

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Edith Ramirez, Chairwoman
Julie Brill
Maureen K. Ohlhausen
Joshua D. Wright
Terrell McSweeney

_____)
In the Matter of)
)
Professional Skaters Association, Inc.,) Docket No. C-
)
a corporation.)
_____)

DECISION AND ORDER

The Federal Trade Commission, (“Commission”), having initiated an investigation of certain acts and practices of the Professional Skaters Association, Inc. (“Respondent” or “PSA”) and Respondent having been furnished thereafter with a copy of a draft of complaint that the Bureau of Competition proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with violations of Section 5 of the Federal Trade Commission Act, as amended, 15 U.S.C. § 45; and

Respondent, its attorneys, 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, or that the facts as alleged in such complaint, other than jurisdictional facts, are true, and waivers and other provisions as required by the Commission’s Rules; and

consideration of public comments, now in further conformity with the procedure described in § 2.34 of its Rules, the Commission hereby issues its complaint, makes the following ju

1. Respondent Professional Skaters Association, Inc., is a non-profit corporation organized, existing, and doing business under, and by virtue of, the laws of the State of Minnesota, with its office and principal place of business located at 3006 Allegro Park SW, Rochester, Minnesota 55902.
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. “Perform

governing the conduct of its Members with respect to (i) representations that Respondent reasonably believes would be false or deceptive within the meaning of Section 5 of the Federal Trade Commission Act, (ii) prevention of sexual and physical abuse of children, or (iii) in-person solicitation of a skater actively engaged in a lesson or Performing.

2. Price competition by any Member, including, but not limited to, restraining any person from offering free lessons when soliciting business.
- B. Adopting or maintaining any Code of Ethics or practice that reka1-24(y)6(0.002 Tc -0.002 Tw [(th)2t)-2

3. Notify the Skating Organizations that Respondent agreed to change its Code of Ethics and will not enforce or investigate on behalf of the Skating Organizations a violation of any Code of Ethics or practice that does not comply with the FTC Consent Order, and provide a copy of this Order to each organization.
- B. No later than sixty (60) days from the date this Order is issued Respondent shall:
1. Remove from PSA's Organization Documents and website any statement that is

1. Action against any Member taken in connection with the activities covered by Paragraph II. of this Order, including but not limited to enforcement, advisory opinions, advice or interpretations rendered; and
2. Complaint received from any person relating to Respondent's compliance with this Order.

IV.

IT IS FURTHER ORDERED that Respondent shall design, maintain, and operate an antitrust compliance program to assure compliance with this Order and the Antitrust Laws:

- A. No later than thirty (30) days from the date this Order is issued, Respondent shall appoint and retain an Antitrust Compliance Officer for the duration of this Order to supervise Respondent's antitrust compli

V.

IT IS FURTHER ORDERED that Respondent shall file a verified written report with the Commission setting forth in detail the manner and form in which it intends to comply, is complying, and has complied with this Order:

- A. No later than (i) ninety (90) days after the date this Order is issued, (ii) one hundred eighty (180) days after the date this Order is issued; and
- B. No later than one (1) year after the date this Order is issued and annually thereafter for four (4) years on the anniversary of the date on which this Order is issued, and at such other times as the Commission staff may request.

VI.

IT IS FURTHER ORDERED that Respondent shall notify the Commission at least thirty (30) days prior to any proposed:

- A. Dissolution of Respondent;
- B. Acquisition, merger, or consolidation of Respondent; or
- C. Any other change in Respondent, including, but not limited to, assignment and the creation or dissolution of subsidiaries, if such change might affect compliance obligations arising out of this Order.

VII.

IT IS FURTHER ORDERED that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon five (5) days' notice to Respondent, Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

- A. Access, during business office hours of the Respondent and in the presence of counsel, to all facilities, and access to inspect and copy all books, ledgers, accounts, correspondence, memoranda and all other records and documents in the possession, or under the control, of the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at its expense; and
- B. To interview officers, directors, or employees of the Respondent, who may have counsel present, regarding such matters.
- C.

VIII.

IT IS FURTHER ORDERED that this Order shall terminate twenty (20) years from the date it is issued.

By the Commission.

Donald S. Clark
Secretary

SEAL:

ISSUED:

APPENDIX A

[Letterhead of PSA]

Dear Member:

As you may know, the Federal Trade Commission (“FTC”) conducted an investigation concerning the provision in PSA’s Code of Ethics that stated:

No member shall in any case solicit pupils of another member, directly or indirectly, or through third parties.

The FTC alleges that this provision in the Code of Ethics violates the Federal Trade Commission Act because it unnecessarily restricts members of PSA from competing for pupils, thereby depriving pupils of the benefits of competition among skating coaches. The FTC also alleges that PSA guidelines state it is unethical for members to give free lessons is an illegal restriction on price competition.

To end the investigation expeditiously and to avoid disruption to its core functions, PSA voluntarily agreed, without admitting any violation of the law, to the entry of a Consent Agreement and a Decision and Order by the Federal Trade Commission. As a result, PSA will eliminate the above provision from its Code of Ethics and other organizational documents and implement an antitrust compliance program.

In general, the FTC has prohibited PSA from maintaining bylaws, code of ethics, operational policies, or membership requirements that restrict members from soliciting students and engaging in price competition. The Decision and Order also prohibits PSA from (1) encourag