

## Advanced Media and Technology Law

ALERT JUNE 2013

Advertising and Promotions Law

## A&P Agrees to Pay \$102,000 Fine for Failing to Adequately Disclose Alternate Method of Entry in Sweepstakes

New York Attorney General Eric Schneiderman <u>announced</u> that supermarket chain A&P agreed to pay \$102,000 in fines and in the future will advertise the alternate method of entry with the same prominence that it does the entry with purchase. A&P was cited by the New York Attorney General's Office for similar sweepstakes violations in 2004 and 2005.

In a contest called "A&P Frozen Food Month 2013 Sweepstakes," consumers who purchased more than \$50 in frozen food products using an A&P Club Card were automatically entered in the sweepstakes at checkout. According to Schneiderman, A&P failed to adequately disclose the alternate method of entry. Store circulars stated, "Every time your spending reaches \$50 on frozen food, you're automatically entered for a chance to WIN!" But information about entering through the mail without a purchase was contained only in the fine print. Furthermore, the official rules for the contest were not posted in stores.

"'Because A&P failed to adequately disclose the alternate method of entry, consumers were largely unaware that there was a way to enter the sweepstakes without making a purchase,' Schneiderman's office said. 'As a result, the vast majority of entrants and winners were consumers who made an in-store purchase."

The company also agreed to increase disclosure of sweepstakes rules and add new, larger signage, as well as hire a compliance officer. This settlement should remind marketers that the alternate method of entry should be advertised with prominence equal to other methods of entry so that consumers know how to enter without making a purchase.

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