



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

April 7, 1997

Michael J. Machado
Assemblymember, Seventeenth District
California Legislature
State Capitol
P.O. Box 94248 -0001
Sacramento, CA 94248

Dear Assemblymember Machado:

Thank you for your March 14, 1997 letter requesting our views on the effectiveness of the Federal Trade Commission's Guides for the Use of Environmental Marketing Claims, or the "Guides," 16 C.F.R. Part 260 (1996).⁽¹⁾

Your letter notes that in 1995 California enacted legislation that brought California's existing environmental product labeling standards into conformance with the FTC Guides. You state further that new legislation, Assembly Bill 362, has now been introduced, which essentially restores California's previous labeling law, in apparent conflict with the FTC Guides, as well as other state laws. You request our opinion of the benefits to consumers and businesses in establishing uniform guidelines for interpreting environmental marketing claims, and in particular "whether firms doing business nationally would find it difficult and costly to comply with different definitions in different states."

The impetus for the FTC Guides dates back to the late 1980s, when consumer concerns about the environment led to enormous interest in the environmental characteristics of products and packaging. The market responded to this increased consumer demand with a rapid proliferation of claims, many of which appeared to be deceptive and

the Guides, and whether products manufactured from reconditioned and/or reused parts can be labeled "recycled" under the Guides.

5. 61 Fed. Reg. 53,311, 53,312 (1996) (copy attached).

6. Since the Guides were issued, the Commission has entered into 26 consent agreements concerning environmental claims: *RBR Prods.*, Docket No. C-3696 (Dec. 10, 1996); *Benckiser Consumer Prods.*, Docket No. C-3659 (May 22, 1996); *Amoco Oil Co.*, Docket No. C-3655 (May 7, 1996); *Safe Brands Corp.*, Docket No. C-3647 (Mar. 26, 1996); *Mattel, Inc.*, Docket No. C-3591 (June 23, 1995); *Creative Aerosol Corp.*, Docket No. C-3548 (Jan. 13, 1995); *Chemopharm Laboratory*, No. C-3545 (Dec. 6, 1994); BPI Env'l, Docket No. C-3535 (Oct. 17, 1994); *North American Plastics Corp.*, Docket No. C-3526 (Sept. 7, 1994); *Amoco Foam Prods.*, Docket No. C-3514 (Aug. 9, 1994); *Keyes Fibre Co.*, Docket No. C-3512 (Aug. 2, 1994); *AJM Packaging Corp.*, Docket No. C-3508 (July 20, 1994); *LePage's, Inc.*, Docket No. C-3506 (July 19, 1994); *Oak Hill Indus.*, Docket No. C-3507 (July 19, 1994); *America's Favorite Chicken Co.*, Docket No. C-3504 (July 5, 1994); *Orkin Exterminating Co.*, Docket No. C-3495 (May 25, 1994); *Archer Daniels Midland Co.*, Docket No. C-3492 (Apr. 12, 1994); *Mr. Coffee, Inc.*, Docket No. C-3486 (Mar. 25, 1994); *Redmond Prods.*, Docket No. C-3479 (Feb. 10, 1994); *White Castle Sys.*, Docket No. C-3477 (Jan. 13, 1994); *G.C. Thorsen, Inc.*, 116 F.T.C. 1179 (1993); *Texwipe Co.*, 116 F.T.C. 1169 (1993); *Nationwide Indus.*, 116 F.T.C. 853 (1993); *DeMert & Dougherty, Inc.*, 116 F.T.C. 841 (1993); *PerfectData Corp.*, 116 F.T.C. 769 (1993); *Mobil Oil Corp.*, 116 F.T.C. 113 (1993).