

The Marketing Act (SFS 1995:450)1

Promulgated on 27 April 1995

In accordance with a decision of the Riksdag (Swedish Parliament) the following is enacted.

Object of the Act

Section 1

The object of this Act is to promote the interests of consumers and of trade and industry in connection with the marketing of products and to counteract marketing which is unfair to consumers and businessmen.

Scope of the Act

Section 2

The Act applies when a businessman markets or is himself seeking to acquire products as part of his business.

The Act also applies to those television transmission falling within the scope of the Act concerning the Satellite Transmission of Television Programmes to the General Public (SFS 1992:1356) which can only be received in another country bound by the European Economic Area agreement (EEA agreement).

Definitions

Section 3

In this Act:

products: means goods, services, real property, job opportunities and other utilities,

marketing: means advertisements and other measures taken in the course of business intended to promote sales and availability of products.

good marketing practice: means good commercial practice or other established standards aimed at protecting consumers and businessmen when marketing products.

Requirements concerning marketing

General requirements

Section 4

Marketing must be compatible with good marketing practice and also in other respects be fair towards consumers and businessmen.

When marketing businessmen must provide such information as is of particular importance from the consumer perspective.

Advertising identification

Section 5

All marketing shall be designed and presented so that it is clearly indicated to be a matter of marketing.

It shall also be clearly indicated who is responsible for the marketing.

Misleading advertising

Section 6

When marketing a businessman may not make claims or other statements which are misleading as regards the businessman's own or another businessman's business operations.

This applies especially to statements relating to:

1. the nature, quantity, quality or other properties of the product
2. the origin, use and environmental and health effect of the product
3. the product's price, basis of pricing and conditions for payment
4. the businessman's own or another businessman's qualifications, market position, distinguishing marks and other rights
5. prizes and awards given to the businessman.

Misleading packaging sizes

Section 7

When marketing a businessman may not use packages which by reason of their size or external design generally are misleading as regards the quantity, size or form of the product.

Misleading imitations

Section 8

When marketing a businessman may not use imitations which are misleading as they can easily be confused for another businessman's known and characteristic products. However, this does not apply to imitations the design of which primarily serve to make the product functional.

Bankruptcy sales

Section 9

When marketing a businessman may only use the expression "bankruptcy", whether alone or in association with another expression, if the product is offered for sale by a bankruptcy estate or for its account.

Clearance sales

Section 10

When marketing a businessman may only use the expression "final sale", "clearance sale" or "closing" or another expression with a corresponding implication, if

1. it relates to a final sale of the whole of the businessman's stocks or a clearly defined part of them
2. the sale takes place during a limited period of time, and
3. the prices are significantly lower than the businessman's usual prices for corresponding products.

Bargain sales

Section 11

When marketing products a businessman may only use the expression "sale" or another expression with a corresponding implication, if

1. the sale relates to products included in the businessman's usual trade lines
2. the sale takes place during a limited period of time, and
3. the prices are significantly lower than the businessman's usual prices for corresponding products.

Unsolicited products etc.

Section 12

When marketing products a businessman may not deliver products to anyone who has not expressly ordered them and, in connection with this, mislead the recipient concerning his obligation for payment.

Nor may a businessman in other cases when marketing products present a person with invoices, paying-in slips or similar documents relating to products which have not been expressly ordered and, in connection with this, mislead the recipient concerning his obligation for payment (SFS 1995:1472).

Sales Promotion Offers

Section 13

When marketing products a salesman who offers purchasers the acquisition of further products without payment or to an especially low price or offers the purchaser other special benefits, must provide clear information concerning the

1. conditions for utilization of the offer,
2. the nature and value of the offer, and
3. the time limitations and other restrictions applicable to the offer.

Prohibitions and orders

Prohibitions against continuing certain kinds of marketing

Section 14

A businessman whose marketing violates good market practice or is in another way unfair to consumers or businessmen, may be prohibited from continuing with the marketing or taking any similar measure.

A prohibition under the first paragraph may also be issued to

1. an employee of the businessman
2. another person acting on behalf of the businessman, and
3. any person who otherwise has materially contributed to the marketing.

Orders to provide information

Section 15

A businessman who in his marketing omits to provide such information which is especially important from the consumer perspective, may be ordered to provide such information.

Such an order may also be issued to

1. an employee of the businessman, and
2. another person acting on behalf of the businessman.

Section 16

An order under [Section 15](#) may impose an obligation to provide information

1. in advertisements or other statements used by the businessman when marketing
2. by labelling on the goods or in another form at the sales point, or
3. in certain form to consumers who request it.

Unfit products

Section 17

A businessman who markets products which are intended to be used by consumers for private use and which are manifestly unfit for their primary purpose, may be prohibited from continuing with it.

If necessary in order to counteract a market practice referred to in the first paragraph, a businessman who manufactures, imports or otherwise markets the product to other businessmen may also be prohibited from continuing with it.

A prohibition under the first and second paragraphs may also be issued

1. to an employee of the businessman, and
2. another person acting on behalf of the businessman.

Section 18

A prohibition under [Section 17](#) may not be issued, if by an enactment or other decision made by a public authority, special regulations have been issued concerning the product having the same objective as the prohibition would meet.

Default fines

Section 19

A prohibition under [Sections 14](#) or [17](#) or order under [Section 15](#) shall be made subject to a default fine unless special reasons render this unnecessary.

Interim Decisions

Section 20

The court may issue a prohibition under [Sections 14](#) or [17](#) or order under [Section 15](#) to apply until otherwise decided, if

1. the applicant shows probable cause for his action, and
2. it may reasonably be expected that the defendant, by taking or omitting to take a certain act reduces the importance of a prohibition or order.

In relation to decisions under the first paragraph. Chapter 15, Section 5, second and fourth paragraphs, Section 6 and Section 8 of the Swedish Code of Judicial Procedure apply. The decisions may be enforced immediately.

Prohibition and information orders

Section 21

In cases which are not of great importance the Consumer Ombudsman may issue an order concerning

1. prohibition referred to in [Sections 14](#) or [17](#) (prohibition orders), or
2. order referred to in [Section 15](#) (information orders).

The order shall be issued subject to a default fine.

In order to be valid the businessman shall approve the order immediately or within a certain period. If the order has been approved it applies as a judgment of the court which has entered into final force.

An approval made after the prescribed time does not apply.

Market disruption fee

Prerequisites for the fee

Section 22

A businessman may be ordered to pay a special fee (market disruption fee), if the businessman or a person acting on his behalf intentionally or by carelessness violates any of the provisions of [Sections 5 to 13](#).

This also applies to a businessman who intentionally or carelessly contributes to the violation.

The fee belongs to the State.

Section 23

A market disruption fee may not be imposed on a person in respect of a violation of a prohibition or an omission to observe an order issued subject to a default fine under this Act.

The Amount of the Fee

Section 24

The market disruption fee shall be determined to be at least five thousand crowns and at most five million crowns.

The fee may not exceed ten percent of the businessman's annual turnover. Annual turnover shall relate to the turnover of the immediately preceding financial year. If the violation has occurred during the businessman's first year of operations or if information concerning annual turnover is otherwise not available or inadequate, the annual turnover may be estimated.

If an action is directed towards several businessmen, the fee shall be determined specifically for each and every one of them.

Section 25

When determining the market disruption fee special regard shall be taken to the seriousness of the violation and its duration.

In petty cases a fee shall not be imposed. The fee may be remitted if there are extraordinary reasons.

Limitations of time

Section 26

A market disruption fee may only be imposed if the summons application has been served on the person against whom the claim is directed within five years after the cessation of the violation.

Section 27

A market disruption fee lapses if the judgment has not been enforced within five years from the time when it entered into final legal force.

Provisional attachment

Section 28

In order to provide security for a claim for a market disruption fee, the court may decide on provisional attachment. In that event the provisions of Chapter 15 of the Code of Judicial Procedure relating to provisional attachment for debts apply.

Damages

Section 29

A person who intentionally or by carelessness violates a prohibition or an order issued under [Section 14](#) or [15](#) or violates a provision in [Sections 5 to 13](#), shall pay compensation for the damage thereby arising to a consumer or another businessman.

When determining the compensation to businessmen regard may also be taken to circumstances other than those of an economic nature.

Section 30

An entitlement to damages lapses if the action is not instituted within five years of the damages being incurred.

Elimination of misleading statements

Section 31

If a prohibition subject to a default fine under [Section 14](#) or a provision of [Sections 5 to 13](#) is violated, the court may according to what is reasonable decide that a misleading statement found on goods, packages, printed matter, commercial documents or the like shall be eliminated or changed so that it is not longer misleading. If this objective cannot be achieved by other means the court may order destruction of the property.

Measures for Security

Section 32

If the applicant shows probable cause for the approval of his claim in accordance with [Section 31](#) and it may reasonably be expected that the defendant by taking or by omitting to take a certain act reduces the importance of a decision for elimination, the court may decide on appropriate measures to apply until otherwise decided. Chapter 15, Section 3 second paragraph, Section 5 second and fifth paragraphs, Section 6 and Section 8 of the Code of Judicial Procedure apply in relation to such measures. Decisions may be enforced immediately.

If a claim is presented under [Section 31](#) in a case concerning the judicial confirmation of a default fines prescribed pursuant to this Act, instead of the provisions in the first paragraph applying, the property may be seized. In that event the provisions of Chapter 27 of the Code of Judicial Procedure concerning seizure in criminal cases apply. Decisions may be enforced immediately.

Section 33

A decision to eliminate misleading statements under [section 31](#) and decisions for measures to provide security under [Section 32](#) are issued on the application of a party by the court where proceedings concerning a prohibition under [Section 14](#), a market disruption fee under [Section 22](#) or damages under [Section 29](#) are pending.

Decisions to eliminate statements on account of violations of a prohibition subject to a default fine under [Sections 14](#) and [19](#) may be issued on the application of a party by the court where the proceedings concerning the confirmation of the default fine are pending.

Duty to provide information etc.

Section 34

A businessman is obliged, on the direction of the Consumer Ombudsman, to

1. express his views and provide the information necessary in a case concerning application of this Act,
2. make available those documents, samples of goods and the like which may be of importance to the investigation in a matter where a decision concerning a prohibition or order under [Sections 14](#), [15](#) or [17](#) may be assumed to arise.

Section 35

A person who has been issued with a prohibition or order under [Sections 14](#), [15](#) or [17](#) is obliged, on the direction of the Consumer Ombudsman, to make available the information, documents, samples of goods and the like which are necessary to supervise compliance with the prohibition or order.

Section 36

If a direction under [Section 34](#) or [35](#) is not observed, the Consumer Ombudsman may prescribe a default fine for the person concerned to satisfy his obligations.

Section 37

The Consumer Ombudsman may pay compensation for such samples of goods and the like referred in [Sections 3](#) and [35](#), if there is special reason for so doing.

The Government or the authority designated by the Government may prescribe rules concerning the duty of a businessman to pay the Consumer Ombudsman's expenses for taking samples and examination of samples in cases referred to in [Section 35](#).

Where and by whom may proceedings be instituted

Prohibitions and Orders

Section 38

Actions concerning prohibition or orders under [Sections 14](#), [15](#) or [17](#) are instituted in the Stockholm City Court².

Such an action may be instituted by

1. the Consumer Ombudsman
2. a businessman affected by the marketing, and
3. an association of consumers, businessmen, wage or salary earners.

An interim decision under [Section 20](#) is issued by the court where proceedings under the first paragraph are pending.

Market disruption fee

Section 39

An action concerning a market disruption fee under [Section 22](#) is instituted in the Stockholm City Court by the Consumer Ombudsman.

If, in a particular case, the Consumer Ombudsman decides not to present an application for a market disruption fee a private businessman affected by the marketing and an association of businessmen may institute such an action.

A decision for provisional attachment under [Section 28](#) is issued by the court where proceedings concerning a market disruption fee are pending. If the action has not yet been commenced, the provisions of the first paragraph apply to the issue of competent court.

Confirmation of default fine

Section 40

Actions concerning the confirmation of default fines prescribed pursuant to this Act are instituted at a district court which is competent in accordance with Chapter 10 of the Code of Judicial Procedure. Such an action may always be instituted at Stockholm City Court.

The action may be instituted by a person who has requested the imposition of a default fine and by the Consumer Ombudsman.

Damages

Section 41

Actions for damages under [Section 29](#) are instituted at Stockholm City Court. Such an action may also be commenced at a district court competent in accordance with Chapter 10 of the Code of Judicial Procedure.

Appeals

Section 42

The Consumer Ombudsman's decisions under [Section 34, item 1](#) and concerning orders subject to default fines following such a direction may not be appealed against.

The Consumer Ombudsman's decisions under [Section 34, item 2](#) and [Section 35](#) and also concerning orders subject to default fines following such a direction may be appealed against to Stockholm City Court. This also applies to compensation under [Section 37](#) or under provisions issued pursuant to the said section.

Section 43

Judgments and decisions of the district court in cases and matters under this Act are appealed against to the Market Court. Judgments and decisions in cases concerning the confirmation of default fines prescribed pursuant to this Act are, however, appealed against to a Court of Appeal in accordance with the provisions of the Act concerning Default Fines (SFS 1985:206).

Decisions in the course of proceedings or matters referred to in [Section 20](#) and [Section 32](#), first paragraph, may be appealed against independently. When being dealt with in the Market Court, decisions shall be considered to relate to measures in accordance with Chapter 15 of the Code of Judicial Procedure.

Legal Force

Section 44

A judgment dealing with matters concerning prohibition under [Section 14](#) or [17](#) or orders under [Section 15](#), prevents a new action under [Section 14](#), [15](#) or [17](#) being instituted by reason of the marketing. However, such a judgment does not prevent a new determination of the same issue when changed circumstances give cause for so doing.

Composition of the Court etc.

Section 45

At the main hearing of matters under this Act the Stockholm City Court shall be constituted by four members, of which two shall be legally qualified judges and two financial experts. One of the legally qualified judges shall be the chairman of the court.

If after the main hearing has commenced, legal excuse for absence of one of the members arises, the court is nevertheless competent.

At the main hearing of cases referred to in Chapter 1, Section 3a second and third paragraphs of the Code of Judicial Procedure and on determination of cases without a main hearing, and similarly with procedures not conducted by a main hearing, the district court shall be constituted by one legally qualified judge, unless otherwise provided by [Section 46](#). However, in such cases a financial expert may also participate in the court.

Section 46

When determining cases without a main hearing and when considering issues which are part of the proceedings, the Stockholm City Court may be composed as stated in [Section 45](#), first paragraph, if there is special cause for so doing having regard to the nature of the case or issue.

Section 47

In cases only relating to damages under [Section 29](#), Stockholm City Court may be composed as provided by Chapter 1, Sections 3a, 3c and 3d of the Code of Judicial Procedure.

Section 48

When dealing with matters referred to in [Section 42](#) second paragraph, Stockholm City Court shall be composed as stated in [Section 45](#), first paragraph. Procedures referred to in [Section 3](#) and [4](#) or the Act concerning Procedures in Judicial Matters (SFS 1946:807), the district court shall be constituted by one legally qualified judge. In such cases a financial expert may participate in the district court.

Section 49

The Government shall appoint for a certain time persons to serve as financial experts under [Section 45](#). Notwithstanding that while a financial expert is participating in a case or matter, circumstances arise whereby the appointment must cease to apply, the appointment shall be considered valid as regards the case or matter pending.

A person serving as a financial expert must be a Swedish national and may not be a minor, in a state of bankruptcy or have an administrator under Chapter 11, Section 7 of the Code on Parents Guardians and Children.

Regulations concerning litigation

Procedure in the Stockholm City Court and the Market Court

Section 50

Unless otherwise provided by this Act, the provisions of the Code of Judicial Procedure concerning civil disputes where settlement is not permitted apply to cases concerning prohibitions or orders under [Sections 14, 15](#) and [17](#) and cases concerning market disruption fees under [Section 22](#).

In cases concerning damages under [Section 29](#), the provisions laid down in the Code of Judicial Procedure concerning civil disputes where settlement of the matter is permitted apply.

In the Stockholm City Court the Act concerning Procedure in Judicial Matters (SFS 1946:807) apply in matters referred to in [Section 42](#), second paragraph, unless otherwise provided by this Act.

Section 51

The provisions of Chapters 49, 50 and 52 of the Code of Judicial Procedure concerning courts of appeal shall, in cases and matters under this Act apply instead to the Market Court.

Section 52

If an action under this Act has been instituted by someone other than the Consumer Ombudsman, the district court shall notify the Consumer Ombudsman about the proceedings.

Joinder

Section 53

In the district court, cases concerning damages under [Section 29](#) may only be amalgamated with other cases under this Act.

Intervention

Section 54

In cases concerning prohibitions or orders under [Section 14, 15](#) or [17](#) the person entitled to sue in accordance with [Section 38](#), second paragraph, is entitled to participate in the litigation as intervenor under Section 14 of the Code of Judicial Procedure.

Litigation Costs

Section 55

In cases under this Act the provisions of Chapter 18 of the Code of Judicial Procedure apply to issues concerning litigation costs. However, the regulations in Chapter 18, Section 16 of the Code of Judicial Procedure shall not be applied in cases concerning prohibitions or orders under [Section 14, 15](#) and [17](#). In such cases the court may decide that each party bears their own litigation costs.

Non-attendance

Section 56

The provisions laid down in the Code of Judicial Procedure concerning public prosecutions apply in respect of the Consumer Ombudsman as a party to a case or matter under this Act, in issues concerning orders for parties and the non-attendance of parties.

Other Provisions

Section 57

The Government may with reference to a foreign State decide that the following shall apply.

As regards goods provided with an incorrect or misleading indication of origin, by which the goods are directly or indirectly indicated to be produced or manufactured in the foreign State or in a region or district of the foreign State, measures under [Section 31](#) may also be decided in cases other than those referred to there. However, this does not apply if the designation, in accordance with trade custom, only serves to denote the kind of goods or if it is accompanied by information clearly stating that the goods have not been produced or manufactured in the State or district mentioned.

Actions concerning measures under the second paragraph are instituted in the Stockholm City Court by the Consumer Ombudsman or, if he has decided not to issue proceedings, by a person conducting business in goods of the same nature as the goods to which the action relates.

1. This Act enters into force on 1 January 1996, at which time the Marketing Act (1975:1418) shall cease to apply.
2. The provisions of [Sections 4](#) to [13](#) also apply to marketing conducted before the entry into force, unless the measure was permitted

according to previously applicable provisions. However, in relation to such marketing the market disruption fee under [Section 22](#) may not be imposed and the issue of damages shall be determined in accordance with previously applicable provisions.

3. Prohibitions and orders and also prohibition and information orders issued under previously applicable provisions still apply.

4. Cases concerning damages, prohibitions or orders where the action was commenced before the entry into force are dealt with in accordance with previously applicable provisions.

On behalf of the Government

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ENGLISH LAW TRANSLATIONS

1 With amendment (SFS 1995:1472).

2 The Stockholm City Court is the district court of Stockholm.