

**Senator Mike Dmitrich** proposes the following substitute bill:

**UNFAIR COMPETITION ACT**

2004 GENERAL SESSION

STATE OF UTAH

**Sponsor: Mike Dmitrich**

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**LONG TITLE**

**General Description:**

This bill enacts provisions within the Utah Criminal Code related to unfair competition.

**Highlighted Provisions:**

This bill:

- ▶ defines unfair competition;
- ▶ provides criminal penalties for unfair competition; and
- ▶ provides a private right of action for a person injured by unfair competition.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**76-10-903.5**, Utah Code Annotated 1953

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **76-10-903.5** is enacted to read:

**76-10-903.5. Unfair competition defined -- Criminal penalties -- Private action.**

(1) As used in this section, "unfair competition" means a business act or practice that:



- 26           (a) is unlawful, unfair, or fraudulent; and  
27           (b) leads to a material diminution in value of intangible property.  
28           (2) A person who commits unfair competition is guilty of:  
29           (a) a class A misdemeanor for an act of unfair competition that leads to a diminution in  
30 value of intangible property that is less than or equal to \$20,000; or  
31           (b) a third degree felony for an act of unfair competition that leads to a diminution in  
32 value of intangible property that is greater than \$20,000.  
33           (3) (a) In addition to the penalties under Subsection (2), a person injured by an act of  
34 unfair competition may bring a private cause of action against a person who engages in an act  
35 of unfair competition.  
36           (b) In an action under Subsection (3)(a), a person injured by an act of unfair  
37 competition may recover:  
38           (i) actual damages;  
39           (ii) costs and attorney fees; and  
40           (iii) if the court determines that the circumstances are appropriate, punitive damages.