By: Representatives Zuber, Stamps

To: Judiciary A

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 3

AN ACT TO PROVIDE DEFINITIONS RELATING TO THIRD-PARTY DELIVERY SERVICES THAT ADVERTISE, PROMOTE OR CONVEY ANY RELATIONSHIP WITH A RESTAURANT OR USE THE NAME, LIKENESS, TRADEMARK, OR INTELLECTUAL PROPERTY BELONGING TO A RESTAURANT ON 5 THE THIRD-PARTY DELIVERY PLATFORM; TO PROHIBIT THIRD-PARTY 6 DELIVERY SERVICES FROM USING THE NAME OR LIKENESS OR ANY 7 INTELLECTUAL PROPERTY OF A RESTAURANT WITHOUT AN AGREEMENT; TO 8 PROHIBIT AN INDEMNITY CLAUSE IN SUCH AGREEMENT; TO PROVIDE A RIGHT 9 TO BRING ACTION RELATING TO THIRD-PARTY DELIVERY SERVICES THAT USE 10 THE NAME, LIKENESS, TRADEMARK, OR INTELLECTUAL PROPERTY OF A RESTAURANT IN VIOLATION OF THIS ACT; TO PROVIDE PENALTIES RELATING 11 12 TO THIRD-PARTY DELIVERY SERVICES THAT USE THE NAME, LIKENESS, 13 TRADEMARK, OR INTELLECTUAL PROPERTY OF A RESTAURANT IN VIOLATION 14 OF THIS ACT; AND FOR RELATED PURPOSES. 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 16 **SECTION 1.** As used in this act, the following words and

- 17 phrases have the following meanings, unless the context clearly
- indicates otherwise: 18
- 19 (a) "Agreement" means a written contractual agreement between the restaurant and the third-party delivery service. 20
- (b) "Consumer" means a person, business, or other 21
- 22 entity that places an order for restaurant products through the
- 23 third-party delivery platform.

24 (c)	"Likeness"	means the	e logo,	motto,	or	any
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- 25 identifiable symbols attributed and easily identified as belonging
- 26 to a specific restaurant.
- 27 (d) "restaurant" means and includes a restaurant owner,
- 28 a restaurant or other retail entity.
- 29 (e) "Third-party delivery platform" means the online
- 30 communication platform of the third-party delivery service on
- 31 which a consumer can view and search the menus of restaurants and
- 32 place an order for restaurant products through internet-enabled
- 33 technology and digital media, including websites and consumer
- 34 applications accessible through smart phones and other mobile
- 35 devices.
- 36 (f) "Third-party delivery service" means a company,
- 37 organization, or other entity, other than a restaurant, that is
- 38 licensed to do business in this state and provides limited
- 39 delivery services to a consumer.
- 40 **SECTION 2.** (1) In the absence of an agreement, a
- 41 third-party delivery service shall not advertise, promote, or
- 42 otherwise convey any relationship with a restaurant or use the
- 43 name, likeness, trademark, or intellectual property belonging to a
- 44 restaurant on the third-party delivery platform.
- 45 (2) An agreement executed in accordance with this act shall
- 46 not include a provision, clause, or covenant that requires a
- 47 restaurant to indemnify a third-party delivery service, any
- 48 independent contractor acting on behalf of the third-party

- 49 delivery service, or any registered agent of the third-party
- 50 delivery service, for any damages or harm that may occur after the
- 51 restaurant product leaves the place of business of the restaurant.
- 52 (3) A restaurant whose name, likeness, trademark, or
- 53 intellectual property is used by a third-party delivery service in
- 54 violation of this chapter shall have the right to bring an action
- in a court of competent jurisdiction.
- 56 (4) Upon a finding by a court of competent jurisdiction that
- 57 a third-party delivery service used the name, likeness, trademark,
- 58 or intellectual property of a restaurant in violation of this act,
- 59 the court may impose a civil penalty in an amount not to exceed
- five thousand dollars (\$5,000.00), or the amount of the
- 61 restaurant's actual damages, whichever is greater. The court may,
- 62 in its discretion, award attorney fees to the prevailing party.
- 63 **SECTION 3.** This act shall take effect and be in force from
- 64 and after July 1, 2023.