

Order modifying an order of June 29, 1954, 50 F.T.C. 1070, which required a Chicago, Illinois, correspondence school of law to cease misrepresenting that its degrees in law qualified holders to take a State's bar examination without more preparation, by further requiring it to cease failing to disclose that its courses will not qualify a student to take the bar examination unless additional educational requirements are met, using the word

¹ Formerly Blackstone College of Law, Inc.

² Modified by Commission's order of August 23, 1971, by setting aside Paragraph (3) of the order, 79 F.T.C. 285.

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"college" without disclosing that the enterprise is a correspondence institution, and offering to confer any standard law degree. Enforcement of the last provision is stayed until the Commission rules on a similar question *In the Matter of LaSalle Extension University*, Docket No. 5907.

ORDER MODIFYING ORDER TO CEASE AND DESIST

The Commission, on January 19, 1970, issued an order against respondents, Blackstone College of Law, Inc., and Harold R. Lister, individually and as an officer of said corporation, to show cause why a prior Commission order to cease and desist, issued against respondents on June 29, 1954 [50 F.T.C. 1070], should not be modified. Respondents filed an answer raising substantial factual issues, and the Commission, on July 30, 1970, issued a further order reopening the proceeding and directing hearings for the receipt of evidence and the filing of an initial decision as to whether the Commission's order to cease and desist herein should be modified.

On September 22, 1970, corporate respondent submitted an offer of settlement and moved that it be certified to the Commission. Submitted therewith was an affidavit of corporate respondent's vice president wherein he averred that respondent Harold R. Lister is now deceased. In a paper filed by counsel supporting the complaint, the averments set out in the affidavit were said to be true and correct insofar as they were known by complaint counsel. Respondent's offer of settlement was not opposed by complaint counsel, but the hearing examiner believed that certain portions of the proposed settlement order required explanation and accordingly issued an order directing the parties to file appropriate memoranda addressed to those portions. Instead, respondent filed, on October 27, 1970, an amendment to its earlier settlement order. Complaint counsel, in their memorandum to the examiner, stated that they believed that the amended order met the examiner's questions concerning the original settlement offer. No hearings were held and so the examiner did not recommend findings, conclusions or an order. He certified respondent's proposed settlement order, with comments respecting the variations between it and the proposed order in the Order to Show Cause and the Commission's 1954 order.

Because respondent's proposed settlement order differed in substance from the order proposed in the Order to Show Cause, and because it was not known whether those differences could be supported by findings of fact, the Commission issued, on November 19, 1970, an order rejecting respondent's offer of settlement.

The Commission further ordered that the matter be remanded to the hearing examiner for hearings, or for settlement without hear-

ings, provided such settlement did not differ from the proposed settlement in the Order to Show Cause, issued on January 19, 1970. The Commission order did provide, however, that a settlement order could include a provision that enforcement of Paragraph 3 of said proposed order would be stayed unless and until the Commission disposes of the Order to Show Cause proceeding *In the Matter of LaSalle Extension University*, Docket 5907 [p. 1272 herein], by a modified order containing a substantially similar proscription to that of Paragraph 3, or in the event that the order issued in Docket 5907 with respect to Paragraph 3 is less strict, corporate respondent herein would be bound by a similar provision in substantially the same form.

The hearing examiner certified, on December 9, 1970, respondent's amended offer of settlement. It is identical to the proposed settlement in the aforesaid Order to Show Cause, except that it provides that Paragraph 3 of the proposed settlement order shall be stayed and become operative in the manner provided by the Commission's November 19, 1970, order.

The Commission is of the opinion that the public interest requires, for the reasons set forth in its Order to Show Cause, dated January 19, 1970, that the order entered on June 29, 1954, be modified. Accordingly,

It is ordered, That the Commission order of June 29, 1954 [50 F.T.C. 1070], be, and it hereby is, modified to read as follows:

It is ordered, That the respondent Blackstone School of Law, Inc., a corporation, formerly Blackstone College of Law, Inc., and its officers, agents, representatives and employees, directly or through any corporate or other device in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of courses of study and instruction, do forthwith cease and desist from:

(1) Failing, in connection with respondent's courses of study in law, clearly and conspicuously to disclose; (a) in any advertisement or offer to sell; (b) on each page of any promotional material or descriptive brochure; (c) in each enrollment form, application form, sales contract or similar document, in type as large as the largest type appearing thereon; that said courses are not recognized or accepted as sufficient education or legal training to qualify the student to become a candidate for admission to the profession of law in any of the States of the United States or the District of Columbia: *Provided, That*, respondent may qualify such disclosure by listing those States which will accept said courses if additional education and legal training re-

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quirements are met: *And provided further*, That respondent clearly and conspicuously and in immediate conjunction thereto disclose all such additional requirements.

(2) Using the word "college" or any word or words of similar import or meaning in the corporate name or in any other manner to designate or refer to respondent's school, unless, in bulletins, lesson material, textbooks, diplomas and other promotional material, and sales presentations whenever used, it is clearly and conspicuously stated in immediate conjunction with such word or words that respondent's enterprise is a correspondence school without resident facilities or that it is "a correspondence institution" or "an institution for correspondence students."

(3) Conferring or offering to confer an LL.B., LL.M., J.D., S.J.D. or any other degree in the field of law upon purchasers of respondent's courses of study and instruction in law.

It is further ordered, That enforcement of Paragraph 3 of the above modified order be stayed unless and until the Commission disposes of the Order to Show Cause proceeding in Docket 5907 [p. 1272 herein] by a modified order containing a substantially similar proscription, or in the event that the order issued in Docket 5907 has a less strict proscription than Paragraph 3, respondent herein will be bound by a similar provision in substantially the same form.

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

It is further ordered, That the June 29, 1954, order be vacated as to respondent Harold R. Lister, individually and as an officer of respondent corporation.

IN THE MATTER OF

UNITED INDUSTRIAL SYNDICATE, INC.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
SEC. 7 OF THE CLAYTON ACT

Docket C-1860. Complaint, Feb. 12, 1971—Decision, Feb. 12, 1971

Consent order requiring a New York City manufacturer of automotive fuel pumps to divest within one year the fuel pump business of an acquired