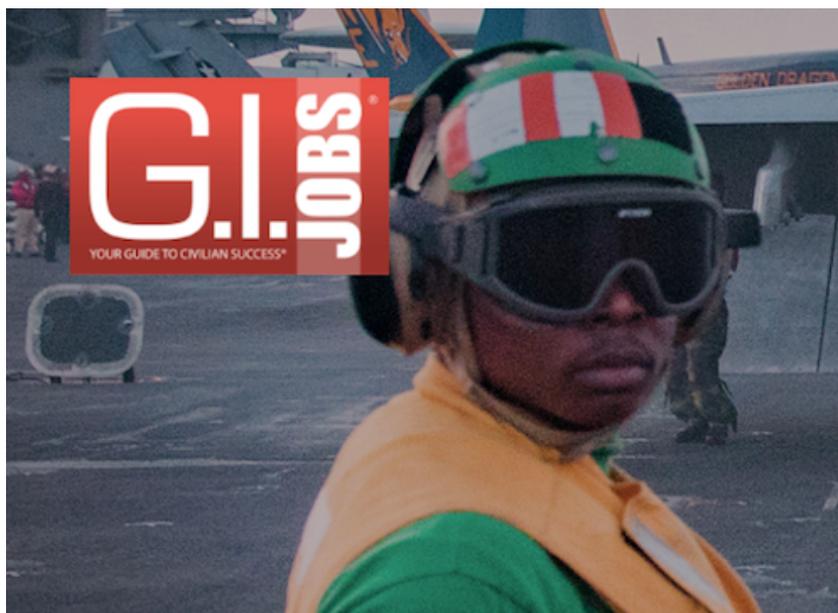


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FTC Slaps Wrist Of For-Profit College Marketer That Tricked Vets; Many Bad Wrists Remain

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Last week the Federal Trade Commission announced it had reach a [proposed settlement](#) with a Pittsburgh-based marketing company called Victory Media. Victory had [drawn attention](#) for websites and print magazines that deceptively pitched a large audience of military troops and veterans on Kaplan University and other for-profit colleges with poor records of serving students.

The settlement with Victory is the second time that the FTC has reached an agreement with a for-profit college “lead generation” operation — businesses that get paid to provide potential customers, or leads, to other businesses.

It’s a positive step that the FTC has taken seriously the damage that bad lead generation companies do: using [bait-and-switch](#) promises of [jobs](#) or [welfare aid](#), or paid promotions disguised as legitimate recommendations, to push students — veterans, low-income single moms, and others — into high-priced,

low-quality for-profit college programs that often leave them worse off, with insurmountable debt and without the jobs they sought.

But, unlike the [first such FTC agreement](#), which last year imposed a \$360,000 fine on Orlando-based lead generator Expand, Inc., this time [there is no fine at all](#), just a legal commitment from Victory to avoid deceiving veterans, to disclose when it receives payments for endorsements, and to report back to the FTC affirming its compliance.

The FTC has offered the public an opportunity to comment, [by November 20](#), about this slap on Victory's wrist.

Meanwhile, numerous deceptive for-profit college lead generation operations remain in business unhindered, including — see below — two who sent out public relations emails Monday morning.

Victory Media was one of the [operations I highlighted](#) when I was invited by the FTC to speak at an October 2015 hearing about online lead generation practices. (I've also met in the past with FTC officials to discuss abuses by for-profit colleges and lead generators.)

Victory Media's magazines have been widely available on U.S. military bases, and troops and veterans regularly visit its websites.

As I told the 2015 FTC hearing, one of the Victory's websites is [GIJobs.com](#), which [included](#) a "School Matchmaker" tool for "Military Friendly Schools." When I tried the tool, the schools that popped up over and over were predatory for-profit colleges: Kaplan, which has received as much as \$1.5 billion in a single year from taxpayers, but has a [troubling record](#) of misleading students and has been [under investigation](#) by multiple law enforcement agencies, as well as other schools that have [gotten in trouble](#) with law enforcement, including Colorado Tech, owned by Career Education Corp., and Lincoln Tech.

Victory Media also publishes and promotes an annual, clickable listing of [Military Friendly® Schools](#). The report claims to select the top twenty percent of colleges for veterans — those do the best job of preparing vets for "a [vibrant educational experience](#) followed by chances for the most gainful employment afterward." The list has included many for-profit colleges under law enforcement investigation, such as Ashford University and Kaplan. The list has been reported, without questioning the source or methodology, by [lazy local media](#) around the country.

Activist veteran Dahn Shaulis has long been working to bring Victory Media's abuses to public attention, and Victory Media responded by [threatening legal action](#).

In its [announcement](#) last week, the FTC contended that Victory Media "deceptively promoted schools that paid the company for those promotions, including some schools the company had deemed not 'military friendly.'" The FTC [found](#) that Victory included schools as search results for its School Matchmaker "only if the schools paid it to be included," and that it endorsed individual schools in articles, emails, and social media posts without disclosing that, in many cases, the schools paid Victory for that endorsement.

A devastating August 2016 [report](#) from the organization Veterans Educational Success detailed Victory Media's deceptions. As the report notes, Victory's standards for "Military Friendly" status are so low that Colorado Technical Institute could pass, even though that school has the highest percentage of complaints from Department of Veterans Affairs' GI Bill Feedback System and the company that owns it has faced investigations from more than 20 state attorneys general, the Securities and Exchange Commission, the FTC, and the Department of Education. The report adds, "The only schools to have more than 100 complaints in the GI Bill Feedback System are University of Phoenix, ITT Tech, DeVry, and Colorado Technical Institute. All are designated 'Military Friendly' by Victory Media and promoted by Victory Media's survey, search engine, and e-mail blasts." All of those schools have been [under law enforcement investigation](#). In addition, more than 250 colleges that Victory Media designates as "military friendly" are not even approved by the Defense Department to participate in its Tuition Assistance program.

Given this appalling record of deceiving our troops and veterans and pushing them into subprime colleges, It's not clear why the FTC did not insist that Victory pay a monetary penalty to account for some of the revenues it made by deceiving veterans or to provide restitution for victims of such deceptions — as it did in the Expand case, which involved a similar business model.

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If Victory refused to accept such a fine, the FTC would have the option of suing the company in court, as it did against DeVry University, which the Commission charged had deceived prospective students about job placement rates. DeVry eventually agreed to settle that lawsuit by paying [\\$100 million](#) to former students.

There could be thousands of U.S. veterans and service members who read Victory Media's Military Friendly list or used its School Matchmaker tool, [trusted that the company](#) had the best interests of our troops at heart, and assumed the schools listed were selected on merit, rather than because they had paid promotion fees to Victory. Some of those students undoubtedly enrolled in programs at predatory schools and were left with worthless credits and degrees; their time, student loans, and G.I. Bill, Pentagon tuition assistance, and Department of Education grants wasted; their financial futures destroyed by overwhelming debt.

Where is the justice in a settlement that provides nothing for these troops and vets, while allowing Victory to keep all the profits resulting from its misconduct?

Asked about the lack of a monetary penalty, an FTC spokesperson declined to comment.

As noted, members of the public can, by November 20, [file comments](#) about the proposed settlement.

Victory Media has been misleading students, but so have other ongoing lead generations operations, including [Army.com](#), [Military.com](#), and others I highlighted at the October 2015 FTC hearing and in various [articles](#).

There are many more out there. On Monday, five minutes apart, I received two emails from the service PR Newswire, which transmits various corporation press releases.

One was from Best College Reviews, announcing its “Top 25 Online Associates in Small Business Management.” The list of supposedly high-quality associates degrees included a number of public and community colleges, but also for-profit colleges including Kaplan University; American Intercontinental University, owned by Career Education Corp.; and Argosy University, owned by the troubled Education Management Corp., which, like Kaplan and CEC, has faced [multiple law enforcement actions](#).

According to the press release, Best College Reviews bases its rankings on three criteria: tuition, “Customization Options,” and “Wow Factor,” a term you see a lot in copy written by lead generators.

To learn more, I visited the Best College Reviews [website](#). In order to get recommendations for colleges that would be right for me, I had to do something that various deceptive websites have asked of me in the past: I had to provide an email address, physical address, and phone number and agree, in a small print notice, that my information would be shared with various for-profit colleges: Kaplan University, [Grantham University](#), [Grand Canyon University](#), Capella, and others. I didn’t want to provide my actual phone number because, in my experience, providing such information means that you will start [receiving phone calls](#), a lot of them, almost immediately from people trying to push you into for-profit college programs.

I reached out to the editor at Best College Reviews who was listed as a media contact, and asked if the company receives payments from any of the colleges in their rankings to appear in the rankings, to appear in their online college searches, or for other services, and if so, whether and where prospective students are informed of those arrangements. I haven’t received a response.

The other email I received Monday promoted [OnlineCollegePlan.com](#) and its rankings of “Top Online Colleges Near Jacksonville” (which is kind of an odd category since, from students’ perspective, it doesn’t really matter where your online college is located). That list, again, contains mostly public and non-profit schools, but it includes [Chamberlain College of Nursing](#), owned by Adtalem, formerly DeVry, a company that has faced [multiple law enforcement probes](#), and Florida’s very expensive [Full Sail University](#), which has [performed poorly](#) under the Department of Education’s gainful employment measure of whether graduates are earning enough to repay their student loans.

When I visited the OnlineCollegePlan website and tried to search for programs, the website repeatedly crashed. But I did get a look at its ranking of “The Top 100 Best Online Colleges,” and Kaplan University was number 16, ranked above schools including the University of Illinois and Boston University.

Kaplan University, which the taxpayers of Indiana are on the verge of purchasing pursuant to an [ill-advised scheme](#) by Purdue University president Mitch Daniels, seems enamored of recruiting students through shady lead generation operations; its name pops up on deceptive site after deceptive site.

I reached out to the OnlineCollegePlan editor and asked whether the company received payments from colleges for placement in its rankings or searches. I didn’t get a response from her, either.

For our veterans and other prospective students seeking to improve their lives through education, the internet remains a haunted house of sleazy websites opening doors to shady colleges, leaving victims buried in debt. Secretary of Education Betsy DeVos has turned her department over to for-profit college lobbyists and [turned her back on students](#). But the independent FTC doesn’t have to do the same. The commission can do much more to protect Americans from deceptive college recruiting practices. It should step up.

This article also appears on [Republic Report](#).

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