



Pacific Law Journal Review of Selected Nevada Legislative

Volume 1989 | Issue 1

Article 29

1-1-1989

Consumer Protection; deceptive sales promotions

The University of the Pacific, McGeorge School of Law

Follow this and additional works at: <https://scholarlycommons.pacific.edu/nlr>



Part of the [Legislation Commons](#)

Recommended Citation

The University of the Pacific, McGeorge School of Law, *Consumer Protection; deceptive sales promotions*, 1989 U. PAC. L. REV. (2019).

Available at: <https://scholarlycommons.pacific.edu/nlr/vol1989/iss1/29>

This Legislative Review is brought to you for free and open access by the Journals and Law Reviews at Scholarly Commons. It has been accepted for inclusion in Pacific Law Journal Review of Selected Nevada Legislative by an authorized editor of Scholarly Commons. For more information, please contact mgibney@pacific.edu.

Consumer Protection

Consumer Protection; deceptive sales promotions

NEV. REV. STAT. § 598.____ (new).
SB 349 (Raggio); 1989 STAT. Ch. 889

Existing law prohibits deceptive trade practices.¹ Chapter 889 expands the definition of deceptive trade practices to regulate advertisements² for the lease or sale³ of services, property, or merchandise⁴ which infer that the customer has won or might win a prize or contest.⁵

Chapter 889 prohibits advertising which states that a person has won a prize unless that prize is given without obligation.⁶ The advertisement must clearly state: (1) The name and address of the advertiser;⁷ (2) that the prize is awarded as part of a sales promotion; (3) the brand name of the prize; and (4) related relevant information.⁸

1. NEV. REV. STAT. §§ 598.410-.413 (1987) (definitions of deceptive trade practices). *See State ex rel. List v. AAA Auto Leasing & Rental*, 93 Nev. 483, 487, 568 P.2d 1230, 1232 (1977) (regulation of deceptive trade practices by the legislature is only a valid exercise of police power if the statutes allow the court to enjoin the deceptive trade practice and do not permit enjoining all of the defendant's business operations).

2. *See* 1989 Nev. Stat. ch. 889, sec. 3, at 2194 (enacting NEV. REV. STAT. § 598.____) (definition of advertisement).

3. *See id.* sec. 7, at 2194 (enacting NEV. REV. STAT. § 598.____) (definition of sale).

4. *See id.* sec. 6, at 2194 (enacting NEV. REV. STAT. § 598.____) (definition of merchandise).

5. *Id.* secs. 9, 10, at 2194-5 (enacting NEV. REV. STAT. § 598.____). *See generally* Schutzman, *A Game of Skill: The Need for Reform in the Regulation of Mail-Order Contests*, 8 WHITTIER L. REV. 1071 (1987).

6. 1989 Nev. Stat. ch. 889, sec. 9, at 2194 (enacting NEV. REV. STAT. § 598.____). The prize must be delivered to the recipient at no cost within 30 days. *Id.* The selection method must be one in which no more than 10 percent of those considered are selected as winners. *Id.*

7. *Id.* If the advertisement is oral, the name and address must be stated at the beginning. *Id.* If the advertisement is printed, the name and address must be in print at least two points larger than the print in the body of the advertisement. *Id.* *See id.* sec. 4, at 2194 (enacting NEV. REV. STAT. § 598.____) (definition of advertiser).

8. *Id.* sec. 9, at 2194 (enacting NEV. REV. STAT. § 598.____). If the prize is a vacation, the advertisement must state what the vacation includes. *Id.* The advertisement must indicate if the merchandise is not first quality or currently manufactured. *Id.* The value of the prize must not be misrepresented. *Id.*

If the advertisement lists several prizes, the advertiser must state the odds of winning each prize,⁹ the date the prizes will be awarded, and indicate that a list of winners will be available upon request.¹⁰

Chapter 889 further prohibits advertisements which state that the recipient has a chance to win a prize in exchange for hearing a sales presentation unless the advertisement clearly states who is conducting the promotion.¹¹ The retail value and number of prizes to be awarded and the odds of winning must be stated.¹² Additionally, Chapter 889 prohibits advertisements which falsely represent that the recipient was specially selected.¹³

JZ

9. *Id.* If the advertisement is printed, the odds must appear in the same size print as the body of the advertisement. *Id.*

10. *Id.*

11. *Id.* sec. 10, at 2195 (enacting NEV. REV. STAT. § 598.____). See *id.* sec 8, at ____ (enacting NEV. REV. STAT. § 598.____) (definition of sales presentation).

12. *Id.* sec. 10, at 2195 (enacting NEV. REV. STAT. § 598.____). The information need not be stated if the advertisement is broadcast over the radio or television. *Id.* Unless the media knew the advertisement was in violation of Chapter 889, the media is not liable. *Id.* The advertisement is illegal if the advertiser has predetermined which prize the recipient will be awarded. *Id.*

13. *Id.* sec. 11, at 2196 (enacting NEV. REV. STAT. § 598.____). The advertiser may not use a mass source such as phone books or city directories as a source of names for persons to be solicited. *Id.* No more than 10 percent of those considered may be selected for solicitation. *Id.*

Consumer Protection; deceptive trade practices

NEV. REV. STAT. § 598.____ (new);

§§ 41.600, 119A.710, 119B.430, 489.401, 598.360, 598.490 (amended).

AB 275 (Wisdom); 1989 STAT. Ch. 307

(Effective July 1, 1989)

Existing law prohibits a person from engaging in deceptive trade practices.¹ Chapter 307 expands the definition of deceptive trade

1. NEV. REV. STAT. §§ 598.410-413 (1985) (definition of deceptive trade practices). See also *State ex rel. List v. AAA Auto Leasing & Rental, Inc.*, 93 Nev. 483, 487, 568 P.2d 1230, 1232 (1977) (regulation of unfair trade practices by the legislature is a valid exercise of police