



CONSUMER NEWS

SAN DIEGO CITY ATTORNEY'S OFFICE

False Advertising

February 2013

FALSE OR DECEPTIVE ADVERTISING:

In California, it is a crime to advertise the sale of goods or services in a false or misleading manner. Put another way, advertising must be truthful *and* not misleading.

All types of advertising are included, including print, TV, radio, internet, mail and phone solicitations, and face-to-face.

Here are the some of most commonly seen unlawful advertising schemes. The San Diego City Attorney's Consumer and Environmental Protection Unit's investigates and prosecutes false or deceptive advertising cases. Let us know if you come across these violations.

"GOING OUT OF BUSINESS" SALE

A classic deceptive practice is the "Going Out of Business" sale. This type of sale can take many forms, such as a "Close Out", "Liquidation", "Bankruptcy" sale or any other term which conveys to

the public that the business is closing when the sale ends. Any business of this nature operating in the City of San Diego is required to apply for a permit to conduct and advertise such a sale from the San Diego Police Department, which then monitors the business. The business must provide a list of merchandise to be sold at the sale and it cannot add merchandise to its inventory for the sale. The sale must end within 60 days of the issuance of the permit, unless extended another 30 days by the Police Department.

Consumer Tip: Be wary of businesses in the City of San Diego that seem to always be "Going Out of Business" and report those businesses to the City Attorney's Consumer & Environmental Protection Unit.

FAKE SALE

Another type of sale prohibited in the city of San Diego is a "fake" sale. A fake sale is:

- a sale with a very limited quantity of merchandise or which does not include all of such merchandise

- a sale which misrepresents the quantity, quality, or brand of merchandise
- a sale which requires the purchase of other items of a different nature, quality or brand

BAIT AND SWITCH

This practice of deception involves a business advertising an item with no intention of selling that item. An example of a "bait and switch" would be an electronics retailer advertising a TV set for sale but telling customers the set is an older and obsolete model. Customers are then steered to other TV's that are more expensive.

Consumer Tip: Before shopping for advertised items, research the products and prices via the Internet and bring the research with you when you shop.

FALSE PRICE

Deceptive advertising may include falsely inflated "original" or "regular" prices, creating the impression that the buyer is getting a bargain by purchasing at the sale price. It is unlawful to advertise an

