COMPETITION TRIBUNAL

IN THE MATTER of the Competition Act, R.S.C. 1985, c. C-34, as amended;

AND IN THE MATTER of an inquiry under subparagraph 10(1)(b)(ii) of the Competition Act relating to certain marketing practices of Premier Career Management Group Corp. and Minto Roy;

AND IN THE MATTER of an application by the Commissioner of Competition for an order under section 74.1 of the Competition Act;

BETWEEN:

THE COMMISSIONER OF COMPETITION

and

TRIBUNAL DE LA CONCURRENCE Applicant.

2007

COMPETITION TRIBUNAL

OTTAWA, ONT,

(CO)

and

PREMIER CAREER MANAGEMENT GROUP CORP.

MINTO ROY

Respondents.

AFFIDAVIT OF STEVE WILLS

I. STEVE WILLS, 302 - 2181 West 38th, Vancouver, British Columbia, **SOLEMLY AFFIRM AS FOLLOWS:**

- 1) My date of birth is January 15, 1951.
- 2) I have a Bachelor of Arts in Anthropology from York University.

- 3) I had previously worked in the employment agency industry including about 20 years for advertising agencies specializing in workplace communications.
- 4) I worked as a senior career consultant with Premier Career Management Group ("PCMG") from September 2005 to December 2005. The following statement relates to my experience with PCMG.
- 5) In July 2005, I applied for a regional manager position with the Children's Technology Workshop. I had seen the job advertised online on Monster.com or another Internet job site.
- I was subsequently contacted and interviewed in person by Jean-Charles Freimuller of the Children's Technology Workshop. Freimuller told me that if I was invited for a second interview, PCMG would contact me and that the interview would take place on the Careers Today radio show.
- 7) Leasa Walker of PCMG contacted me and arrangements were made for me to attend the second interview, which was taped and broadcast on CISL 650 AM radio. I met Minto Roy and Alanna Fero for the first time on that occasion. PCMG's producer for the show was Lana Casavant.
- 8) I did not get the job with the Children's Technology Workshop, but after the show, Minto Roy told me that he was interested in talking to me about working for PCMG.
- 9) I met with Minto Roy on two occasions and he described PCMG as a company that partnered with individuals to provide them with the professional counseling, and the network of contacts and the research resources that would aid in their career advancement. Minto Roy told me that PCMG's services were engaged by people looking for work and by those currently employed who were looking to advance. Minto Roy appeared extremely credible and well connected and I had no reason to believe him that the services did not exist.
- 10) In September 2005, I started work at PCMG as a "senior career consultant". I worked from PCMG's offices on the 29th floor of the TD Tower, in downtown Vancouver. I started out by shadowing other career consultants, including Minto Roy, during both the preliminary and second interview with prospective clients. I was to be paid strictly on commission. My role as a career consultant was to interview prospective clients and to sell them the PCMG program. The base commission on one sale per week was 15% or 20%. The commission was higher on subsequent sales, as high as 40%.

- In my experience, the typical prospective clients of PCMG were individuals who had applied for a job posted on the Careers Today website and other similar websites. Those applicants that were not hired subsequently would get a phone call from Leasa Walker, the receptionist at PCMG, who would tell him or her that he or she did not get the job. Walker would offer the opportunity to meet with a senior career counselor at PCMG. They would assume that they were coming in to be interviewed for a specific job.
- 12) Minto Roy, PCMG's director, was very insistent that myself and other consultants follow the script provided by PCMG. Minto Roy emphasized that we would be successful only by following the script and this approach worked. I know other consultants that tried a different approach without success.
- In this script, PCMG was to be characterized as the prospective client's friend and a powerful potential partner in helping them to find a new job. The script included statements to the effect that because every PCMG client becomes part of the PCMG network, PCMG has therefore built a vast network of contacts at the management and supervisory level, in every industry. The script indicated that upon signing on with PCMG, each new client gets access to PCMG's network of decision-makers. I was never shown any document that listed or described that network. The script did not promise that PCMG would put the client in touch with specific individuals or specific companies, but implied that PCMG had contacts and would arrange introductions to executives who could put the client in touch with decision-makers, people who could help the client get ahead.
- 14) I personally witnessed Minto Roy and other consultants follow the format described above.
- 15) The sales pitch was that the client cannot do for himself/herself what he or she can do in partnership with PCMG; that PCMG has the resources and networks to lift its clients up to the next level; that PCMG will help the client prepare first-class materials; that it will help the client rehearse for job interviews; and will give them a dedicated career advisor to work with to tailor a job search.
- The PCMG sales strategy, as taught by Minto Roy to myself and other PCMG career consultants, involved two meetings with the prospective client. During the first meeting, the consultant, following the script provided by Minto Roy, would tell the prospect that PCMG works only with highly qualified candidates with a lot of potential and that the purpose of that meeting was to enable PCMG to get to know the

prospect a little better in order to decide if he or she were the type of person PCMG would want to "partner" with and could be successful with. Following the script, the consultant would tell the prospect that he or she would be invited to a second meeting if PCMG decided the prospect was the type of person they could work in partnership with. I know that the purpose of this part of the script was to give the prospective client the illusion that they were special. In the time that I worked at PCMG, I did not see any assessment criteria used to qualify prospects for the second meeting. I was not given any instructions or checklists for qualifying candidates.

- 17) In coaching myself and other sales consultants, Minto Roy stressed that the key objectives of the first meeting was first to find the money, i.e. to determine the prospect's ability to pay and, if they did not have the money, where they could turn to get it. The second objective was to get the prospective client's spouse to attend the second meeting. Roy presented it as a rule: no spouse, no second meeting. If the prospect asked why the spouse needed to attend. I and other sales consultants were told to explain that companies hiring at senior levels commonly interview the spouse and that the support of the spouse is important to the client's success in the PCMG program. I know that the real reason for requiring the spouse to be present was to facilitate closing the deal at the second meeting. If the prospective client was given the price of the program and given the opportunity to take the deal home and talk it over with the spouse who had not been exposed to the sales pitch, then the likelihood of closing the deal would be small to nil.
- During the second meeting, the consultant, following the script, would re-create the image of the prospect, in partnership with PCMG, finally getting to where he or she wanted to go. The consultant would play to the spouse or parent's desire to be supportive of her/his partner or child.
- During the first meeting, there was only to be a fleeting reference to the fact that there was a cost to the program. As per Minto Roy's script, all questions about cost would be deflected until the end of the second meeting. Toward the end of the second meeting, the consultant would say something like, "Okay, now we're all agreed on where we want to be, and here's what it's going to cost." After disclosure of the price, the couple would be left alone for a few minutes.
- 20) The fee was almost always \$5500. If the prospect were a senior executive who had made a six-figure income for a number of years,

- the fee would likely be higher: \$10,000 or \$15,000 or more. Minto Roy decided what fee would be charged.
- 21) In coaching myself and other sales consultants, Minto Roy outlined strategies for the second meeting to gain the support of the spouse and to overcome objections to the price tag. Minto Roy gave us examples of how to overcome sticker shock. For example, the sales consultants could say: "Yes, it's a large sum, but \$5500 is also about how much you are losing each and every month you remain unemployed, if your target salary is sixty to seventy thousand a year."
- 22) Clients who said they could not afford the program were to be given the option to finance the fee with a finance company Minto Roy had an arrangement with, or to pay the fee in steps.
- 23) In the PCMG sales script, it is not clearly stated that PCMG will not and does not make introductions for clients or set up interviews for them.
- 24) PCMG does offer Myers-Briggs personality type testing and some exercises that may help the client focus in their job search and learn networking techniques that may help them generate their own contacts, but PCMG does not have any system or unique data base of influential contacts who will give assistance or preference to candidates referred to them by PCMG.
- A common question from prospects was about PCMG's rate of success in finding employment for their clients. The other career consultants and I were told by Minto Roy and by Alanna Fero to tell prospects, if we were asked that question, that PCMG had a 95% success rate and that the time frame for getting a "career position" was three months. They were to say something like "95% of our clients walk out our doors happy, within 3 months."
- Minto Roy and Alanna Fero often talked about PCMG's very high client satisfaction levels, but I know that clients were required to complete feedback or satisfaction forms at each meeting with their career advisor or at each step in the program. There was considerable pressure on the client to turn in a positive response. If a response was negative, the client would be challenged on it and pressured to change it. The client satisfaction forms were later used to refute complaints, as in, "All through the process you have signed forms saying how happy you were with the service and now suddenly you want your money back?"

- 27) I typically met with 20 to 25 potential clients a week with many of them being young people recently graduated from some private college or new immigrants with poor English language skills. I also sat in on at least 6 additional meetings a week with other consultants.
- 28) Even as I was leaving PCMG, Minto Roy tried to interest me in a position selling advertising for Canadian Immigrant Magazine, a business in which he held part interests. PCMG advertised and promoted its services in Canadian Immigrant Magazine.
- 29) Minto Roy told me on several occasions that he was adamant that new immigrants would be a major component of PCMG's success. He frequently spoke at ESL schools (i.e., English as a second-language school). He also tailored his advertisements to target new immigrants by, for example, stating in his advertisements that "no Canadian experience required".
- 30) I worked at PCMG until mid-December, 2005.

Solemnly affirmed before me in Vancouver, British Columbia on

September 11, 2007.

Commissioner of baths

Ian Spence