MISSISSIPPI LEGISLATURE

By: Senator(s) McMahan

REGULAR SESSION 2023

To: Business and Financial Institutions

SENATE BILL NO. 2218 (As Passed the Senate)

1 AN ACT TO PROVIDE DEFINITIONS RELATING TO THIRD-PARTY 2 DELIVERY SERVICES THAT ADVERTISE, PROMOTE OR CONVEY ANY 3 RELATIONSHIP WITH A RESTAURANT AND RESTAURANT OWNER OR USE THE 4 NAME, LIKENESS, TRADEMARK, OR INTELLECTUAL PROPERTY BELONGING TO A 5 RESTAURANT AND RESTAURANT OWNER ON THE THIRD-PARTY DELIVERY 6 PLATFORM; TO PROHIBIT THIRD-PARTY DELIVERY SERVICES FROM USING THE 7 NAME OR LIKENESS OR ANY INTELLECTUAL PROPERTY OF A RESTAURANT AND RESTAURANT OWNER WITHOUT AN AGREEMENT; TO PROVIDE A RIGHT TO BRING 8 9 ACTION RELATING TO THIRD-PARTY DELIVERY SERVICES THAT USE THE 10 NAME, LIKENESS, TRADEMARK, OR INTELLECTUAL PROPERTY OF A 11 RESTAURANT AND RESTAURANT OWNER IN VIOLATION OF THIS ACT; TO 12 PROVIDE PENALTIES RELATING TO THIRD-PARTY DELIVERY SERVICES THAT 13 USE THE NAME, LIKENESS, TRADEMARK, OR INTELLECTUAL PROPERTY OF A RESTAURANT AND RESTAURANT OWNERS IN VIOLATION OF THIS ACT; AND FOR 14 15 RELATED PURPOSES.

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

17 SECTION 1. As used in this act, the following words and

18 phrases have the following meanings, unless the context clearly

- 19 indicates otherwise:
- 20

(a) "Agreement" means a written contractual agreement

21 between the restaurants and restaurant owners and the third-party

22 delivery service.

(b) "Consumer" means a person, business, or other
entity that places an order for restaurant products through the
third-party delivery platform.

(c) "Likeness" means the logo, motto, or any
identifiable symbols attributed and easily identified as belonging
to a specific restaurant.

29

(d) "Restaurant" means a restaurant.

30 (e) "Third-party delivery platform" means the online 31 communication platform of the third-party delivery service on 32 which a consumer can view and search the menus of restaurants and 33 place an order for restaurant products through internet-enabled 34 technology and digital media, including websites and consumer 35 applications accessible through smart phones and other mobile 36 devices.

37 (f) "Third-party delivery service" means a company, 38 organization, or other entity, other than a restaurant, that is 39 licensed to do business in this state and provides limited 40 delivery services to a consumer.

41 <u>SECTION 2.</u> (1) In the absence of an agreement, a 42 third-party delivery service shall not advertise, promote, or 43 otherwise convey any relationship with a restaurant and restaurant 44 owner or use the name, likeness, trademark, or intellectual 45 property belonging to a restaurant and restaurant owner on the 46 third-party delivery platform.

S. B. No. 2218 23/SS26/R575PS PAGE 2

47 (2) A restaurant and restaurant owner whose name, likeness,
48 trademark, or intellectual property is used by a third-party
49 delivery service in violation of this chapter shall have the right
50 to bring an action in a court of competent jurisdiction.

51 (3) Upon a finding by a court of competent jurisdiction that 52 a third-party delivery service used the name, likeness, trademark, 53 or intellectual property of a restaurant and restaurant owner in violation of this act, the court may impose a civil penalty in an 54 55 amount not to exceed Five Thousand Dollars (\$5,000.00), or the 56 amount of the restaurant and restaurant owner's actual damages, whichever is greater. The court may, in its discretion, award 57 attorney fees to the prevailing party. 58

59 SECTION 3. This act shall take effect and be in force from 60 and after July 1, 2023, and shall stand repealed on June 30, 2023.