**Jewish Business Ethics**

 **Goods and services "on sale"**

Advertising goods or services as being available at a special "sale" price is a tempting way of attracting additional custom.  What are the Jewish ethical issues that have to be reflected in advertising a sale?

First and foremost, dina d'malchuta dina (the law of the land is part of halachah) applies in this area; so a Jewish advertiser needs to be scrupulously careful in complying with the secular consumer law on the subject.  Although there is a considerable amount of technical law in this area, including European Union law and UK consumer law, a trader who uses his or her common sense is unlikely to go far wrong.  In particular, you are unlikely to fall foul of the law if: (a) you have actually traded at the pre-sale price for a number of months; (b) you intend to continue trading at the pre-sale price or a higher price following the sale period; and (c) the goods and services are identical in all respects to those sold before the sale.

In addition to the rules of consumer law, Jewish traders will need to have regard to the widest implications of midvar sheker tirchok (stay well away from anything false) as a principle of Jewish business ethics.  In the context of sales, this will mean attention to the use of words like "special price", "bargain", "holiday deal", "once-in-a-lifetime opportunity" and similar advertising techniques.  Secular consumer law may regard these as "mere puffs" rather than as specific representations that can be controlled by law; but Jewish ethical considerations will require greater attention to avoid misleading the purchaser.

By way of example, it is misleading (and probably unlawful) to announce a "sale" where what is actually happening is that you intend to increase the price of goods or services but are postponing the increase for a certain period during which you propose to describe the original price as a "sale" price.  It is also misleading to acquire inferior stock at a lower price in order to be able to sell as "sale" goods articles that are similar to, but in fact lower quality than, goods sold before the sale period, if you are hoping that people will buy in reliance on the reputation of the quality of the pre-sale goods.  (There is of course nothing wrong with selling inferior goods at lower prices if people are clear that is what they are buying.)

Where a purchaser was influenced by the belief that they were taking advantage of a special sale opportunity and finds out that in fact they were buying goods or services of the normal quality at the normal price, Jewish law may provide remedies not available as a matter of English consumer law.  In particular, if a Beis Din were satisfied that the purchaser would not have bought the goods or services but for the representation of a "sale", it might conclude that the purchase was a mekach to'us (deal based on mistake) and order a complete refund.   As with all issues in this area, the result would depend on the precise circumstances.

Daniel Greenberg, Parliamentary Counsel, Berwin Leighton Paisner LLP.  (Copyright the author; all rights reserved; note that this column aims to explore general issues of secular and Jewish law and ethics and does not purport to provide legal advice.)