

Talk To Us

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Lawyers in Advertising, Promotions
& Intellectual Property



"The Name's Bond"

REGISTRATION AND BOND

Sweepstakes where the prize value exceeds \$5000.00 must be registered and bonded in New York and Florida. Sweepstakes administered in-store must be registered in Rhode Island.

There are significant exceptions to this rule, however, that depend upon the eligibility requirements and structure of the promotion. You may not need to bond in some cases.

THINK IT'S A CONTEST?

Think Again?

Many promotions designed to be contests are really sweepstakes. Guess-how-many-in-a-jar is a sweepstakes, because without other information, there's no math skill involved.

Public voting that amounts to nothing more than a popularity contest relies on the "chance" one person has more friends, so it's a sweepstakes. Walk through a promotion to make sure you know what you have.



THE KNOWLEDGE DROP™

on Sweepstakes



Sweepstakes are “games of chance.” That means consumers must be able to enter without paying and the winner must be chosen at random. If the promotion relies primarily on someone’s skill, it’s a contest and will be governed by different laws.



50 Ways TO MESS UP

Companies generally administer sweepstakes at the national level, but state law is the primary governing body for promotions, and each state has its own unique rules.

1. Colorado will be watching your font size;
2. Wisconsin won't allow giveaways involving milk;
3. California is wondering if your promotion involves cork.

The list doesn't stop there.

No Means No! OFFER A FREE METHOD OF ENTRY

Consideration can legally flow from a sweepstakes, so long as;

- a) the entrant receives something of value for his money;
- b) there is a free method of entry for those who don't want to pay. Be careful: the free method must give entrants the same chance of winning as the pay method, and cannot be overly burdensome.

Put that 10-page survey down!



Just because you allow entrants a free method of entry, does not mean your sweepstakes is legal. If paying entrants are merely buying a chance to win (also known as “gambling”), offering a free method doesn't cure the problem.

