

Notice of Penalty Offenses Concerning Deceptive or Unfair Conduct in the Education Marketplace

The Federal Trade Commission has determined that the following acts or practices are deceptive or unfair and, thus, are unlawful under Section 5 of the Federal Trade Commission Act:

- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, the need or demand for consumers who have graduated from, or completed courses at, a specific institution.¹
- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, the employment prospects of an institution's graduates, the ease with which an institution's graduates will be able to obtain employment² or the opportunities for employment in any field in which a course of instruction is offered.³
- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, the types of jobs available to an institution's graduates⁴ or for which they would be qualified upon completion of an institution's courses or program.⁵
- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, the number or percentage of consumers attending any course or completing any program or degree who have obtained employment, or the field or nature of such employment.⁶
- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, the amount of money consumers who have graduated from, or have completed courses at, an institution will or may earn.⁷

¹ *In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980); *In the Matter of E. Detective Acad., Inc.*, 78 F.T.C. 1428 (1971).

² *In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980).

³ *In the Matter of Nat'l Inst. of Prac. Nursing*, 48 F.T.C. 1253 (1952); *see also In the Matter of E. Detective Acad., Inc.*, 78 F.T.C. 1428 (1971) (misrepresenting "opportunities for employment of individuals who complete any course of instruction").

⁴ *In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980).

⁵ *In the Matter of E. Detective Acad., Inc.*, 78 F.T.C. 1428 (1971) (misrepresenting qualification for employment as detectives or similar position); *see also In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980) (misrepresenting qualification necessary to obtain employment in the fields for which training was offered); *In the Matter of Nat'l Inst. of Prac. Nursing*, 48 F.T.C. 1253 (1952) (misrepresenting that recipient of a certificate or diploma from institute would be regarded by a potential employer or other institution as proficient in the field of endeavor to which such diploma or certificate relates).

⁶ *In the Matter of E. Detective Acad., Inc.*, 78 F.T.C. 1428 (1971) (misrepresenting that hundreds had obtained work within a year); *see also In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980) (outlining specific parameters for the calculation of the graduate success rate).

⁷ *In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980) (misrepresenting the prospective earnings of persons who completed courses); *see also In the Matter of E. Detective Acad., Inc.*, 78 F.T.C. 1428 (1971) (misrepresenting "wages or compensation available to graduates of any course of instruction").

- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, the qualifications or requirements necessary to obtain employment in the fields for which an institution offers training, including whether experience or additional education is required or advantageous for employment in any field or for any position.⁸
- It is an unfair or deceptive trade practice to misrepresent, directly or by implication, an institution's capabilities or facilities for assisting graduates or students of any course in finding employment, or the assistance actually provided to graduates in finding employment, including the existence of a job placement service.⁹

⁸ *In the Matter of Macmillan, Inc.*, 96 F.T.C. 208 (1980).

⁹ *In the Matter of E. Detective Acad., Inc.*, 78 F.T.C. 1428 (1971).