

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 514
Commerce, Small Business and Entrepreneurship Committee Substitute Adopted
5/17/07
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Short Title: Deceptive Advertising of Business Location.

(Public)

Sponsors:

Referred to:

March 6, 2007

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT BUSINESSES THAT SUPPLY PERISHABLE PRODUCTS FROM MISREPRESENTING THE GEOGRAPHICAL LOCATIONS OF THEIR BUSINESSES IN TELEPHONE DIRECTORIES, DIRECTORY ASSISTANCE DATABASES, ON THE INTERNET, AND IN PRINT ADVERTISEMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 1 of Chapter 75 of the General Statutes is amended by adding a new section to read:

"§ 75-40. Deceptive representation of geographical location in telephone directory, print advertisement, or on the Internet.

(a) A person who is in the business of supplying a perishable product shall not misrepresent the geographical location of the business in the listing of the business in a telephone directory, other directory assistance database, or on the Internet. A person misrepresents the geographical location of the business under this subsection if the name of the business indicates that the business is located in a geographical area and all of the following apply:

(1) The business is not located within the geographical area indicated.

(2) The listing fails to identify the municipality and state of the business's geographical location.

(3) A telephone call to the local telephone number listed in the telephone directory, directory assistance database, or on the Internet routinely is forwarded or transferred to a location that is outside the calling area covered by the telephone directory or directory assistance database in which the number is listed, or outside the local calling area for the local telephone number posted on the Internet.

(b) A person who is in the business of supplying a perishable product shall not misrepresent the geographical location of the business in print advertisement. A person

1 misrepresents the geographical location of the business under this subsection if a
2 fictitious business name or an assumed business name is listed in print advertisement
3 and all of the following apply:

4 (1) The name misrepresents the geographic location of the supplier.

5 (2) A telephone call to the local telephone number listed on the print
6 advertisement routinely is forwarded or transferred to a location that is
7 outside the calling area in which the number is listed.

8 (c) A person who misrepresents the geographical location of the business under
9 subsection (a) or subsection (b) of this section is not in violation of this section if a
10 conspicuous notice in the listing or in the print advertisement states the municipality and
11 state in which the business is located and identifies this as the location of the business.

12 (d) For purposes of this section, a newspaper publisher, magazine or other
13 publication, telephone directory or directory assistance service, its officer or agent, the
14 owner or operator of a radio or television station, or any other owner or operator of a
15 media primarily devoted to listing phone numbers or to advertising who publishes,
16 broadcasts, or otherwise disseminates a directory, a database, or print advertisement in
17 good faith without knowledge of its false, deceptive, or misleading character is immune
18 from liability under this section unless the directory service, the database service, or the
19 advertiser is the same person as the person, firm, or corporation that has committed the
20 act prohibited by this section.

21 (e) A violation of this section is an unfair trade practice under G.S. 75-1.1."

22 **SECTION 2.** This act becomes effective October 1, 2007, and applies to any
23 telephone directory, directory assistance database, Internet Web site, or print
24 advertisement provided, published, or posted on or after that date.