

Business law



The central Hudson test looks at the legality of the advertising, “ The Central Hudson test recognizes the constitutionality of regulations restricting advertising that concerns an illegal product or service, or which is deceptive.” (Central Hudson Test 1) Of course the test also requires that the government show that regulation by them advances an important regulatory interest of the government and is only as restrictive of speech as is necessary to protect that regulatory interest. This approach was used by the United States government to restrict the placement of alcohol percentages on bottles and prevented additional changes that could cause “ strength wars” between brewers. Strength wars theoretically could cause additional problems in regulatory practices. The court held that the Federal Government could not prohibit this disclosure because the regulation was too broad and did not advance the governments interest in preventing “ strength wars.” The successful challenge by the Coors brewing company is now a part of case law and can be used in future arguments of this nature. This case of course does not alleviate the duty of companies to present the truth in advertising however, it does allow for more control over said advertising. Additionally it is important to understand that though the court likely ruled in favor of the Coors brewing company this does not by default assure future positive outcomes for companies regarding advertising or labelling. Central Hudson Test, . " The " Central Hudson Test" for Restrictions on Commercial Speech." law. umk. edu 2010: 1. Web. 2 Feb 2011.