

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Victory Media, Inc., a corporation, also d/b/a G.I. Jobs,
also d/b/a Military Friendly, File No. 162 3210

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, an agreement containing a consent order from Victory Media, Inc. The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the FTC will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final agreement’s proposed order.

The respondent publishes print and online magazines and guides for servicemembers transitioning from military service to the civilian workforce. The respondent does business under the names G.I. Jobs and Military Friendly. Its websites include gijobs.com, militaryfriendly.com, and militaryspouse.com. Victory Media also maintains active social media accounts, including on Twitter, Facebook, YouTube, and LinkedIn, under handles such as “Military Friendly” or “G.I. Jobs” that attract military consumers.

The respondent operates a search tool, School Matchmaker, at gijobs.com to help servicemembers find educational institutions in their fields of interest. The proposed complaint in this matter alleges that the respondent made claims that its Matchmaker tool searched schools that met respondent’s “military friendly” criteria. In fact, the tool searches only schools that pay to be included, whether respondent has designated them as “military friendly” or not. Thus, several schools not designated by the respondent as “military friendly” are included in the Matchmaker search results. The proposed complaint alleges that the respondent’s misrepresentations regarding the scope of the Matchmaker search tool constitute a deceptive act or practice under Section 5 of the FTC Act.

Additionally, the FTC complaint alleges that the respondent, in certain of its articles, emails, and social media posts, misrepresented that its endorsements were independent and not paid advertising, and failed to adequately disclose that the content recommended schools that paid the respondent specifically to be promoted therein. The proposed complaint alleges that those misrepresentations and undisclosed paid recommendations constitute deceptive acts or practices under Section 5 of the FTC Act.

The proposed order is designed to prevent the respondent from engaging in similar deceptive practices in the future.

Part I prohibits the respondent from making any misrepresentations regarding the scope of any search tool, including whether the tool only searches “military friendly” schools. Part I further prohibits the respondent from making any misrepresentations about material connections between it and any schools, and from making any misrepresentations that paid commercial advertising is independent content.

Part II requires the respondent, when endorsing schools (or preparing third-party endorsements of schools), to clearly and conspicuously disclose, in close proximity to the endorsement, any payments or other material connections between the respondent or the other endorser and the school. This disclosure requirement applies where consumers are likely to believe that such endorsements reflect the beliefs of the respondent or other endorser (and not the schools themselves).

Parts III through VII of the proposed order are reporting and compliance provisions. Part III is an order distribution provision. Part IV requires the respondent to submit a compliance report one year after the issuance of the order, and to notify the Commission of corporate changes that may affect compliance obligations. Part V requires the respondent to create, for 10 years, accounting, personnel, complaint, and advertising records, and to maintain each of those records for 5 years. Part VI requires the respondent to submit additional compliance reports within 10 business days of a written request by the Commission, and to permit voluntary interviews with persons affiliated with the respondent. Part VII “sunsets” the order after twenty years, with certain exceptions.

The purpose of this analysis is to aid public comment on the proposed order. It is not intended to constitute an official interpretation of the complaint or proposed order, or to modify in any way the proposed order’s terms.