

*Understand the
ins and outs of:*

- Price Claims and Advertising Allowances
- Deceptive Advertising
- Labeling Issues, Use of Symbols, Warranties and Guarantees
- Mail, Phone and Broadcast Advertising and Credit Advertising
- Privacy Law



Promotional Marketing - The Guide

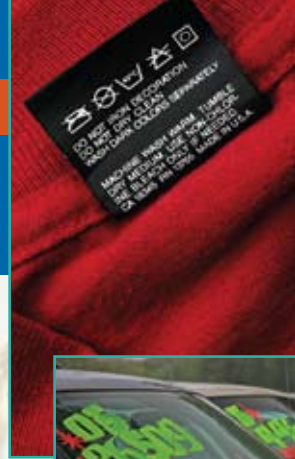
**How should you respond to a charge of deceptive advertising?
How can you challenge a competitor's unfair claims? How can you
be sure that your sweepstakes, rebates, and other promotions
comply with federal and state laws?**

These and many other related issues challenge sellers, distributors and promoters of goods and services on a daily basis. There are many traps for the unwary. The penalties for non-compliance can include withdrawal of costly advertising, regulatory investigations, lawsuits and loss of competitive edge.

To help guide and inform marketers, lawyers in the Advertising, Marketing and New Media Group of Venable LLP have created [The Guide to Federal and State Regulation of Advertising](#). The Guide is an essential first step to developing a lawful marketing campaign – designed to demystify the complex myriad of state and federal laws, and help you be more successful in your marketing and promotion.

For more information on [The Guide to Federal and State Regulation of Advertising, updated 2007](#), or to purchase the complete [Guide](#) or one or more sections, contact Melissa Landau Steinman at mlsteinman@venable.com, direct phone (202) 344-4972 or fax (202) 344-8300.

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Excerpt from *The Guide to Federal and State Regulation of Advertising, Volume 1, Chapter 2*

“Five Dollars Over Invoice. . . We’re Practically Giving the Merchandise Away!”

“Invoice” Pricing

Most consumers believe that a reference to an “invoice” is a reference to the seller’s cost in acquiring the product. A claim that merchandise is being sold at a certain amount over invoice price will be misleading if the invoice claim is not, in fact, the seller’s acquisition cost. Several states have regulations specifically prohibiting the use of the term “invoice,” or similar terms such as “wholesale” or “cost” in advertising to imply savings. For example, in *Joe Conte Toyota, Inc. v. Louisiana Motor Vehicle Comm’n.*, 24 F.3d 754 (5th Cir. 1994), the United States Court of Appeals for the Fifth Circuit applied Louisiana’s regulation prohibiting use of the term “invoice” in motor vehicle advertising. The court, upholding the regulation against a First Amendment challenge, found that a car dealer was not allowed to advertise at “\$49.00 over factory invoice” even when the proposed ad had a disclaimer stating that the invoice price did not represent the actual dealer cost. In another instance, the Supreme Court of Missouri found that advertising an automobile’s invoice price was inherently misleading and deceptive and upheld the Missouri Motor Vehicle Commission’s reprimand of the dealer for such advertisements. *Adams Ford Belton, Inc. v. Missouri Motor Vehicle Comm’n.*, 946 S.W.2d 199, 201 (Mo. 1997).

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About Venable’s Advertising, Marketing and New Media Group

Venable LLP has a long and proven track record of successfully representing clients engaged in the development, manufacture, sale, and distribution of products to consumers. We guide companies through every stage of development - from the inception of an idea through marketing, licensing and capitalization. We deal with every aspect of marketing, including all advertising media: short-form and program-length television commercials, Internet, radio, print, and direct mail.

One of the American Lawyer’s top 100 law firms, Venable LLP has attorneys practicing in all areas of corporate and business law, complex litigation, intellectual property and government affairs. Venable serves corporate, institutional, governmental, nonprofit and individual clients throughout the U.S. and around the world from its headquarters in Washington, D.C. and offices in California, Maryland, New York and Virginia. For more, visit www.Venable.com.

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