

# COOPERATIVE IDENTITY PROTECTION ACT

## Act 310 of 1984

AN ACT to prohibit the use of the terms cooperative, co-op, or any variation thereof under certain circumstances; to provide for the powers and duties of the attorney general; and to provide for certain remedies, damages, and penalties.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

*The People of the State of Michigan enact:*

### 445.51 Short title.

Sec. 1.

This act shall be known and may be cited as the "cooperative identity protection act".

**History:** 1984, Act 310, Eff. Jan. 1, 1985

### 445.52 Definitions.

Sec. 2.

As used in this act:

(a) "Consumer protection act" means the Michigan consumer protection act, Act No. 331 of the Public Acts of 1976, being sections 445.901 to 445.922 of the Michigan Compiled Laws.

(b) "Person" means an individual, partnership, cooperation, association, trust, or other legal entity.

(c) "Trade or commerce" means trade or commerce as defined in section 2 of the consumer protection act.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

### 445.53 Use of terms "cooperative," "co-op," or variation thereof.

Sec. 3.

Unfair, unconscionable, or deceptive methods, acts or practices with respect to the use of the terms cooperative, co-op, or any variation thereof in the conduct of trade or commerce are unlawful and are defined as follows:

(a) Using the terms "cooperative", "co-op", or any variation thereof in one's name when not authorized to make use of those terms by section 1123 of Act No. 162 of the Public Acts of 1982, being section 450.3123 of the Michigan Compiled Laws, or by section 99 of Act No. 327 of the Public Acts of 1931, being section 450.99 of the Michigan Compiled Laws, or representing oneself to be, or causing oneself to be represented as being, a cooperative when one is not a person described in section 1123 of Act No. 162 of the Public Acts of 1982.

(b) In the case of a cooperative, representing or causing others to represent, in connection with offering goods, services, or facilities to consumers, that the cooperative makes membership available to consumers when the cooperative does not make membership available to consumers. Notwithstanding section 1123 of Act No. 162 of the Public Acts of 1982, being section 450.3123 of the Michigan Compiled Laws, use of the term "cooperative", "co-op", or any variation thereof in one's name in communications with consumers may be a violation of this section unless the use of those terms indicates the type of person to whom membership is available. This

subdivision shall not prohibit the continued use of the terms "cooperative", "co-op", or any variation thereof by a corporation authorized to use those terms either by section 1123 of Act No. 162 of the Public Acts of 1982 or by section 99 of Act No. 327 of the Public Acts of 1931, if the corporation was in existence and used 1 or more of those terms in its name or to represent itself before the effective date of this act, but such use shall not continue after January 1, 1990.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

#### **445.54 Powers of enforcement.**

Sec. 4.

The attorney general shall have the following powers to enforce this act:

- (a) To bring an action for a temporary or permanent injunction in the manner provided in section 5 of the consumer protection act.
- (b) To accept an assurance of discontinuance in the manner provided in section 6 of the consumer protection act.
- (c) To apply for the issuance of subpoenas in the manner provided in sections 7 and 8 of the consumer protection act.
- (d) To bring a class action in the manner provided in section 10 of the consumer protection act.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

#### **445.55 Action for declaratory judgment or injunction; action for damages and attorneys' fees.**

Sec. 5.

(1) Whether or not the person seeks damages or has an adequate remedy at law, a person may bring an action to do either of the following:

- (a) Obtain a declaratory judgment that a method, act, or practice is unlawful under section 3.
- (b) Enjoin in accordance with the principles of equity a person who is engaging or is about to engage in a method, act, or practice which is unlawful under section 3.

(2) A person who suffers loss as a result of a violation of this act may bring an action to recover actual damages or \$250.00, whichever is greater, together with reasonable attorneys' fees.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

#### **445.56 Effective date.**

Sec. 6.

This act shall take effect January 1, 1985.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

#### **445.57 Conditional effective date.**

Sec. 7.

This act shall not take effect unless House Bill No. 4335 of the 82nd Legislature is enacted into law.

**History:** 1984, Act 310, Eff. Jan. 1, 1985

**Compiler's Notes:** House Bill No. 4335, referred to in Sec. 7, was filed with the Secretary of State on July 9, 1984, and became P.A. 1984, No. 209, Eff. Nov. 1, 1985.