

# TABLE OF CONTENTS

## CHAPTER 1

### Introduction

§ 1.01	Introduction to Advertising . . . . .	1-2
§ 1.02	Defining False Advertising: The Twin Pillars of Falsity and Substantiation . . . . .	1-5
	[1] Falsity . . . . .	1-5
	[a] Non-Actionable Statements . . . . .	1-5
	[b] Literal and Implied Falsehoods . . . . .	1-6
	[c] Establishment Claims . . . . .	1-8
	[2] Substantiation . . . . .	1-8
	[a] Prior Substantiation . . . . .	1-8
	[b] Reasonable Basis . . . . .	1-9
	[c] Endorsements and Testimonials . . . . .	1-9
	[d] Other Types of Claims . . . . .	1-10.1
§ 1.03	The Role of Disclaimers in Advertising Law . . . . .	1-11
	[1] Effective and Ineffective Disclaimers . . . . .	1-11
	[2] Required Disclosures . . . . .	1-12
§ 1.04	The Role of Consumer Surveys in Advertising Law . . . . .	1-14
	[1] The Elements of Reliable Survey Design . . . . .	1-15
	[2] Criticizing the Survey . . . . .	1-17
§ 1.05	The Impact of Other Intellectual Property Regimes on Advertising Law . . . . .	1-19
	[1] Trademarks . . . . .	1-19
	[2] Copyrights . . . . .	1-20
	[3] Rights of Publicity . . . . .	1-21
	[4] Rights of Privacy . . . . .	1-21
§ 1.06	Rules, Regulations, and Guidelines for Particular Special Kinds of Advertising . . . . .	1-23
	[1] Sweepstakes and Contests . . . . .	1-23

	[2] Direct Marketing . . . . .	1-24
	[3] Online Advertising . . . . .	1-25
	[4] Other Special Advertising Issues . . . . .	1-26
§ 1.07	The Procedures Governing Advertising	
	Claims . . . . .	1-28
	[1] The FTC . . . . .	1-28
	[2] Private Actions . . . . .	1-29
	[3] Self-Regulation . . . . .	1-30
	[4] Television Networks . . . . .	1-30
§ 1.08	The Remedies for False Advertising . . . . .	1-31
	[1] Preliminary Injunctive Relief . . . . .	1-31
	[2] Money Damages . . . . .	1-32
	[3] Costs and Attorneys' Fees . . . . .	1-33

## CHAPTER 2

### False, Unfair or Deceptive Advertising

§ 2.01	Introduction . . . . .	2-2
§ 2.02	Definition of False, Unfair or Deceptive Advertising . . . . .	2-3
	[1] False Statement of Fact v. Protected Statement of Opinion . . . . .	2-4
	[2] Advertising, Promotion and Commercial Speech . . . . .	2-9
	[3] Likely to Mislead . . . . .	2-19
	[a] The Credulous Consumer . . . . .	2-19
	[b] The Reasonable Consumer . . . . .	2-21
	[c] The Sophisticated Consumer . . . . .	2-24.1
	[d] A "Not Insubstantial Number" of Consumers . . . . .	2-25
	[e] Knowledge and Intent . . . . .	2-28
	[4] Materiality . . . . .	2-30
	[5] "Unfair" . . . . .	2-36
§ 2.03	Evaluating Advertising Claims in the Context of the Advertisement . . . . .	2-40
§ 2.04	False Express Claims . . . . .	2-44
§ 2.05	False Implied Claims . . . . .	2-51
§ 2.06	Determining the Nature of the Claim . . . . .	2-53
§ 2.07	False Establishment Claims . . . . .	2-56
§ 2.08	False Comparative Claims . . . . .	2-60
§ 2.09	False Demonstrations and Dramatizations . . . . .	2-64
§ 2.10	Omissions as False Claims . . . . .	2-66.1
	[1] Lanham Act . . . . .	2-66.1

## TABLE OF CONTENTS

ix

	[2] FTC .....	2-68
	[3] State Laws .....	2-69
§ 2.11	Humor and Parody .....	2-72
§ 2.12	Puffery .....	2-74
	[1] General Claim .....	2-77
	[2] Incapable of Measurement .....	2-81
	[3] Presented as Subjective Statement .....	2-83
	[4] Unlikely to Be Relied on by Consumers .....	2-86

## CHAPTER 3

### Claim Substantiation

§ 3.01	Introduction .....	3-3
§ 3.02	Overview of Substantiation Requirements .....	3-4
	[1] The Prior Substantiation Requirement .....	3-4
	[2] The “Reasonable Basis” Requirement .....	3-6
	[a] Establishment Claims .....	3-7
	[b] Non-Establishment Claims .....	3-9
	[c] Puffery .....	3-10
§ 3.03	Recurring Issues with Scientific Studies and Survey Evidence .....	3-11
	[1] Industry Standard Tests and Non-Standard Proprietary Testing .....	3-12
	[2] Test Design and Protocol .....	3-14
	[3] Statistical Significance .....	3-20
	[4] Proper Sample Size .....	3-22
	[5] Survey Evidence .....	3-23
	[6] Relying on Third-Party Testing .....	3-25
	[a] Government-Mandated Testing and Regulatory Approval .....	3-25
	[b] <i>Good Housekeeping</i> Testing .....	3-26
	[c] <i>Consumer Reports</i> Testing .....	3-28
§ 3.04	Substantiating Endorsement and Testimonial Claims .....	3-29
	[1] Endorsement Claims .....	3-29
	[a] Expert Endorsement Claims .....	3-32.1
	[b] Organizational and Endorsement Claims .....	3-33
	[2] Claims That a Product or Service is “Preferred” .....	3-35
	[3] Claims That a Product or Service is “Recommended” .....	3-36
	[4] Consumer Testimonial Claims .....	3-39

§ 3.05	Substantiating Claims for FDA-Regulated Products (Other than Food and Dietary Supplements) . . . . .	3-43
	[1] Prescription Drugs . . . . .	3-43
	[2] Over-the-Counter Drugs . . . . .	3-44
	[3] Medical Devices . . . . .	3-46
	[4] Cosmetic Products . . . . .	3-48
§ 3.06	Substantiating Claims for Food and Dietary Supplements . . . . .	3-53
§ 3.07	Substantiating Quality and Ingredient Claims . . . . .	3-55
	[1] “New” Claims . . . . .	3-55
	[2] “Fresh” Claims . . . . .	3-58
	[3] “Organic” Claims . . . . .	3-59
	[4] “Natural” Claims . . . . .	3-61
	[5] Evaporated Cane Juice Claims . . . . .	3-65
	[6] “Pure” Claims . . . . .	3-66
	[7] Environmental Claims . . . . .	3-66
	[a] Ozone-Safe and Ozone-Friendly . . . . .	3-69
	[b] Degradable or Compostable . . . . .	3-69
	[c] Non-Toxic or Free-of . . . . .	3-70.1
	[d] Recyclable/Refillable . . . . .	3-71
	[e] Recycled Content . . . . .	3-72
	[f] Energy/Resource Saving . . . . .	3-73
	[g] Renewable Energy or Renewable Materials . . . . .	3-74
	[h] Certifications and Seals of Approval . . . . .	3-74
	[i] Carbon Offsets . . . . .	3-74.2
§ 3.08	Substantiating Product Line Claims . . . . .	3-75
§ 3.09	Substantiating Price Claims . . . . .	3-77
	[1] “Free” Claims . . . . .	3-77
	[2] “Sale” or “Reduced Price” Claims . . . . .	3-79
	[3] Guarding Against Bait and Switch Advertising . . . . .	3-81
§ 3.10	Substantiating Origin Claims . . . . .	3-82.2
	[1] “Made In USA” Claims . . . . .	3-82.2
	[2] Claims Regarding Specific States and Countries . . . . .	3-82.4
	[3] Claims Regarding “Local” Food . . . . .	3-82.5
§ 3.11	Substantiating Comparative Claims . . . . .	3-82.7
	[1] Comparative Claims Involving Taste Tests . . . . .	3-83
	[2] Comparative Pricing Claims . . . . .	3-85
§ 3.12	Substantiation Issues With Guarantees and Warranties . . . . .	3-89
§ 3.13	Substantiation Checklist . . . . .	3-91

CHAPTER 4

Disclosures and Disclaimers

§ 4.01	Introduction . . . . .	4-3
§ 4.02	Guidelines for Effective Disclaimers . . . . .	4-5
	[1] Proximity and Placement . . . . .	4-7
	[2] Prominence . . . . .	4-10
	[3] Duration and Repetition . . . . .	4-13
	[4] Appropriateness to the Medium . . . . .	4-13
	[5] Understandable Language . . . . .	4-16
§ 4.03	Ineffective Disclaimers . . . . .	4-18
	[1] Disclaimers May Not Cure Literal Falsehoods . . . . .	4-18
	[2] Disclaimers May Not Contradict the Main Message . . . . .	4-20
§ 4.04	Required Disclosures . . . . .	4-21
	[1] Federal Trade Commission Regulations . . . . .	4-21
	[2] Endorsements and Testimonials . . . . .	4-21
	[3] Specific Goods and Services . . . . .	4-25
	[a] Household Appliances . . . . .	4-25
	[b] Jewelry and Precious Metals . . . . .	4-26
	[c] Clothing and Textiles . . . . .	4-26.1
	[d] Food . . . . .	4-28
	[e] Warranties . . . . .	4-29
	[i] Presale Availability Disclosure . . . . .	4-30
	[ii] Satisfaction Guarantees . . . . .	4-30
	[iii] Lifetime Guarantees . . . . .	4-30
	[f] Franchises and Other Business Opportunities . . . . .	4-30
	[g] United States Origin Claims . . . . .	4-31
	[h] Other Regulated Products, Services and Claims . . . . .	4-32
	[4] Credit Terms and Leases: The Truth in Lending Act and the Credit Card Accountability Responsibility and Disclosure Act of 2009 . . . . .	4-33
	[a] Consumer Credit . . . . .	4-34
	[b] Consumer Leasing . . . . .	4-35
	[c] Credit Card Act of 2009 . . . . .	4-35
	[5] Federal Drug Administration Regulations . . . . .	4-36
	[a] Prescription Drugs . . . . .	4-36
	[i] “Major Statement” . . . . .	4-36.1

	[ii] “Adequate Provision” . . . . .	4-36.1
	[b] Over-the-Counter Drugs . . . . .	4-36.3
	[6] Sweepstakes and Contests . . . . .	4-36.3
§ 4.05	Additional Requirements Imposed by Television Networks . . . . .	4-37
	[1] “Expert Panels” . . . . .	4-37
	[2] Dramatizations, Reenactments, Simulations, Slices of Life . . . . .	4-38
	[3] “Free” Offers . . . . .	4-38
	[4] Mail, Telephone and Internet Orders . . . . .	4-38
	[5] Films, Shows and Videos . . . . .	4-39
	[6] Nutritional Supplements . . . . .	4-39
	[7] Personal Products . . . . .	4-39
	[8] Pet Food . . . . .	4-39
	[9] Premiums and Offers . . . . .	4-39
	[10] Product Demonstrations . . . . .	4-39
	[11] Infomercials and Program-Length Commercials . . . . .	4-40
	[12] Weight-Loss Advertising . . . . .	4-40
	[13] Distribution and Availability . . . . .	4-41
	[14] Nutritional Information . . . . .	4-41
§ 4.06	Disclosures in Children’s Advertising . . . . .	4-42
	[1] CARU Guidelines . . . . .	4-42
	[a] Understandability . . . . .	4-42
	[b] Assembly . . . . .	4-43
	[c] Extras . . . . .	4-43
	[d] Separate Purchase Requirement . . . . .	4-43
	[e] Toll-Free Numbers . . . . .	4-43
	[f] Web Site Sponsorship . . . . .	4-43
	[g] Embedded Advertising . . . . .	4-43
	[2] Television Network Requirements . . . . .	4-43
§ 4.07	Checklist of Disclosure and Disclaimer Issues . . . . .	4-45

## CHAPTER 5

### Survey Evidence

§ 5.01	The Role of Survey Evidence . . . . .	5-1
§ 5.02	The Importance of Reliable Survey Design . . . . .	5-6
	[1] The Universe . . . . .	5-8
	[2] The Sample . . . . .	5-12
	[3] Survey Procedures, Questions and Controls . . . . .	5-19

## TABLE OF CONTENTS

xiii

	[4] Data Reporting and Analysis . . . . .	5-30
	[5] Objectivity . . . . .	5-34
§ 5.03	Managing Discovery . . . . .	5-39
§ 5.04	Admitting Surveys as Evidence . . . . .	5-42
§ 5.05	Ways to Critique Surveys in Court . . . . .	5-47

## CHAPTER 6

### Intellectual Property Rights

§ 6.01	Introduction . . . . .	6-2
§ 6.02	Trademarks . . . . .	6-3
	[1] Generally . . . . .	6-3
	[2] Advertiser's Trademarks . . . . .	6-7
	[3] Trademarks Owned by Others . . . . .	6-8
	[4] Infringement . . . . .	6-9
	[5] Dilution . . . . .	6-14
	[a] Scope . . . . .	6-14
	[b] No Actual Loss Required . . . . .	6-14
	[c] Defining Blurring . . . . .	6-15
	[d] Expanded Defenses . . . . .	6-15
	[6] The Fair Use Defenses . . . . .	6-15
	[a] Descriptive Fair Use . . . . .	6-16
	[b] Comparative Advertising and Other Nominative Fair Uses . . . . .	6-17
	[7] Parody . . . . .	6-22
	[8] Special Trademark-Related Internet Issues . . . . .	6-26
	[a] Metatags . . . . .	6-26
	[b] Keyword Advertising . . . . .	6-27
§ 6.03	Copyrights . . . . .	6-31
	[1] Use of Copyrighted Material . . . . .	6-31
	[2] Copying Copyrighted Material . . . . .	6-32
	[a] Infringement . . . . .	6-32
	[b] Copying . . . . .	6-33
	[c] Substantial Similarity . . . . .	6-34
	[d] <i>Scènes à Faire</i> and Merger of Idea and Expression . . . . .	6-37
	[e] Using Copyright-Protected Materials in Advertising . . . . .	6-38
	[i] Music . . . . .	6-39
	[ii] Character . . . . .	6-39
	[iii] Words, Phrases or Titles . . . . .	6-41
	[3] Copyrighted Material Online . . . . .	6-41
	[4] The Fair Use Defense . . . . .	6-43

§ 6.04	Patents . . . . .	6-45
	[1] False Marking . . . . .	6-45
	[2] Active Inducement of Patent Infringement . . . . .	6-45
	[3] Advertisements Alleging Patent Infringement . . . . .	6-46
	[4] Patent Protection for Advertising Methods . . . . .	6-46
	[5] Patent Protection for Advertising Equipment . . . . .	6-47
§ 6.05	Right of Publicity . . . . .	6-49
	[1] Use of Likeness, Name, Persona . . . . .	6-53
	[2] Look-Alikes/Sound-Alikes . . . . .	6-54
	[3] Copyright Preemption . . . . .	6-55
	[4] Parody . . . . .	6-57
§ 6.06	Right of Privacy . . . . .	6-58
	[1] Federal Trade Commission Initiatives . . . . .	6-58
	[a] The Children’s Online Privacy Protection Act (COPPA) . . . . .	6-62
	[b] Other Privacy-Related Consumer Protection Laws . . . . .	6-67
	[2] State Laws . . . . .	6-69
	[3] Self-Regulation . . . . .	6-71
	[4] European Union Regulations . . . . .	6-74

## CHAPTER 7

### Sweepstakes and Contests

§ 7.01	Introduction . . . . .	7-2
§ 7.02	Lotteries . . . . .	7-3
	[1] Prize, Chance and Consideration . . . . .	7-3
	[2] Lotteries, Sweepstakes and Contests Distinguished . . . . .	7-4
	[3] Regulation and Enforcement . . . . .	7-4
	[a] The Role of Federal Law . . . . .	7-4
	[b] The Role of State Law . . . . .	7-6
§ 7.03	The Element of Consideration . . . . .	7-10
	[1] What is Consideration? . . . . .	7-10
	[2] Alternate Method of Entry . . . . .	7-12
	[3] Special Consideration Issues . . . . .	7-13
	[a] Post Consideration . . . . .	7-13
	[b] Customer-Only Promotions . . . . .	7-14
	[c] Text Message Promotions . . . . .	7-14



## TABLE OF CONTENTS

xv

§ 7.04	Skill Contests . . . . .	7-16
	[1] Pure Chance . . . . .	7-16
	[2] Dominant Factor Test . . . . .	7-16
	[3] Objective Evaluation . . . . .	7-20
	[4] Skill Contests Requiring Consideration . . . . .	7-21
§ 7.05	Advertising the Promotion . . . . .	7-23
	[1] The Deceptive Mail Prevention and Enforcement Act . . . . .	7-23
	[a] Sweepstakes Disclosures . . . . .	7-24
	[b] Skill Contest Disclosures . . . . .	7-25
	[c] Name Removal Notification System . . . . .	7-26
	[d] Penalties . . . . .	7-27
	[2] State Disclosure Regulations . . . . .	7-27
	[a] Sweepstakes Disclosures . . . . .	7-29
	[b] Skill Contest Disclosures . . . . .	7-34
§ 7.06	State Procedural Requirements . . . . .	7-36
	[1] Posting Rules and Regulations at Retail Store . . . . .	7-36
	[2] Registration and Bonding . . . . .	7-36
	[3] Winner's Lists . . . . .	7-38
	[4] Record Retention . . . . .	7-39
§ 7.07	Awarding Prizes . . . . .	7-40
§ 7.08	Internet Promotions . . . . .	7-42
	[1] Consideration . . . . .	7-42
	[a] Internet Access . . . . .	7-42
	[b] Other Types of Consideration . . . . .	7-43
	[2] Privacy Considerations . . . . .	7-43
	[a] Children's Online Privacy Protection Act . . . . .	7-44
	[b] Jurisdiction . . . . .	7-48
§ 7.09	Official Rules Checklist . . . . .	7-50

## CHAPTER 8

### Direct Marketing

§ 8.01	Introduction . . . . .	8-2
§ 8.02	The Rights of the Consumer . . . . .	8-3
	[1] Privacy . . . . .	8-3
	[a] Time and Pattern Restrictions . . . . .	8-4
	[b] Caller ID . . . . .	8-7
	[c] Do-Not-Call Lists . . . . .	8-7
	[i] Constitutionality . . . . .	8-11

## THE LAW OF ADVERTISING

	[ii] Relationship Between Federal and State Laws . . . . .	8-13
	[d] Collecting and Sharing Personal Data . . . . .	8-13
	[2] Cooling Off Period . . . . .	8-15
	[a] Cooling Off From Home Solicitations . . . . .	8-15
	[b] Cooling Off From Telephone Solicitations . . . . .	8-19
	[3] Thirty-Day Rule . . . . .	8-19
	[4] Negative Option Rule . . . . .	8-22
	[5] Unsolicited Merchandise . . . . .	8-24
§ 8.03	Advertising by Direct Mail . . . . .	8-26
§ 8.04	Rules for the Telemarketer . . . . .	8-31
	[1] Legal Framework and Preemption . . . . .	8-31
	[2] Telemarketing Defined; Exemptions . . . . .	8-33
	[3] Registration, Licensing and Bonding . . . . .	8-36
	[4] Record Keeping . . . . .	8-39
	[5] Disclosures and Representations . . . . .	8-39
	[6] Automatic Dialing Systems and Prerecorded Messages . . . . .	8-41
	[a] Automatic Dialing Systems . . . . .	8-41
	[b] Prerecorded Messages . . . . .	8-43
	[c] Text Messaging . . . . .	8-47
	[7] Miscellaneous Regulations . . . . .	8-48
	[a] Payment Restrictions . . . . .	8-48
	[b] Preacquired Account Information . . . . .	8-48.1
	[c] Ban on Use of Remotely Created Checks, Remotely Created Payment Orders, Cash Reload Mechanisms, and Cash-to-Cash Money Transfers . . . . .	8-48.1
§ 8.05	Advertising by Fax . . . . .	8-49
§ 8.06	Enforcement of Telemarketing Laws . . . . .	8-53
	[1] Enforcement of the Telephone Consumer Protection Act (TCPA) . . . . .	8-53
	[2] Enforcement of the Telephone Sales Rule (TSR) . . . . .	8-57
	[3] Enforcement of State Telemarketing Laws . . . . .	8-58

CHAPTER 9

Online Advertising

§ 9.01	Kinds of Online Advertising . . . . .	9-2
	[1] Banner Advertising . . . . .	9-2
	[2] Pop-Up Advertising . . . . .	9-4
	[3] Search-Based Advertising . . . . .	9-6
	[a] Keyword Search . . . . .	9-6
	[b] Profile-Based . . . . .	9-9
	[c] Paid Inclusion . . . . .	9-11
	[d] Metatags . . . . .	9-12
	[e] Contextual and Behavioral Advertising . . . . .	9-12
	[4] Email Advertising and Spam . . . . .	9-14
	[5] Linking and Framing . . . . .	9-15
	[6] Location-Based Advertising . . . . .	9-16
	[7] Native Advertising . . . . .	9-16.2
	[8] Recommendation Widgets and Social Media Links . . . . .	9-16.4
§ 9.02	Application of the Lanham Act and Copyright Act . . . . .	9-17
	[1] Third-Party Pop-Up Advertising . . . . .	9-18
	[2] Metatagging and Keyword Searching . . . . .	9-20
	[a] Metatagging . . . . .	9-20
	[b] Keywords . . . . .	9-22
	[3] Linking and Framing . . . . .	9-26
	[4] Social Media Influencers . . . . .	9-28
§ 9.03	Regulation of Truth and Accuracy . . . . .	9-28.2
	[1] Government Regulation . . . . .	9-28.2
	[a] Federal Trade Commission . . . . .	9-28.2
	[i] Dot Com Disclosures . . . . .	9-28.2
	[ii] Enforcement . . . . .	9-31
	[iii] Initiatives . . . . .	9-32
	[b] Other Federal Agencies . . . . .	9-32
	[2] Industry Self-Regulation . . . . .	9-35
§ 9.04	Privacy . . . . .	9-38
	[1] Government Regulation . . . . .	9-38
	[a] Federal Trade Commission Initiatives . . . . .	9-38
	[b] The Children’s Online Privacy Protection Act (COPPA) . . . . .	9-44
	[2] Self-Regulation . . . . .	9-47
§ 9.05	Anti-Spam Efforts . . . . .	9-48.4
	[1] The CAN-SPAM Act of 2003 . . . . .	9-48.4

	[2] Spam-Blocking Technology . . . . .	9-52
	[3] Lawsuits Under Common Law and Statutory Theories . . . . .	9-52
§ 9.06	Personal Jurisdiction . . . . .	9-53
§ 9.07	Cross-Border Rights and Liabilities . . . . .	9-56
	[1] Trademark Disputes . . . . .	9-56
	[2] Privacy Harmonization . . . . .	9-58
	[3] US SAFE WEB Act . . . . .	9-61

## CHAPTER 10

### Special Advertising Issues

§ 10.01	Introduction . . . . .	10-3
§ 10.02	FDA-Regulated Products . . . . .	10-4
	[1] The Overlap of FTC and FDA Authority . . . . .	10-4
	[2] FDA Authority to Regulate Prescription Drug Advertising . . . . .	10-4
	[a] Prescription Drug Advertising Requirements . . . . .	10-6
	[i] Generic Name Requirement . . . . .	10-6.1
	[ii] The Formula or Ingredients Listing Requirement . . . . .	10-7
	[iii] Brief True Summary Requirement . . . . .	10-7
	[b] Off-Label and Direct-to-Customer Ads . . . . .	10-10
	[c] Enforcement . . . . .	10-14
	[3] Over-the-Counter Drug Advertising . . . . .	10-15
	[4] Medical Device Advertising . . . . .	10-16
	[5] Food and Dietary Supplements . . . . .	10-16.1
	[6] Cosmetics . . . . .	10-26.3
	[7] FDA Citizen Petitions . . . . .	10-26.4
§ 10.03	Professional Advertising . . . . .	10-27
	[1] Attorney Advertising . . . . .	10-27
	[a] The Right to Advertise . . . . .	10-27
	[b] State Regulation of Attorney Advertising . . . . .	10-30
	[c] Attorney Self-Regulation: The ABA's Rules, Codes and Provisions . . . . .	10-31
	[i] Model Rule 7.1 . . . . .	10-32
	[ii] Model Rule 7.2 . . . . .	10-33
	[iii] Model Rule 7.3 . . . . .	10-33

**TABLE OF CONTENTS**

	[2] Physician Advertising . . . . .	10-33
§ 10.04	Alcohol, Tobacco & Firearms . . . . .	10-36
	[1] Alcohol Advertising . . . . .	10-36
	[a] Federal Regulation of Alcohol Advertising . . . . .	10-36
	[i] Mandatory Statements . . . . .	10-37
	[ii] Prohibited Statements . . . . .	10-38
	[iii] ATFE’s “Tied-House” Regulations . . . . .	10-41
	[b] State Regulation . . . . .	10-41
	[c] Industry Self-Regulation . . . . .	10-42
	[2] Tobacco Advertisements . . . . .	10-44
	[a] Background: Federal Regulation of Tobacco Advertising . . . . .	10-44
	[b] Constitutional Challenges to Regulation . . . . .	10-46
	[c] Regulation by Agreement . . . . .	10-48
	[d] The Family Smoking Prevention and Tobacco Control Act of 2009 . . . . .	10-49
	[3] Firearms Advertisements . . . . .	10-50
	[a] Federal Regulation of Firearms Advertising . . . . .	10-50
	[b] State Regulation of Firearms Advertising . . . . .	10-51
§ 10.05	Financial Services/Securities . . . . .	10-52
	[1] Financial Services . . . . .	10-52
	[a] Deposit Account Advertising . . . . .	10-53
	[b] Regulation of Credit Advertising . . . . .	10-54
	[c] Miscellaneous Requirements . . . . .	10-55
	[i] Deposit Insurance . . . . .	10-55
	[ii] Currency Illustrations . . . . .	10-56
	[iii] Agency Names . . . . .	10-56
	[iv] Non-Discrimination . . . . .	10-56
	[d] Financial Industry Self-Regulation . . . . .	10-57
	[2] Securities . . . . .	10-57
	[a] Federal Regulation of Securities . . . . .	10-57
	[i] Restrictions on Timing of Advertising . . . . .	10-58
	[ii] Mutual Funds . . . . .	10-59
	[b] State Regulation of Securities . . . . .	10-60
§ 10.06	Gambling . . . . .	10-62
	[1] Introduction . . . . .	10-62
	[2] Federal Regulation of Gambling Advertising . . . . .	10-62

## THE LAW OF ADVERTISING

	[a] Broadcast Ban . . . . .	10-62
	[b] Advertising of Online Casinos . . . . .	10-64
	[3] State Regulation of Gambling Advertising . . . . .	10-66
§ 10.07	Political Advertising . . . . .	10-67
	[1] Reporting Requirements . . . . .	10-67
	[2] Disclaimers . . . . .	10-68
	[3] Spending Limitations . . . . .	10-69
	[4] Requirements of Broadcasters . . . . .	10-69
§ 10.08	Advertising to Children . . . . .	10-71
	[1] Introduction . . . . .	10-71
	[2] Regulations Governing Advertising to Children . . . . .	10-71
	[a] Federal Regulation . . . . .	10-71
	[i] FTC . . . . .	10-71
	[ii] FCC . . . . .	10-72
	[b] Self-Regulation . . . . .	10-73
	[3] Unique Issues Relating to Online Advertising . . . . .	10-76

## CHAPTER 11

### Procedural Aspects of False Advertising Challenges

§ 11.01	Introduction . . . . .	11-2
§ 11.02	Administrative Regulation: Federal Trade Commission . . . . .	11-3
	[1] Evaluation Criteria . . . . .	11-8
	[a] Price and Frequency of Purchase . . . . .	11-8
	[b] Deterrence of Widespread Deceptive Conduct . . . . .	11-8
	[c] Risk of Physical or Economic Injury . . . . .	11-8
	[2] Advisory Opinions and Staff Advice . . . . .	11-8
	[3] Industry Guides and Statements of Enforcement Policy . . . . .	11-10
	[a] FTC Guides . . . . .	11-11
	[b] Statements of Enforcement Policy . . . . .	11-15
	[4] Rule-Making . . . . .	11-17
	[5] Administrative Proceedings . . . . .	11-21
	[6] Federal Court Litigation . . . . .	11-25
§ 11.03	Competitor Regulation: The Lanham Act . . . . .	11-30.1
	[1] Standing . . . . .	11-31
	[2] Elements of a Lanham Act Claim . . . . .	11-34

## TABLE OF CONTENTS

xxi

	[3] Expedited Discovery .....	11-38.2
	[4] Statute of Limitations .....	11-38.2
§ 11.04	State Law .....	11-38.4
	[1] Competitor Actions .....	11-38.4
	[2] Consumer and Class Actions .....	11-40
§ 11.05	Self-Regulation Through The NAD, CARU, NARB, DSSRC and ERSP .....	11-48
	[1] Cases Appropriate for NAD/ERSP/CARU Review .....	11-51
	[a] Advertising That is Not National .....	11-52
	[b] Technical Nature of Claims .....	11-52.1
	[c] Case Lacks Merit .....	11-52.1
	[d] Advertising Subject of Litigation or Court or Agency Order .....	11-52.1
	[e] Advertisement Was Permanently Withdrawn .....	11-52.2
	[f] Challenger Has Publicized the Proceeding .....	11-53
	[2] Standing .....	11-53
	[3] Challenge Procedure .....	11-53
	[a] Traditional NAD Procedure .....	11-53
	[b] SWIFT Process .....	11-59
	[c] Complex Track .....	11-60.1
	[4] Appeals .....	11-60.2
	[5] Reopening Closed Cases .....	11-60.4
	[6] Referrals to Government Agencies .....	11-60.5
§ 11.06	Television Networks .....	11-60.7
	[1] Pre-Screening by Networks .....	11-60.7
	[2] Challenges to Advertisements .....	11-62
§ 11.07	International Trade Commission .....	11-64

## CHAPTER 12

### Remedies

§ 12.01	Introduction .....	12-2
	[1] Lanham Act Remedies .....	12-2
	[2] UDAP Remedies .....	12-2
	[3] FTC Remedies .....	12-3
§ 12.02	Injunctive Relief .....	12-5
	[1] Standard for a Preliminary Injunction or TRO .....	12-6
	[a] Irreparable Harm .....	12-9
	[b] Likelihood of Success on the Merits .....	12-12

## THE LAW OF ADVERTISING

	[c] Balancing the Hardships .....	12-13
	[d] Public Interest .....	12-14
	[2] The Security Bond .....	12-15
	[3] Types of Injunctive Relief .....	12-16
	[a] Prohibition on Further Dissemination .....	12-16
	[b] Fencing-In .....	12-17
	[c] Corrective Advertising/Consumer Education .....	12-19
	[d] Product Recall/Destruction .....	12-22
	[4] Defenses .....	12-23
	[a] Delay or Laches .....	12-24
	[b] Acquiescence .....	12-27
	[c] Equitable Estoppel .....	12-28
	[d] Mootness .....	12-28
	[e] Unclean Hands .....	12-28
§ 12.03	Damages .....	12-30
	[1] Defendant's Profits .....	12-31
	[2] Damages Sustained by Plaintiff .....	12-32.1
	[3] Costs .....	12-35
	[4] Punitive Damages .....	12-35
§ 12.04	Attorneys' Fees .....	12-37
<b>INDEX</b>	.....	I-1