

The Lanham Act: False Advertising and Unfair Competition Claims Explained

False advertising is illegal. You and your business do have legal protection under the Lanham Act, specifically Section 43A. This federal law safeguards against false advertising and unfair competition practices. In recent years, small businesses have filed lawsuits under the Lanham Act, alleging unfair competition and false advertising.

The Lanham Act, which covers various intellectual property violations, including trademark infringement and dilution, also addresses false advertising and unfair competition. False advertising refers to the misleading or deceptive promotion of products or services. It can involve false claims, deceptive labeling, or misrepresentation of a product's qualities. The Lanham Act provides legal recourse for businesses that have been harmed by such practices.

Real life instances such as the ClassPass class action lawsuit demonstrate how businesses have utilized the Lanham Act to address unfair competition and false advertising. In this case, businesses were listed as ClassPass partners without their consent, leading to allegations of false affiliation and deceptive trade practices. Similarly, other businesses have reported harm when being unknowingly listed on platforms like Giftly.com and GiftRocket.com, which resulted in customers attempting to redeem gift cards they had no relationship with. These cases highlight the impact of false advertising on businesses and the financial losses incurred as a result.

If your business is suffering due to unfair advertising practices by a larger company, you can take legal action and file unfair competition claims under the Lanham Act. Class action lawyers who understand the Lanham Act and unfair advertising practices can assist in such cases. For example, small businesses recently filed a complaint against Groupon, accusing them of using false and misleading ads to divert web traffic to their platform. The complaint alleged violations of the Lanham Act and common law unfair competition.

You can sue under the Lanham Act. To file a lawsuit under the Lanham Act, you must be a company that has suffered harm due to false advertising or unfair competition. The act does not require businesses to be large; even small businesses can take legal action. By engaging class action lawyers who specialize in this area, businesses can seek remedies for the damages incurred as a result of false advertising.

The Lanham Act provides crucial protection for businesses against false advertising and unfair competition. Through this act, businesses can hold accountable those who engage in deceptive practices that harm their reputation and financial well-being. By understanding Lanham Act false advertising, the process of filing unfair competition

Pollock Cohen LLP Page 1



claims, and who can sue under this act, businesses can take necessary steps to protect their interests and seek appropriate remedies.

Pollock Cohen LLP Page 2