

Complaint

86 F.T.C.

IN THE MATTER OF

WORLD WIDE SYSTEMS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-2683. Complaint, July 16, 1975 - Decision, July 16, 1975*

Consent order requiring an Indianapolis, Ind., training school for truck drivers and heavy equipment operators, among other things to cease using deceptive and unfair means to sell instruction courses or any other product or service.

Appearances

For the Commission: *William M. Rice, Jr.*

For the respondents: *M. Daniel Friedland*, Indianapolis, Ind.

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 World Wide Systems, Inc., a corporation, and Francis J. Witherbee, individually and as an officer of said corporation, and also doing business as Associated Systems, Atlas Systems, Coastway American Systems and Great Lakes Development Corporation, and Steven L. Bradshaw, individually and as a former officer of said corporation, and also doing business as Associated Systems, Atlas Systems, Coastway American Systems, Great Lakes Development Corporation, New Horizons Unlimited and others, and Eugene C. Kobylarz, individually and doing business as New Horizons Unlimited, Rapidway Systems, Trailmasters and Roads and Lands, 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 World Wide Systems, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana, with its principal office and place of business located at 1042 E. Washington St., Indianapolis, Ind.

Respondent Francis J. Witherbee is an individual and officer of respondent corporation and also does business as Associated Systems, Atlas Systems, Coastway American Systems and Great Lakes Development Corporation. He formulates, directs and controls the acts and practices of the corporate respondent and said business entities,

including the acts and practices hereinafter set forth. His business address is the same as that of said corporate respondent.

Respondent Steven L. Bradshaw is an individual and former officer of said corporate respondent and also does business as Associated Systems, Atlas Systems, Coastway American Systems, Great Lakes Development Corporation, New Horizons Unlimited and others. He formulates, directs and controls the acts and practices of said business entities including the acts and practices hereinafter set forth. His address is 125 Belaire Dr., New Whiteland, Ind.

Respondent Eugene C. Kobylarz is an individual and does business as New Horizons Unlimited, Rapidway Systems, Trailmasters and Roads and Lands. He formulates, directs and controls the acts and practices of said business entities including the acts and practices hereinafter set forth. His business address is 5140 S. Madison Ave., Indianapolis, Ind.

PAR. 2. Respondents are now, and have been for some time last past, engaged in the advertising, offering for sale, sale or distribution of courses of study and instruction purporting to prepare graduates thereof for employment as heavy equipment operators, truck drivers, and related occupations. Said courses when pursued to completion include a series of lessons pursued by correspondence through the United States mails and a period of in-residence training at a place designated by respondents.

PAR. 3. In the course and conduct of their business, respondents now cause and for some time last past have caused, the publication of advertisements concerning the said courses in newspapers of general circulation and have caused the correspondence portion of their courses, when sold, to be sent from respondents' place of business in the State of Indiana to purchasers thereof located in various other States of the United States. Respondents utilized the services of salesmen and telephone solicitors who induced prospective purchasers of said courses located in States other than the State of Indiana to contact said salesmen at respondents' offices both within the State of Indiana and elsewhere, in person, by telephone, by mail, or otherwise. Said salesmen transmitted to and received from respondents contracts, checks, and other instruments of a commercial nature relating to the sale of said courses to said purchasers. Respondents maintain, and at all times mentioned herein have maintained, a substantial course of trade in said courses of study and instruction in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business as aforesaid, respondents have published or caused to be published in the "Help-Wanted" and other columns of newspapers advertisements containing statements regarding job opportunities, training and wages for persons

interested in becoming heavy equipment operators or truck drivers. Typical and illustrative, but not all inclusive of such advertisements, are the following:

SEMI-DRIVERS NEEDED

No experience necessary. Will Train. Earn \$300 to \$400 per week. For application call (317) 639-6138, or write to Associated Systems, 1040 East Washington St., Indianapolis, Indiana 46202.

GRADERS, SCRAPERS, BULLDOZERS, BACKHOES

No experience necessary. Will train. Earn \$300.00 to \$400.00 per week. For application call 317-545-6431, or write to World Wide Systems, 1042 East Washington St., Indianapolis, Indiana 46202.

PAR. 5. By and through the use of the statements contained in the advertisements set forth in Paragraph Four and others of similar import and meaning but not expressly set out herein, respondents represent directly or by implication, that:

1. Respondents operate, represent, or are affiliated with a construction company or a trucking company.
2. Respondents are offering employment to qualified applicants who will be trained as heavy equipment operators or truck drivers.
3. Persons receiving training from respondents will earn \$300 - \$400 per week as heavy equipment operators, truck drivers, or in related occupations upon completion of training.
4. There is a reasonable basis from which to conclude that there is now or will be a need or demand for heavy equipment operators or truck drivers which respondents' training is designed to meet.

PAR. 6. In truth and in fact:

1. Respondents do not operate or represent, and are not affiliated with a construction company or trucking company, but, to the contrary, are engaged in the sale of courses of instruction to prospective purchasers.
2. Respondents do not offer employment to persons who have been trained as heavy equipment operators or truck drivers, but attempt to and do sell courses of instruction to said purchasers.
3. Few, if any, persons who received training from respondents pursuant to said offer have earned amounts such as \$300-\$400 per week as truck drivers, heavy equipment operators, or in related occupations as a result of such training.
4. Respondents had no reasonable basis from which to conclude that there is now or will be a need or demand for heavy equipment operators or truck drivers which respondents' training is designed to meet.

Therefore, the statements and representations as set forth in

Paragraphs Four and Five were, and are, false, misleading and deceptive.

PAR. 7. In the further course and conduct of their business as aforesaid, respondents cause persons who respond to advertisements to contact respondents' salesmen. For the purpose of inducing the sale of courses offered by respondents, such salesmen make to prospective purchasers many statements and representations, directly and by implication, regarding opportunities for employment as heavy equipment operators and truck drivers available to purchasers of said courses, the assistance furnished to graduates in obtaining employment and other matters. Some of the aforesaid statements and representations appear in brochures, pamphlets and other printed material furnished to said salesmen by respondents and in other statements and representations made orally by said salesmen. Among and typical, but not all inclusive, of such statements and representations are the following:

1. Respondents have been requested by construction and trucking companies to train operators and drivers for jobs as a heavy equipment operator or truck driver with their company upon completion of said training.
2. Graduates of said courses will thereby be qualified for employment as heavy equipment operators or truck drivers without further training or experience.
3. The nature of an initial payment by prospective enrollees of said courses prior to the undertaking of a formal obligation to respondents is not that of a nonrefundable tuition fee.
4. Respondents will permit enrollees of said courses to defer the balance of the cost of said courses remaining after the initial or registration fee has been paid until after the graduate of said courses has obtained employment as a heavy equipment operator or truck driver.
5. Respondents will handle or arrange financing of the balance of the cost of said courses remaining after the initial or registration fee has been paid.
6. Respondents provide a placement service which will secure a job as a heavy equipment operator or truck driver for graduates of said courses who want to work in such capacities.
7. Graduates of said courses who want to work are assured jobs as heavy equipment operators or truck drivers as a consequence of graduating from said courses.
8. Respondents operate and maintain school facilities, and provide training and instruction for prospective heavy equipment operators and truck drivers at these school facilities.

9. Respondents will train enrollees on the best and most up-to-date equipment used in the construction and trucking industries.

PAR. 8. In truth and in fact:

1. Respondents have not been requested by construction or trucking companies to train people for jobs as heavy equipment operators or truck drivers, which jobs shall be offered by such companies to graduates of said training.

2. Graduates of said courses are not thereby qualified for employment as heavy equipment operators or truck drivers without further training or experience.

3. The sum of money that enrollees in said courses are required to pay prior to the undertaking of a formal obligation with respondents is a non-refundable fee.

4. Respondents generally do not permit enrollees of said courses to defer payment of the balance of the cost of said courses remaining after the initial or registration fee has been paid until after employment as a heavy equipment operator or truck driver has been obtained.

5. Respondents seldom if ever arrange financing to enable purchasers to pay the balance of the cost of said courses.

6. The placement service provided by respondents will not secure a job as a heavy equipment operator or truck driver for graduates of said courses who want to work in such capacities.

7. Graduates of said courses who want to work are not assured jobs as heavy equipment operators or truck drivers as a consequence of graduating from said courses.

8. Respondents do not operate and maintain any school facilities for either heavy equipment operator or truck driver training. Respondents have no resident training facilities and all enrollees are sent to an independent school for training.

9. The heavy equipment and trucks provided by the independent training school to which respondents send their enrollees are not the best and most up-to-date equipment used in the construction and trucking industries.

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

PAR. 9. Respondents offered for sale courses of instruction to prepare graduates thereof for jobs as heavy equipment operators and truck drivers without disclosing in advertising or through their sales representatives:

- (1) The recent number and percentage of graduates of each school that were able to obtain the employment for which they were trained;
- (2) the employers that hired any such graduates;
- (3) the initial salary any such graduates received; and

(4) the percentage of recent enrollees of each school for each course offered that have failed to complete their course of instruction.

Knowledge of such facts would indicate the possibility of securing future employment upon graduation and the nature of such employment. Thus, respondents have failed to disclose a material fact, which, if known to certain prospective enrollees, would be likely to affect their consideration of whether or not to purchase such course of instruction. Therefore, the aforesaid acts and practices were, and are, false, misleading, deceptive, or unfair.

PAR. 10. In the further course and conduct of their business, and in furtherance of their purpose of inducing the purchase of their courses by the general public, respondents acting directly and furnishing the means and instrumentalities to their salesmen, directly or indirectly, have engaged in the following additional acts or practices:

Respondents have induced members of the general public to sign certain contracts entitled "Application." Respondents thereby have deceptively and misleadingly created the impression that said documents are not legally binding contractual agreements when in fact said documents are legally binding contractual agreements.

Therefore, respondents' statements, representations, acts or practices as set forth herein were, and are, false, misleading, unfair or deceptive acts or practices.

PAR. 11. Respondents have entered into contracts with purchasers of said courses of instruction which contain provisions for the cancellation of said contracts and the refund of tuition monies paid by said purchasers. In many instances, respondents have failed to offer to refund and refused to refund to purchasers who have cancelled their contracts such monies as may be due and owing according to the terms of said contracts.

The use by respondents of the aforesaid practice and their continued retention of said sums, as aforesaid, is an unfair act or practice and an act of unfair competition within the intent and meaning of Section 5 of the Federal Trade Commission Act.

PAR. 12. (a) Respondents have been and are now using the aforesaid unfair, false, misleading or deceptive acts and practices, which a reasonably prudent person should have known, under all of the facts and circumstances, were unfair, false, misleading or deceptive, to induce persons to pay or to contract to pay over to them substantial sums of money to purchase or pay for courses of instruction which to such purchasers in connection with their future employment and careers was, and is, virtually worthless. Respondents have received the said sums and have failed to offer refunds and have failed to refund such sums to or to rescind such contractual obligations of substantial

numbers of enrollees and participants in such courses who were unable to secure employment in the positions and fields for which they have been purportedly trained by respondents.

The use by respondents of the aforesaid acts and practices, their continued retention of said sums and their continued failure to rescind such contractual obligations of their customers, as aforesaid, are unfair acts or practices.

(b) In the alternative and separate from Paragraph Twelve (a) herein, respondents, who are in substantial competition, in commerce, with corporations, firms and individuals engaged in the sale of courses of vocational instruction, have been and are now using, as aforesaid, false, misleading, deceptive or unfair acts or practices, to induce persons to pay over to respondents substantial sums of money to purchase courses of instruction.

The effect of using the aforesaid acts and practices to secure substantial sums of money is or may be to substantially hinder, lessen, restrain, or prevent competition between respondents and the aforesaid competitors.

Therefore, the said acts and practices constitute an unfair method of competition in violation of Section 5 of the Federal Trade Commission Act.

PAR. 13. By and through the use of the aforesaid acts, practices, statements and representations, respondents place in the hands of others the means and instrumentalities by and through which they mislead and deceive the public in the manner and as to the things hereinbefore alleged.

PAR. 14. 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 and distribution of similar courses of study and instruction.

PAR. 15. The use by respondents of false, misleading and deceptive statements, representations, acts and practices and their failure to disclose material facts, as aforesaid, has had, and now has the tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true, and complete and to induce a substantial number thereof to purchase said courses of study and instruction offered by respondents by reason of said erroneous and mistaken belief.

PAR. 16. 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

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 hereto 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 provisionally accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 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. Respondent Worldwide Systems, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana with its office and principal place of business located at 1042 E. Washington St., Indianapolis, Ind.

Respondent Francis J. Witherbee is an officer of said corporation. He also does business as Associated Systems, Atlas Systems, Coastway American Systems, and Great Lakes Development Corporation. He formulates, directs and controls the policies, acts and practices of said corporation and said business entities and his place of business is located at the above-stated address.

Respondent Steven L. Bradshaw was a former officer of said corporation and did business as Associated Systems, Atlas Systems, Coastway American Systems, Great Lakes Development Corporation, New Horizons Unlimited and others. He formulates, directs and controls the policies, acts and practices of said corporation and said business entities and his place of business is located at the above stated address.

Respondent Eugene C. Kobylarz does business as New Horizons

Unlimited, Rapidway Systems, Trailmasters, and Roads and Lands. He formulates, directs and controls the policies, acts and practices of said business entities and his business address is 5140 S. Madison Ave., city of Indianapolis, State of Indiana.

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 World Wide Systems, Inc., a corporation, its successors and assigns, and Francis J. Witherbee, individually and as an officer of said corporation and doing business as Associated Systems, Atlas Systems, Coastway American Systems and Great Lakes Development Corporation, and Steven L. Bradshaw, individually and as a former officer of said corporation and doing business as Associated Systems, Atlas Systems, Coastway American Systems, Great Lakes Development Corporation, New Horizons Unlimited and others, and Eugene C. Kobylarz, individually and doing business as New Horizons Unlimited, Rapidway Systems, Trailmasters and Roads and Lands, and respondents' officers, agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the advertising, offering for sale, sale or distribution of courses of study and distribution of courses of study and instruction in heavy equipment operation, truck driving or courses of study and instruction in any other subject, trade or vocation, or in connection with any other product or service, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

I

1. Representing, directly or by implication, orally or in writing, that:

A. They are, or represent, or are affiliated with, construction or trucking companies or any industry for which enrollees of any courses offered by respondents are being trained; or misrepresenting, in any manner, the nature of their business.

B. Persons receiving training will, or may, earn any specified amounts or misrepresenting in any manner the prospective earnings of such persons after completion of said training.

C. They have been requested by construction and trucking companies or any other business or organization to train persons for

specific jobs, or misrepresenting, in any manner, respondents' connection or affiliation with any industry or any member thereof.

D. Graduates of any courses offered by respondents will be qualified thereby for employment at jobs for which said graduates were purportedly trained when additional training or experience is required.

E. The nature of the initial payment by prospective enrollees of courses offered by respondents prior to the undertaking of a formal obligation to respondents is not that of a nonrefundable tuition fee; or misrepresenting in any other manner the nature of any payment made by prospective enrollees of any courses offered by respondents.

F. They, or others, will permit enrollees of any courses to defer payment of the balance of the cost of said courses remaining after the initial or registration fee has been paid until after the enrollee has completed said courses and commenced employment; or misrepresenting in any other manner the terms or conditions under which payment is to be made for said courses.

G. They, or others, will handle or arrange financing of the balance of the cost of said courses remaining after the initial or registration fee has been paid, unless respondents, or others specifically named, will, in fact, handle or arrange said financing.

H. They, or others, provide a placement service which will secure a job for graduates of said courses.

I. Graduates of said courses are assured jobs as a consequence of graduating from said courses.

J. There is a substantial demand, or a demand of any size of proportion, for persons completing any of the courses offered by the respondents in the field of truck driving or heavy equipment operations, or any other field, or otherwise representing, orally or in writing, that opportunities of any type or number, are available to such persons, except as hereinafter provided in Paragraph 6 of this order. *Provided, however,* That respondents shall cease and desist making such representations unless the respondents in each and every instance:

(1) Until the passage of a base period to be determined pursuant to Paragraph 6(b) of Part I of this order, after the establishment of a new school location by respondents in any metropolitan area or county, whichever is larger, where they did not previously operate a school, and after the introduction by respondents of any new course of instruction at any school or location, shall:

(A) Have in good faith conducted a statistically valid survey which establishes the validity of any such representation at all times when the representation is made, and

(B) have disclosed in immediate and conspicuous conjunction with any such representation, that:

All representations for potential employment demand or opportunities for graduates of this school (course) are merely estimates. This school (course) has not been in operation long enough to indicate what, if any, actual employment may result upon graduation.

(2) After the passage of a base period to be determined pursuant to Paragraph 6(b) of Part I of this order, and until two years after the establishment of a new school location by respondents in any metropolitan area or county, whichever is larger, where they did not previously operate a school, and after the introduction by respondents of any new course of instruction at any school or location, shall:

(A) make any representations in the form and manner provided in Paragraph 6(b) of Part I of this order, and

(B) disclose in immediate and conspicuous conjunction with any such representation, that:

This school (course) has not been in operation long enough to indicate what, if any, actual employment may result upon graduation.

2. Placing ads in "Help-Wanted" columns or representing by any means that employment is being offered when such offer is not a bona fide offer of employment.

3. Failing to disclose, in writing, clearly and conspicuously, prior to the signing of any contract, to any prospective enrollee of any course offered by respondents, the full cost of such courses including the fee for any home study lessons and for any residential training.

4. Failing to place the title "CONTRACT," in bold face type, on any document which evidences an agreement between a person and respondents relating to the purchase of any of the courses offered by respondents; and failing to remove from any such document the word "application," or words of similar import or meaning.

5. Failing to show each prospective purchaser the home study portion of said courses and allow said prospective purchaser a reasonable time for examination of said home study materials before said prospective purchaser has paid any money or has signed any contract, or has obligated himself in any other way.

6. Failing to send by certified mail, return receipt requested, to each person that shall contract with respondents for the sale of any course of instruction, a notice, the specific provisions of which will be based upon the record in adjudicative proceedings in this matter, which shall disclose the following information and none other:

(a) The title "IMPORTANT INFORMATION" printed in bold face type across the top of the form.

(b) Paragraphs providing the following information computed in the manner and using a form and for a base period to be approved by the Commission:

(1) The placement rate, ratio or percentage for graduates, and also the numbers upon which such rates, ratios or percentages are based;

(2) A list of firms or employers which are currently hiring graduates of respondents' courses in substantial numbers and in the positions for which such graduates have been trained, and the number of such graduates hired, as to the same graduates used to compute the placement percentage in (b)(1) above;

(3) The salary range of respondents' graduates as to the same graduates used to compute the placement percentage in (b)(1) above;

(4) The percentage of enrollees who have failed to complete their course of instruction, such percentage to be computed separately for each course of instruction offered by respondents at each school, location or facility.

(c) An explanation of the cancellation procedure provided in this order, namely that any contract or other agreement may be cancelled for any reason until midnight of the third business day after receipt by the customer, via the U.S. mails, of this notice.

(d) A detachable form which the person may use as notice of cancellation, which indicates the proper address for accomplishing any such cancellation.

This notice shall be sent by respondents no sooner than the next day after the person shall have contracted for the sale of any course of instruction; respondents, during such period provided for in subparagraph (c) above, shall not initiate contact with such person other than that required by this Paragraph.

Provided, however, That subparagraph (b) above shall be inapplicable to any newly established school that respondents may establish in any metropolitan area or county, whichever is larger, where they did not previously operate a school, or to any course newly introduced by respondents, until such time as the new school or course has been in operation for the base period to be established pursuant to subparagraph (b) above. The following statement shall be included in such notice during such period:

All representations of potential employment or salaries are merely estimates. This school (course) has not been in operation long enough to indicate what, if any, actual employment or salary may result upon graduation from this school (course).

After such time as the new school or course has been in operation for the base period to be established pursuant to subparagraph (b) above, and until two years after the establishment of a new school location in any metropolitan area or county, whichever is larger, where they did not previously operate a school, or the introduction of any new course by respondents, the following statement shall be included in such notice:

This school (course) has not been in operation long enough to indicate what, if any, actual employment or salary may result upon graduation from this school (course).

7. Contracting for any sale of any course of instruction in the form of a sales contract or other agreement which shall become binding prior to midnight of the third business day after the date of receipt by the customer of the form of notice provided for in Paragraph 6 above. Upon cancellation of any said sales contract or other agreement as provided in Paragraph 6(c) above, respondents are obligated to refund within three business days to any person exercising the cancellation right, all monies paid or remitted up until the notice of cancellation.

8. Failing to disclose, clearly and conspicuously, in advertisements, in catalogs, brochures and on letterheads that respondents' business is solely and exclusively that of a private school, not affiliated with any members of the construction industry, the trucking industry or any member of any other industry.

9. Failing to refund promptly to purchasers who have cancelled their contracts such monies as may be due and owing according to the terms of such contracts.

II

1. *It is further ordered, That:*

(a) Respondents herein deliver, by registered mail, a copy of this decision and order to each of their present and future franchisees, licensees, employees, sales representatives, agents, solicitors, brokers, independent contractors or to any other person who promotes, offers for sale, sells or distributes any course of instruction included within the scope of this order:

(b) Respondents herein provide each person or entity so described in subparagraph (a) of this paragraph with a form returnable to the respondents clearly stating his or her intention to be bound by and to conform his or her business practices to the requirements of this order; retain said statement during the period said person or entity is so engaged; and make said statement available to the Commission's staff for inspection and copying upon request;

(c) Respondents herein inform each person or entity described in subparagraph (a) of this paragraph that the respondents will not use or engage or will terminate the use or engagement of any such party, unless such party agrees to and does file notice with the respondents that he or she will be bound by the provisions contained in this order;

(d) If such party as described in subparagraph (a) of this paragraph will not agree to file the notice set forth in subparagraph (b) above with the respondents and be bound by the provisions of this order, the respondents shall not use or engage or continue the use or engagement

of such party to promote, offer for sale, sell or distribute any course of instruction included within the scope of this order;

(e) Respondents herein inform the persons or entities described in subparagraph (a) above that the respondents are obligated by this order to discontinue dealing with or to terminate the use or engagement of persons or entities who continue on their own the deceptive acts or practices prohibited by this order;

(f) Respondents herein institute a program of continuing surveillance adequate to reveal whether the business practices of each said person or entity described in subparagraph (a) above conform to the requirements of this order;

(g) Respondents herein discontinue dealing with or terminate the use or engagement of any person described in subparagraph (a) above, who continues on his or her own any act or practice prohibited by this order as revealed by the aforesaid program of surveillance.

(h) Respondents herein maintain files containing all inquiries or complaints from any source relating to acts or practices prohibited by this order, for a period of two years after their receipt, and that such files be made available for examination by a duly authorized agent of the Federal Trade Commission during the regular hours of the respondents' business for inspection and copying.

2. *It is further ordered*, That respondents herein present to each interested applicant or prospective student immediately prior to the commencement of any interview or sales presentation during which the purchase of or enrollment in any course of instruction offered by respondents herein is discussed or solicited a 5 in. x 7 in. card containing only the following language:

YOU WILL BE TALKING TO A SALESPERSON

3. *It is further ordered*, That respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

4. *It is further ordered*, That the respondent World Wide Systems, Inc., shall notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the respondents which may affect compliance obligations arising out of this order.

5. *It is further ordered*, That the individual respondents named herein promptly notify the Commission of the discontinuance of their present business or employment and of their affiliation with a new business or employment. Such notice shall include respondents' current business or employment in which they are engaged as well as a description of their duties and responsibilities.

Complaint

86 F.T.C.

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.
