

IN THE MATTER OF

WASHINGTON CAREERS, INC., TRADING AS
JULIET GIBSON CAREER COLLEGE AND FINISHING
SCHOOL, ET AL.

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

Docket C-1817. Complaint, Nov. 5, 1970—Decision, Nov. 5, 1970

Consent order requiring a Washington, D.C., school of fashion merchandising, professional modeling and secretarial skills to cease misrepresenting that it is affiliated with the Juliet Gibson Corporation or any nationwide chain, misrepresenting its placement and tutoring facilities, failing to disclose additional obligations connected with its courses; misrepresenting that its courses qualify students to be airline hostesses, and misrepresenting that its curriculum or methods of instruction are on the college level.

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 Washington Careers, Inc., a corporation, trading as Juliet Gibson Career College and Finishing School, and Richard A. Parrott and R. Wade Murphree, 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. Respondents, Washington Careers, Inc., which trades as Juliet Gibson Career College and Finishing School, is a corporation organized, existing and doing business under and by virtue of the laws of the District of Columbia, with its principal office and place of business formerly located at 1025 Fifteenth Street, N.W., Washington, D.C.

Respondent Richard A. Parrott and R. Wade Murphree are individuals and are officers of the corporate respondent. They formulate, direct and control the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. The address of Richard A. Parrott is 4921 Seminary Road, Alexandria, Virginia, and the address of R. Wade Murphree is 4607 South Four Mile Run Drive, Arlington, Virginia.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the operation of a school offering courses of instruction in fashion merchandising, public relations, professional modeling and secretarial skills to the public.

PAR. 3. In the course and conduct of their aforesaid business, and for the purpose of inducing enrollment in their school, respondents from their offices in the District of Columbia solicit, and for some time last past have solicited, students by means of advertising brochures mailed to persons located in the District of Columbia and in various other States of the United States; and respondents maintain, and at all times mentioned herein have maintained, a substantial course of trade in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their aforesaid business, and for the purpose of inducing enrollment in their course of instruction, by and through oral statements of respondents or their salesmen, brochures and other written material, respondents have represented, directly or by implication, to prospective students, that:

1. Respondents are associated or are affiliated with, or are a franchisee of Juliet Gibson Corporation.
2. Respondents are a part of a nationwide chain which operates career schools in major cities around the United States.
3. Respondents' school is an accredited institution.
4. Respondents' classrooms would be located in a building then under construction and the classrooms would be like or similar to classrooms pictured in photographs shown prospective students.

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5. Respondents provide a placement service which places a significant number of students or graduates in positions for which they have been trained by respondents.

6. Respondents provide individual tutoring upon request to those students having difficulty with their class work.

7. It is urgent that prospective students enroll immediately in order to obtain a place in respondents' forthcoming class.

8. A student may enroll in any one of the courses of instruction offered by respondents without limitation and without incurring additional obligations.

9. Those subjects taught by respondents which correspond in title to subjects taught in colleges are equivalent to college level subjects.

10. The curriculum of respondents' public relations course includes instruction in conversational Spanish as well as French and the curriculum of respondents' professional modeling course includes training through practical exercise in fencing and modern dance.

11. Respondents offer a course of instruction that qualifies students to be airline stewardesses.

PAR. 5. In truth and in fact:

1. The respondents are not associated or affiliated with, nor are they a franchisee of Juliet Gibson Corporation.

2. The respondents are not a part of a nationwide chain which operates career schools in major cities around the United States.

3. The respondents' school was not an accredited institution at the time the representation was made.

4. The respondents' classrooms are not and have not been located in the building that was under construction at the time the representations were made and the classrooms are not like or similar to classrooms pictured in photographs shown prospective students. Respondents' classrooms are located in a building that had been constructed a significant number of years prior to the time the representation was made and the classrooms are located in rooms formerly used by business offices which have been renovated for use as classrooms.

5. The respondents have not provided a placement service which places a significant number of students or graduates in positions for which they have been trained by respondents.

6. The respondents have not provided individual tutoring upon request of those students having difficulty with their class work.

7. It was not urgent that prospective students enroll immediately in order to obtain a place in that respondents had vacancies in their

class and continued to enroll students in the class even after the class had commenced.

8. A student may not enroll in any one of the courses of instruction offered by respondents without limitation or without incurring additional obligations. In order to enroll in the professional modeling course offered by respondents, a student must also enroll in one of the other courses of instruction which respondents offer.

9. Some of the subjects taught by respondents which correspond in title to subjects taught in colleges are not equivalent to college level subjects.

10. The curriculum of respondents' public relations course does not include instruction in conversational Spanish and the curriculum of respondents' professional modeling course does not include training through practical exercise in fencing or modern dance.

11. Respondents do not offer a course of instruction that qualifies their students to be airline stewardesses.

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

PAR. 6. In the course and conduct of their aforesaid business, and at all times mentioned herein, respondents have been, and now are, in substantial competition, in commerce, with corporations, firms and individuals engaged in the sale of courses of instruction in fashion merchandising, public relations, professional modeling and secretarial skills of the same general kind and nature as those offered and sold by respondents.

PAR. 7. The use by respondents of the aforesaid false, misleading and deceptive 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 representations were and are true and into the purchase of substantial quantities of respondents' services by reasons of said erroneous and mistaken belief.

PAR. 8. 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 the 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 alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having considered the agreement and having accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondents Richard A. Parrott and R. Wade Murphree are former officers of Washington Careers, Inc., a corporation. They formulated, directed and controlled the policies, acts and practices of said corporation. The address of Richard A. Parrott is 4921 Seminary Road, Alexandria, Virginia and the address of R. Wade Murphree is 4067 South Four Mile Run Drive, Arlington, Virginia.

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 Richard A. Parrott, and R. Wade Murphree individually and their agents, representatives and employees in connection with the advertising, offering for sale, sale or distribution of any course of instruction or any other service or product, 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 respondents are associated or affiliated with, or are a franchisee of Juliet Gibson Corporation; or misrepresenting, in any manner, respond-

* Excluding Washington Careers, Inc., which is not named in the order hereinafter set forth.

ents' trade or business connections, associations, affiliations or identity.

2. Representing, directly or by implication, that respondents are a part of a national corporation, or that they are a part of a nationwide chain which operates career schools in major cities in the United States; or misrepresenting, in any manner, the size, scope, or extent of respondents' business.

3. Representing, directly or by implication, that respondents' school or respondents' courses have been accredited, unless such is the fact.

4. Misrepresenting, in any manner, the building or facilities which respondents have or made available for student use.

5. Representing, directly or by implication, that respondents provide a placement service which places a significant number of students or graduates in positions for which they have been trained unless such is the fact; or misrepresenting, in any manner, their capabilities or facilities for assisting students or graduates in finding employment, or the assistance actually afforded students or graduates in obtaining employment.

6. Representing, directly or by implication, availability of jobs or the positions available to graduates of respondents' school as the result of the training afforded the students by respondents unless such is the fact.

7. Representing, directly or by implication, that individual tutoring will be provided to those students having difficulty with their classwork upon request unless such is the fact; or misrepresenting, in any manner, the assistance provided students during their enrollment at respondents' school.

8. Representing, directly or by implication that there is any urgency or need for haste in enrolling in any class unless such is the fact; or that enrollment in any class will not be permitted after a class has commenced, unless respondents refuse in every instance to allow enrollment after commencement of a class.

9. Advertising or soliciting enrollment in any course of instruction when there is any limitation or additional obligation imposed or attempted to be imposed upon enrollment in that course without clearly disclosing such limitation or additional obligation in any advertisement and during any solicitation.

10. Representing, directly or by implication, that the subjects taught by respondents are equivalent to college level subjects, unless such is the fact; or misrepresenting, in any manner, the level of training afforded students through any subject or course

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of instruction, or the comparability of any subject or course of instruction given by respondents with any other school.

11. Representing, directly or by implication, that students will receive instruction in conversational Spanish or that students will receive training through practical exercise in fencing or modern dance unless such is the fact; or misrepresenting, in any other manner, the curriculum, subjects, method of instruction or training that students receive.

12. Representing, directly or by implication, that respondents offer courses of instruction which qualify students to be airline stewardesses; or misrepresenting in any manner, the position or positions which a student will be qualified for as the result of attending any course which respondents offer.

13. Failing to deliver a copy of this order to cease and desist to all present and future salesmen or other persons engaged in the sale of respondents' courses or services, and failing to secure from each such salesman or other person a signed statement acknowledging receipt of said order.

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.
