

IN THE MATTER OF
AMERICAN INSTITUTE OF PRACTICAL NURSING, INC.,
ET AL.

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

Docket C-996. Complaint, Sept. 21, 1965—Decision, Sept. 21, 1965

Consent order requiring a Chicago, Ill., concern to cease misrepresenting its correspondence course of instruction in practical nursing by representing falsely in advertisements and other promotional material that persons completing said course would become a practical nurse, competent in the duties thereof, and qualified to secure employment as a practical nurse with hospitals or similar places of employment.

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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 American Institute of Practical Nursing, Inc., a corporation, and Bernard Dunn, 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 American Institute of Practical Nursing, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois. Respondent Bernard Dunn is an individual and an officer of the said corporate respondent and formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. The office and principal place of business of the corporate and individual respondent is located at 120 South State Street, Chicago, Illinois.

PAR. 2. Respondents are now and for some time last past have been engaged in the advertising, offering for sale, sale and distribution of a correspondence course of instruction in practical nursing.

PAR. 3. In the course and conduct of their business, respondents now cause and for some time last past have caused their said correspondence course, when sold, to be shipped from their place of business in the State of Illinois to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a course of trade in said correspondence course in commerce as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business, at all times mentioned herein, the respondents have been in substantial competition in commerce, with corporations, firms, and individuals engaged in the sale of courses of instruction in practical nursing.

PAR. 5. In the course and conduct of their business, respondents have disseminated and caused the dissemination of advertisements and other promotional material describing and extolling their said course of instruction, by the United States mail, and by various other means in commerce, as "commerce" is defined in the Federal Trade Commission Act, including, but not limited to advertising in nationally circulated magazines, brochures, circulars and form letters, for the purpose of inducing and which were likely to induce,

directly, or indirectly, the purchase of said course of instruction in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 6. By means of statements and representations contained in said advertisements and promotional material, disseminated as aforesaid, the respondents have represented, directly or by implication:

1. That persons completing respondents' said correspondence course of instruction in practical nursing will thereby have become and will thereby be proficient and competent in the performance of the duties and functions of a practical nurse.

2. That persons completing respondents' said correspondence course of instruction in practical nursing will thereby have become and will thereby be a practical nurse.

3. That persons completing respondents' said correspondence course of instruction in practical nursing will thereby be qualified and enabled to secure employment as a practical nurse on general or private duty with hospitals, institutions, individuals or similar or related places of employment.

PAR. 7. In truth and in fact:

1. Persons completing respondents' said course of instruction in practical nursing will not thereby have become and will not thereby be proficient or competent in the performance of the duties and functions of a practical nurse.

2. Persons completing respondents' said correspondence course of instruction in practical nursing will not thereby have become and will not thereby be a practical nurse.

3. Persons completing respondents' said correspondence course of instruction in practical nursing will not thereby have become and will not thereby be qualified and enabled to secure employment as a practical nurse on general or private duty with hospitals, institutions, individuals, or similar or related places of employment.

PAR. 8. 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 said correspondence course from the respondents, 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,

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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 American Institute of Practical Nursing, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at 120 South State Street, Chicago, Illinois.

Respondent Bernard Dunn 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 American Institute of Practical Nursing, Inc., a corporation, and Bernard Dunn, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of correspondence courses of instruction in practical nursing or any similar or related course of instruction in commerce, as "commerce"

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is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing directly or indirectly:

1. That persons completing said courses of instruction will thereby have become and will thereby be proficient and competent in the performance of the duties and functions of a practical nurse; or otherwise misrepresenting in any manner the training and experience afforded by respondents' course of instruction.

2. That persons completing said courses of instruction will thereby have become and will thereby be a practical nurse.

3. That persons completing said courses of instruction will thereby have become and will thereby be qualified and enabled to secure employment as a practical nurse on general or private duty with hospitals, institutions, individuals or similar or related places of employment; or otherwise misrepresenting in any manner the employment for which persons completing respondents' courses of instruction will be qualified.

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.