

Advanced Media and Technology Law

ALERT APRIL 2013

Advertising and Promotions Law

Revised Florida Sweepstakes Law Effective April 10, 2013

The State of Florida has amended its law governing games of chance (F.S. 849), revising certain provisions including those governing game promotions and sweepstakes run by retailers and consumer brands, among others. The amendments to section 849.094, which governs game promotions in connection with the sale of consumer products or services, clarify that the state statute only permits games of chance run by commercial entities on a "limited and occasional basis," for marketing and advertising purposes "in connection with and incidental to" the sale of a product or service. The revisions specifically added sweepstakes to the definition of "game promotion," and appended the "and incidental to" language. The definition of "operator" was also expanded to add "a retailer who operates any game promotion," and a "corporation, organization, or association or agent" who promotes, operates, or conducts a "nationally advertised" game promotion, clarifying that the law governs both promotions conducted solely within Florida, as well as those conducted nationally, including within the state. The revised statute also expressly makes violations of the law a deceptive and unfair trade practice under the Florida Deceptive and Unfair Trade Practices Act.

The amendments, which also clarify the law's application to non-profit and other organizations, appear to be Florida's attempt to clarify that F.S. 849.094 is only applicable to promotions or sweepstakes conducted by for-profit commercial entities as an advertising tool, and is "not intended to provide a vehicle for the establishment of places of ongoing gambling or gaming."

The amendments were reportedly the result of state and federal investigations into a group called Allied Veterans of the World, which was accused of operating gambling centers under the guise of Internet cafes across Florida. While some of the amendments, which became effective April 10, 2013, do concern game promotions and sweepstakes, they do not appear to be an attempt to restrict or otherwise prevent companies from offering these kinds of promotions.

We are continuing to analyze the impact of these amendments and will reach out in the upcoming days with updates.

For more information about this and other digital media issues, please contact <u>Kenneth R. Florin</u> or <u>Jessica B. Lee</u>.

This alert is a publication of Loeb & Loeb and is intended to provide information on recent legal developments. This alert does not create or continue an attorney client relationship nor should it be construed as legal advice or an opinion on specific situations.

Circular 230 Disclosure: To ensure compliance with Treasury Department rules governing tax practice, we inform you that any advice contained herein (including any attachments) (1) was not written and is not intended to be used, and cannot be used, for the purpose of avoiding any federal tax penalty that may be imposed on the taxpayer; and (2) may not be used in connection with promoting, marketing or recommending to another person any transaction or matter addressed herein.

© 2013 Loeb & Loeb LLP. All rights reserved.

This publication may constitute "Attorney Advertising" under the New York Rules of Professional Conduct and under the law of other jurisdictions.

Advanced Media and Technology Department

KENNETH A. ADLER	KADLER@LOEB.COM	212.407.4284
ROBERT M. ANDALMAN	RANDALMAN@LOEB.COM	312.464.3168
ALISA C. BERGSTEIN	ABERGSTEIN@LOEB.COM	312.464.3155
IVY KAGAN BIERMAN	IBIERMAN@LOEB.COM	310.282.2327
CHRISTIAN D. CARBONE	CCARBONE@LOEB.COM	212.407.4852
TAMARA CARMICHAEL	TCARMICHAEL@LOEB.COM	212.407.4225
MARC CHAMLIN	MCHAMLIN@LOEB.COM	212.407.4855
MARGARET CHARENDOFF	MCHARENDOFF@LOEB.COM	212.407.4069
CRAIG A. EMANUEL	CEMANUEL@LOEB.COM	310.282.2262
KENNETH R. FLORIN	KFLORIN@LOEB.COM	212.407.4966
DANIEL D. FROHLING	DFROHLING@LOEB.COM	312.464.3122
NOREEN P. GOSSELIN	NGOSSELIN@LOEB.COM	312.464.3179
DAVID W. GRACE	DGRACE@LOEB.COM	310.282.2108
THOMAS A. GUIDA	TGUIDA@LOEB.COM	212.407.4011
NATHAN J. HOLE	NHOLE@LOEB.COM	312.464.3110
MELANIE HOWARD	MHOWARD@LOEB.COM	310.282.2143
MICHAEL W. JAHNKE	MJAHNKE@LOEB.COM	212.407.4285
THOMAS P. JIRGAL	TJIRGAL@LOEB.COM	312.464.3150
IEUAN JOLLY	IJOLLY@LOEB.COM	212.407.4810
JULIE E. LAND	JLAND@LOEB.COM	312.464.3161
JESSICA B. LEE	JBLEE@LOEB.COM	212.407.4073
MICHAEL MALLOW	MMALLOW@LOEB.COM	310.282.2287
KATHERINE THERESE MASON	KMASON@LOEB.COM	212.407.4898

DOUGLAS N. MASTERS	DMASTERS@LOEB.COM	312.464.3144
NERISSA COYLE MCGINN	NMCGINN@LOEB.COM	312.464.3130
ANNE KENNEDY MCGUIRE	AMCGUIRE@LOEB.COM	212.407.4143
DANIEL G. MURPHY	DMURPHY@LOEB.COM	310.282.2215
BRIAN NIXON	BNIXON@LOEB.COM	202.618.5013
ANGELA PROVENCIO	APROVENCIO@LOEB.COM	312.464.3123
CHRISTINE M. REILLY	CREILLY@LOEB.COM	310.282.2361
KELI M. ROGERS-LOPEZ	KROGERS-LOPEZ@LOEB.COM	310.282.2306
SETH A. ROSE	SROSE@LOEB.COM	312.464.3177
ROBERT MICHAEL SANCHE	Z RSANCHEZ@LOEB.COM	212.407.4173
ALISON POLLOCK SCHWAF	RTZ ASCHWARTZ@LOEB.COM	312.464.3169
STEVE A. SEMERDJIAN	SSEMERDJIAN@LOEB.COM	212.407.4218
BARRY I. SLOTNICK	BSLOTNICK@LOEB.COM	212.407.4162
REGAN A. SMITH	RASMITH@LOEB.COM	312.464.3137
BRIAN R. SOCOLOW	BSOCOLOW@LOEB.COM	212.407.4872
WALTER STEIMEL, JR.	WSTEIMEL@LOEB.COM	202.618.5015
AKIBA STERN	ASTERN@LOEB.COM	212.407.4235
JAMES D. TAYLOR	JTAYLOR@LOEB.COM	212.407.4895
MICHAEL A. THURMAN	MTHURMAN@LOEB.COM	310.282.2122
JILL WESTMORELAND	JWESTMORELAND@LOEB.COM	212.407.4019
DEBRAA. WHITE	DWHITE@LOEB.COM	212.407.4216
MICHAEL P. ZWEIG	MZWEIG@LOEB.COM	212.407.4960
	•	