
STATUTORY INSTRUMENTS

1977 No. 1918

CONSUMER PROTECTION

The Business Advertisements (Disclosure) Order 1977

Laid before Parliament in draft

Made - - - - 21st November 1977

Coming into Operation 1st January 1978

Whereas the Director General of Fair Trading made a reference, to which section 17 of the Fair Trading Act 1973(a) applies, to the Consumer Protection Advisory Committee:

And whereas a report(b) on that reference has been made by that Committee to the Secretary of State, and pursuant to section 83 of that Act the report has been laid before Parliament:

And whereas the report states that the Committee would agree with the proposals set out in the Schedule to the reference if the proposals were modified in the manner specified in the report:

And whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, the Secretary of State, in exercise of his powers under section 22 of the Fair Trading Act 1973, hereby makes the following Order:—

1.—(1) This Order may be cited as the Business Advertisements (Disclosure) Order 1977 and shall come into operation on 1st January 1978.

(2) The Interpretation Act 1889(c) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

2.—(1) Subject to paragraphs (2) and (3) below, a person who is seeking to sell goods that are being sold in the course of a business shall not publish or cause to be published an advertisement—

(a) which indicates that the goods are for sale, and

(b) which is likely to induce consumers to buy the goods,

unless it is reasonably clear whether from the contents of the advertisement, its format or size, the place or manner of its publication or otherwise that the goods are to be sold in the course of a business.

(2) Paragraph (1) applies whether the person who is seeking to sell the goods is acting on his own behalf or that of another, and where he is acting as agent, whether he is acting in the course of a business carried on by him or not; but the reference in that paragraph to a business does not include any business carried on by the agent.

(a) 1973 c. 41.

(b) H.C. 355 Session 1975/76.

(c) 1889 c. 63.

- (3) Paragraph (1) above shall not apply in relation to advertisements—
- (a) which are concerned only with sales by auction or competitive tender; or
 - (b) which are concerned only with the sale of flowers, fruit or vegetables, eggs or dead animals, fish or birds, gathered, produced or taken by the person seeking to sell the goods.

John Fraser,
Minister of State,
Department of Prices and Consumer Protection.

21st November 1977.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order is made in pursuance of a *Report of the Consumer Protection Advisory Committee on a reference made to that Committee by the Director General of Fair Trading.

The Order applies to advertisements by persons seeking to sell goods in the course of a business which indicate that the goods are for sale and which are likely to induce consumers to buy the goods.

The Order requires that such advertisements shall indicate clearly that the goods are to be sold in the course of a business. This requirement applies whether the person seeking to sell the goods is acting on his own behalf or for some other person in the course of whose business the goods are to be sold.

The Order does not apply to advertisements concerned only with sales by auction or competitive tender or sales of certain horticultural and farm produce gathered, produced or taken by the seller.

*H.C. 355 Session 1975/76: Disguised Business Sales—a Report on the Practice of Seeking to Sell Goods without revealing that they are being Sold in the Course of a Business. Copies of the Report may be obtained from Her Majesty's Stationery Office.

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