

(5) Respondents' sales agents or sales representatives are competent to determine whether or not a person is suitable for employment as an airline stewardness or for any other position.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

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IN THE MATTER OF

ROBBIN PRODUCTS ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION ACT

Docket C-521. Complaint, June 28, 1963—Decision, June 28, 1963

Consent order requiring Beverly Hills, Calif., distributors of various articles of merchandise to cease representing falsely in advertising materials, matrices, layouts and other printed matter supplied to their retailer-customers, that certain merchandise was "COMPLETELY GUARANTEED", that an electric percolator and 16-piece snack set would be given free with purchase of a cookware set, that lounge chairs were upholstered in a leather product material, that merchandise was offered at special reduced prices, and that certain offers must be accepted at once because the supplies were limited.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Robbin Products, a limited partnership, Sales Development Corporation, a corporation, Merchandise Selectors, Inc., a corporation, Richard Bradley Advertising Company, a corporation, and Meyer Robbin, individually, and as sole general partner of Robbin Products, and as an officer of said corporations, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Robbin Products is a limited partnership organized, existing and doing business under and by virtue of the laws of the State of California, with its principal office and place of business located at 303 South Robertson Boulevard in the city of Beverly Hills, in the State of California.

Respondents Sales Development Corporation, Merchandise Selectors, Inc., and Richard Bradley Advertising Company, are corporations, organized, existing and doing business under and by virtue of the laws of the State of California, with their principal office and place of business located at 303 South Robertson Boulevard in the city of Beverly Hills, State of California.

Respondent Meyer Robbin is the sole general partner of Robbin Products and is president and majority stockholder of each of the