

## **HOUSE BILL 599:** Unfair Advertising/Food Delivery Platforms.

## 2023-2024 General Assembly

House Commerce. If favorable, re-refer to Date: Committee: April 24, 2023

Judiciary 1. If favorable, re-refer to Rules,

Calendar, and Operations of the House

Reps. White, Pike **Introduced by:** 

**Prepared by:** Bill Patterson

First Edition **Analysis of:** Committee Co-Counsel

OVERVIEW: House Bill 599 would prohibit food delivery platforms, without the express written authorization of a food or drink establishment, from 1) advertising that the establishment has partnered with it or 2) using the establishment's likeness, trademark, or other intellectual property.

Engaging in the prohibited conduct would be an unfair and deceptive trade practice entitling the affected establishment to seek injunctive relief and treble damages, calculated on the basis of the actual damages to the establishment or profits of the food delivery platform resulting from the violation, whichever is greater.

**BILL ANALYSIS:** House Bill 699 would enact new G.S. 75-44 applicable to food delivery platforms, defined as an online business acting as an intermediary between consumers and food or drink establishments by sending food orders to the establishment and arranging for the orders to be delivered to consumers.

The bill would prohibit a food platform from advertising that implies that there is a partnership between it and any establishment, or from using any likeness, trademark, or other intellectual property belonging to the establishment, unless it has obtained the establishment's express written authorization to do so.

A violation of these requirements would constitute an unfair and deceptive trade practice under G.S. 75-1.1, and the establishment whose express authorization was required would be authorized to bring a civil action seeking injunctive relief and treble damages, which would be based on the greater of the establishment's actual damages resulting from the violation or the food delivery platform's profits arising from the violation.

**EFFECTIVE DATE:** This act would become effective October 1, 2023.





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