

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.

IN THE MATTER OF

ATLANTIC SCHOOL, INC., ET AL.

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

Docket C-793. Complaint, July 17, 1964—Decision, July 17, 1964

Consent order requiring Kansas City, Mo., sellers of a course of study to prepare students for employment as stewardesses, ticket agents, reservation agents and other positions with airlines, to cease representing falsely in advertising and by statements of their sales agents, that completion of their course of study would qualify a person for employment with the airlines and that persons who completed the course were assured of such employment.

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 Atlantic School, Inc., a corporation, and R. W. Harriman, individually and as an officer 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 Atlantic School, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri, with its principal office and place of business located at 2020 Grand Avenue in the city of Kansas City, State of Missouri.

Respondent R. W. Harriman is an officer of said corporate respondent. He formulates, directs and controls the acts and practices of said corporate respondent, including the acts and practices hereinafter set forth. His address is 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 of-

ferred 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 respondents' place of business in Kansas City, Missouri, or at such other location as may be designated by respondents.

PAR. 3. In the course and conduct of their business, respondents cause said course of study and instruction to be sent from their place of business in the State of Missouri to, into and through other States of the United States. There has been at all times mentioned herein a substantial course of trade in said course in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their aforesaid business, respondents have published, and caused to be published, advertisements in magazines of national circulation and in newspapers distributed through the United States mails and by other means. Respondents have sent, and caused to be sent, brochures, pamphlets and other items of printed material through the United States mails to prospective purchasers of respondents' course. In the aforesaid advertisements, brochures, pamphlets and other items of printed material, respondents have made many statements and representations concerning said course for the purpose of inducing, and which have induced, the sale of said course. Among and typical of said statements and others not specifically set forth herein, are the following:

12 WAYS TO AN AIRLINE CAREER

FREE illustrated booklet tells you how you can prepare for one of many exciting careers with Jet Airlines * * *

Airlines Training Division, Atlantic School Dept G-13, 2020 Grand Avenue, Kansas City 8, Mo.

BE AN AIRLINE

Passenger Agent
Reservationist
Ticket Agent
Station Agent
Hostess
Secretary, etc.

MEN AND WOMEN. We are looking for high school graduates (or seniors) from this area to train for Jet Age opportunities with expanding Airlines. Interesting public-contact Airlines careers offer good starting salaries, free air travel passes, advancement, security. Age limit 35. See if you can qualify. Send your name and address to: Airlines Training Division, Atlantic School, Box 59, c-o Reporter-Herald.

OPPORTUNITY

Airlines are hiring! 24,460 new employees in last three years. Thousands more will be needed! In demand—Men and Women for Station Agents, Ticket Agents, Hostesses, Reservationists, Communicationists, Passenger Agents, Key Punch Operators. If you are 17 to 35, high school graduate (or senior), get facts on our short training program and placement service. No obligation. Send your name, age, address, and education to: Airlines Training Division, Atlantic School, Box RA, c-o Journal.

MAIL THIS CARD TODAY!

Please tell me more about how your training can prepare ME quickly for an interesting, well-paid career in Aviation. * * *

* * * I hope your qualifications are such that we may be able to help you prepare for a well-paying, successful future with the Airlines. We cannot accept you for training unless you meet certain basic requirements for Airline employment.

* * * * *

Atlantic School and its affiliate, the Hartford Airline Personnel School, have trained and placed hundreds of young men and women in interesting, profitable Airline careers. We hope that we may have the opportunity of doing the same for you * * *

AIRLINES WELCOME ATLANTIC GRADUATES

PAR. 5. By means of the foregoing statements and representations set forth in Paragraph Four hereof, 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 the airlines.
- (2) Persons who complete respondents' course are assured of employment with an airline.

Such representations are affirmed and repeated by respondents' sales agents or sales representatives when they call upon prospective purchasers for the purpose of inducing the sale of respondents' said course.

PAR. 6. In truth and in fact:

- (1) Completion of respondents' course of study and instruction does not, by itself, qualify a person for employment with any airline. Each airline establishes its own qualifications for employment, including 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.
- (2) Persons who complete respondents' course are not assured of

employment with any airlines. While respondents may endeavor to inform themselves of opportunities for employment with airlines and advise persons completing respondents' course of such opportunities, such persons have no assurance that they will obtain a job with any airline. The availability of opportunities for employment with the airlines is dependent upon many factors over which respondents can exercise no control. Respondents make no disclosure of these material facts in advertising used to secure leads to prospective purchasers or in pamphlets, brochures and other printed matter sent to prospective purchasers prior to their being visited by respondents' sales agents or sales representatives.

Although respondents' application forms used to secure the enrollment contain a statement that respondents do not guarantee or promise employment; respondents' sales agents or sales representatives deprecate such disclaimer and lead prospective purchasers to believe that persons completing respondents' course will be qualified for employment with the airlines and are assured of obtaining such employment after completing respondents' course.

Therefore, the statements, representations and practices as set forth in Paragraphs Four and Five hereof were, and are, false, misleading and deceptive.

PAR. 7. In the conduct of their business, and 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' course.

PAR. 8. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices, and their failure to affirmatively disclose to prospective purchasers that the availability of opportunities for employment is subject to factors over which respondents can exercise no control, had, and now have, 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 complete and into the purchase of substantial quantities of respondents' said course by reason of said erroneous and mistaken belief.

PAR. 9. 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 Atlantic School, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri, with its office and principal place of business located at 2020 Grand Avenue in the city of Kansas City, State of Missouri.

Respondent R. W. Harriman is an officer of said corporation, and his 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 Atlantic School, Inc., a corporation, and its officers, and R. W. Harriman, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any other corporate or other device, in connection with the offering for sale, sale or distribution of courses of study or instruction, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that completion of respondents' course, by itself, qualifies a person for employment with any airline.

2. Representing, directly or by implication, that persons completing respondents' course are assured of employment with an

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airline by virtue of completing said course or otherwise misrepresenting the opportunities for employment available to persons completing said course.

3. Making any representations concerning the ability of respondents to obtain or help to obtain employment in the airline industry for persons completing their course or the ability of such persons to otherwise obtain employment in the airline industry as a result of completing respondents' course without making clear disclosure to the effect that respondents do not guarantee or promise employment.

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.
