

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION

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In the Matter of)	
)	
THE NATIONAL RESEARCH CENTER FOR)	
COLLEGE AND UNIVERSITY ADMISSIONS, INC., and)	
AMERICAN STUDENT LIST, LLC,)	
corporations, and)	DOCKET NO. C-
)	
DON M. MUNCE, individually and as an officer of)	
THE NATIONAL RESEARCH CENTER FOR)	
COLLEGE AND UNIVERSITY ADMISSIONS, INC.)	
)	

COMPLAINT

The Federal Trade Commission, having reason to believe that The National Research Center for College and University Admissions, Inc. and American Student List, LLC, corporations, and Don M. Munce, individually and as an officer of The National Research Center for College and University Admissions, Inc. (“respondents”), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent The National Research Center for College and University Admissions, Inc. (“NRCCUA”) is a Missouri corporation with its principal office or place of business at 900 SW Oldham Parkway, Lees Summit, Missouri 64081.
2. Respondent Don M. Munce is an officer and director of NRCCUA. Individually or in concert with others, he formulates, directs, controls, or participates in the policies, acts, or practices of NRCCUA, including the acts or practices alleged in this complaint. His principal office or place of business is the same as that of NRCCUA.
3. Respondent American Student List, LLC (“ASL”) is a New York limited liability company with its principal office or place of business at 330 Old Country Road, Mineola, New York 11501.
4. The acts and practices of respondents alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

5. Since at least 1988, respondents have collected personal information from high school students through a survey (the “Survey”). Respondents market and distribute the Survey to high school teachers and guidance counselors with the request that they have their students complete the Survey. Students may also complete the Survey online at NRCCUA’s Web site, www.nrccua.org. Last year, respondents collected personal information from more than 2 million high school students who completed the Survey.

6. The Survey collects from high school students personal information, including, but not limited to, name, address, gender, grade point average, date of birth, academic and occupational interests, athletic and extracurricular interests, racial or ethnic background, and religious affiliation (the “Survey Data”).

7. Respondents create, market, and distribute the Survey, and compile and use Survey Data. Respondents NRCCUA and ASL each pay a substantial portion of the cost to produce and distribute the Survey.

8. Survey Data is used by respondents. Respondent NRCCUA markets Survey Data primarily to colleges and universities, which use the information to target high school students for recruitment purposes. Respondent ASL uses Survey Data to create lists of college-bound students that it sells to commercial entities for use in marketing. Such entities include, but are not limited to, consumer products manufacturers, credit card companies, direct marketers, list brokers, database marketing companies, and advertising agencies.

9. Respondents have disseminated or caused to be disseminated marketing materials and privacy statements, including but not limited to the attached Exhibits A through D. These marketing materials and privacy statements contain the following statements regarding the use and disclosure of personal information collected through the Survey:

- A. “As you know, NRCCUA is a membership organization that represents over 850 colleges and universities. These universities use the NRCCUA survey to contact your students, whose interests and abilities match the institution’s offerings. Your priority is to help your students succeed, and this survey is one more way you can boost your students’ chances.

By completing this survey now, your students will receive the information they need to help them make an informed college choice.” (Exhibit A, cover letter to educators accompanying Survey).

- B. “This data is used by colleges, universities and other organizations to assist students and their families by providing them with valuable information. The National Research Center for College and University Admissions advocates responsible and secure use of

the information obtained voluntarily through this survey.” (Exhibit B, privacy statement found on the Survey).

- C. “Use of this survey data is authorized by the National Research Center for College and University Admissions for the purposes of research and dissemination of college and career information, and other information helpful to students and their families in the transition from high school to college.” (Exhibit C, privacy statement found on the NRCCUA Web site).
- D. “The National Research Center for College and University Admissions builds educational bridges by providing a communications link between high schools, college-bound high school students, and our member colleges and universities. NRCCUA is a non-profit organization serving the needs of each.

Since 1972 our mission has been to make the important process of selecting a college education or career path easier for students. Our annual surveys enable more than 4 million high school students to indicate their unique college and career preferences to over 1000 member colleges and universities.” (Exhibit D, NRCCUA Web site home page).

10. Respondents have disseminated or caused to be disseminated marketing materials that accompany the Survey, including but not limited to the attached Exhibits E through G. These marketing materials contain the following statements regarding the funding of the Survey:

- A. “Assisting educators and their students with the college selection process has been our mission for over 25 years. As a result of completing the survey last year, over 2 million students from 24,000 high schools are receiving information that will be invaluable to them as they plan for the future. With your assistance, this year’s effort will be even more significant.

This service is provided at no cost to you or your students! It is completely funded by our members, 850 colleges and universities who include most of the top national and regional colleges and universities as ranked by *U.S. News & World Report*. ” (Exhibit E, cover letter to educators accompanying Survey) (emphasis in original).

- B. “Please read the brief instructions, and pass out the enclosed surveys to the sophomore, junior and freshmen students in all of your classes. Your students will receive valuable information on admissions, financial planning, scholarships, and other relevant information to help them plan intelligently for their future. All of this is free to your

students because it is funded by our member educational institutions.” (Exhibit F, cover letter to educators accompanying Survey) (emphasis in original).

- C. “These survey results are provided at no cost to participating high schools, NRCCUA is funded by its member colleges and universities for the purpose of distributing helpful educationally-related literature to students.” (Exhibit G, report to educators).

11. Through the means described in Paragraphs 9 - 10, respondents have represented, expressly or by implication, that:

- A. Information collected from high school students through the Survey is shared only with colleges, universities, and other entities providing education-related services.
- B. The Survey is funded solely by educational institutions.

12. In truth and in fact:

- A. Information collected from high school students through the Survey is shared not only with colleges, universities, and other entities providing education-related services, but also with commercial entities for marketing purposes.
- B. The survey is not funded solely by educational institutions, but also receives substantial funding from ASL and others for commercial purposes.

Therefore, the representations set forth in Paragraph 11 were, and are, false or misleading.

13. The acts and practices of respondents as alleged in this complaint constitute unfair or deceptive acts or practices, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this ____ day of _____, 2002, has issued this complaint against respondents.

By the Commission.

Donald S. Clark
Secretary

SEAL: