
IN THE MATTER OF
ANGEL ORESTES RIGOLI, ET AL.

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

Docket C-1621. Complaint, Nov. 12, 1969—Decision, Nov. 12, 1969

Consent order requiring a Miami, Fla., individual engaged in distributing correspondence courses to cease doing business under any name which implies that the enterprise is other than a private commercial venture, misrepresenting that his school is accredited, that it provides scholarships, and that any of its materials are free.

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 Angel Orestes Rigoli, individually and as a former officer of American Cultural Interchange, Inc., a dissolved corporation, hereinafter referred to as respondent, has violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in re-

spect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. American Cultural Interchange, Inc., was a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida with its principal office and place of business formerly located at 505 NW. 12th Avenue in the city of Miami, Florida. Said corporation was dissolved in April 1969.

Respondent Angel Orestes Rigoli is an individual and former officer of American Cultural Interchange, Inc. He formulated, directed and controlled the acts and practices of said corporation and references hereinafter to the acts and practices of respondent shall be deemed to include the acts and practices of American Cultural Interchange, Inc., the dissolved corporation.

Respondent is also an officer of a corporation known as Educational Editions, Inc., which has its principal office and place of business at 505 NW. 12th Avenue in the city of Miami, Florida, and through that corporation is now engaged in the advertising and sale of correspondence courses in various subjects under the names "Circulo Internacional de Costura" and "Instituto de Belleza Moderna."

PAR. 2. Respondent is now, and for some time last past has been, engaged in the advertising, offering for sale, sale and distribution of courses of study and instruction in various subjects including journalism, English, photography, sewing and beauty culture. Said courses are pursued by correspondence through the mails.

PAR. 3. In the course and conduct of his business as foresaid, respondent caused his courses, when sold, to be shipped from his place of business in the State of Florida to purchasers thereof located in various countries in Latin America. Respondent maintained, a substantial course of trade in said courses in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of his aforesaid business, and for the purpose of inducing the purchase of his courses, respondent made numerous statements and representations with respect to said courses in advertisements inserted in newspapers and magazines and in brochures and other printed material furnished to prospective purchasers of his courses.

By and through said statements and representations, respondent represented, directly or by implication:

1. Through the use of the name "American Cultural Interchange, Inc.," that respondent's business was that of a non-profit educational enterprise devoted to the dissemination of culture and education in Latin America.

2. That American Cultural Interchange, Inc., was an accredited institution and was approved or was recognized by appropriate educational authorities in the United States.

3. That all students received scholarships.

4. That instructional material and equipment were free, the student being required to pay only postage and handling charges.

PAR. 5. In truth and in fact:

1. Respondent's business was not that of a non-profit educational enterprise devoted to the dissemination of culture and education in Latin America. Respondent was engaged in the sale of correspondence courses for a profit.

2. American Cultural Interchange, Inc., was not an accredited institution and was not approved by or recognized by any educational authorities in the United States.

3. Students did not receive scholarships.

4. The instructional material and equipment were not free. The sum of money paid by the student included the cost of the instructional material and equipment as well as the postage and handling.

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

PAR. 6. In the course and conduct of his aforesaid business, and at all times mentioned herein, respondent was 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.

PAR. 7. The use by respondent of the aforesaid false, misleading and deceptive statements, representations and practices had the capacity and tendency to mislead prospective purchasers thereof into the erroneous and mistaken belief that said statements and representations were true and into the purchase of substantial quantities of respondent's courses by reason of said erroneous and mistaken belief.

PAR. 8. The aforesaid acts and practices of respondent, as herein alleged, were, and are, all to the prejudice and injury of respondent's competitors and constituted, and now constitute, unfair methods of competition in commerce in violation of Section 5 of the Federal Trade Commission Act.

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The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Bureau of Deceptive Practices proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, his attorney and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in Section 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Angel Orestes Rigoli is an individual and a former officer of American Cultural Interchange, Inc., a dissolved corporation which had its principal office and place of business at 505 NW. 12th Avenue, in the city of Miami, State of Florida. His address is now 7951 SW. 18th Street, in the city of Miami, State of Florida.

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

ORDER

It is ordered, That respondent Angel Orestes Rigoli, individually and as a former officer of American Cultural Interchange, Inc., a dissolved corporation, and respondent's agents, representa-

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tives and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of courses of study and instruction in journalism, English, photography, sewing, beauty culture or any other subject, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the name "American Cultural Interchange, Inc." or any other name or names of similar import or meaning to describe or designate his business; or representing, in any manner, that respondent's business is other than that of a private commercial venture engaged in the sale of correspondence courses for a profit.

2. Representing, directly or by implication, that respondent's school or his courses have been accredited, approved or recognized by any educational authority in the United States.

3. Misrepresenting in any manner the status, accreditation or approval of respondent's business, his school or his courses.

4. Representing, directly or by implication, that respondent provides scholarships.

5. Representing, directly or by implication, that the instructional material and equipment provided as a part of respondent's courses are free, or misrepresenting, in any manner, the cost or nature of respondent's courses.

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