UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Robert Pitofsky, Chairman

Mary L. Azcuenaga Janet D. Steiger Roscoe B. Starek, III Christine A. Varney

In the Matter of) DOCKET NO. C-3633

BLENHEIM EXPOSITIONS, INC.) DECISION AND ORDER a corporation.)

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft complaint which the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violations of the Federal Trade Commission Act; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent 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 thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, and having duly considered the comments filed thereafter by interested persons pursuant to § 2.34 of its Rules, now in further conformity with the procedure prescribed in § 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

- 1. Respondent Blenheim Expositions, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida, with its office and principal place of business located at 1133 Louisiana Avenue, Suite 210, Winter Park, Florida 32789.
- 2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

I.

IT IS ORDERED that respondent, Blenheim Expositions, Inc., a corporation, its successors and assigns, and its officers; and respondent's agents, representatives and employees, directly or through any corporation, subsidiary, affiliate, division or other device, in connection with the advertising, promotion, or marketing of franchise shows in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting, in any manner, directly or by implication, the existence, purpose, sample, contents, validity, results, conclusions or interpretations of any survey, poll, test, report or study.

II.

IT IS FURTHER ORDERED that respondent, Blenheim Expositions, Inc., a corporation, its successors and assigns, and its officers; and respondent's agents, representatives and employees, directly or through any corporation, subsidiary, affiliate, division or other device, in connection with the advertising, promotion, marketing, or conducting of franchise shows in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from representing in any manner, directly or by implication:

- A. the sales, income, or profits that current or prospective franchise owners have earned or can or will earn; or
- B. the chances of success or success rates that franchise owners have enjoyed or can or will enjoy,

unless, at the time of making such representation, respondent possesses and relies upon competent and reliable evidence, which when appropriate must be competent and reliable scientific evidence, that substantiates the representation. For purposes of this Order, "competent and reliable scientific evidence" shall mean analyses, research, surveys, polls, reports, studies or other evidence based on the expertise of professionals in the

relevant area, that have been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

III.

IT IS FURTHER ORDERED that respondent, Blenheim Expositions, Inc., a corporation, its successors and assigns, and its officers, for a period of five (5) years after the date of entry of this Order, shall distribute, at each franchise show it promotes, directly or through any corporation, subsidiary, affiliate, division or other device, to at least 500 persons attending such show, or to each person attending such show if the total number of such persons is fewer than 500, a brochure entitled, "A Consumer Guide To Buying A Franchise," provided to the respondent by the Federal Trade Commission. The Commission shall provide to the respondent one camera-ready copy of the brochure, and the respondent is responsible for the printing, and printing costs, of the brochure for distribution at the franchise The brochures distributed by respondent pursuant to this paragraph shall be reproduced in a format substantially similar to the original format, as provided by the Federal Trade Commission; provided, however, that reproduction in a black and white format shall be deemed substantially similar to the original for purposes of this paragraph. Respondent may revise the text of said brochure or substitute another similar document only after submitting said revision or substitution to staff of the Commission, and receiving written approval thereof.

TV.

IT IS FURTHER ORDERED that respondent, Blenheim Expositions, Inc., a corporation, its successors and assigns, and its officers, shall:

- A. For a period of five (5) years after the date of the last dissemination by or on behalf of the respondent of any representation covered by this Order, maintain and upon request make available to the Federal Trade Commission or its staff for inspection and copying:
 - 1. All advertisements and promotional materials setting forth such representation;
 - 2. All polls, surveys, reports, studies, or other documents and materials relied upon by the respondent to substantiate such representation; and

- 3. All polls, surveys, reports, studies, or other documents and materials (such as correspondence) in the respondent's possession or control that contradict, qualify, or call into question such representation or the basis upon which the respondent relied for such representation;
- B. For a period of five (5) years after the date of their creation, maintain and upon request make available to the Federal Trade Commission or its staff for inspection and copying such other documents and materials as shall demonstrate full compliance with this Order.

v.

IT IS FURTHER ORDERED that, within thirty (30) days after service of this Order upon it, respondent, Blenheim Expositions, Inc., its successors and assigns shall distribute a copy of this Order to each of its operating divisions and to each of its officers, agents, representatives, or employees engaged in the preparation or placement of advertisements, promotional materials, or other such sales materials covered by this Order.

VI.

IT IS FURTHER ORDERED that respondent, Blenheim Expositions, Inc., its successors and assigns shall notify the Commission at least thirty (30) days prior to any proposed change in said corporation such as a dissolution, assignment, or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, or any other change in the corporation which may affect compliance obligations under this Order.

VII.

IT IS FURTHER ORDERED that this order will terminate twenty years from the date of its issuance, or twenty years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

- A. Any paragraph in this order that terminates in less than twenty years;
- B. This order's application to any respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

VIII.

IT IS FURTHER ORDERED that respondent, Blenheim Expositions, Inc., shall, within sixty (60) days after service of this Order upon it, and at such other times as the Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this Order.

By the Commission.

Benjawin I. Berman Acting Secretary

ISSUED: December 22, 1995