

January 13, 2006

Federal Trade Commission/  
Office of the Secretary  
Room H-135 (Annex O)  
600 Pennsylvania Ave., NW  
Washington, D.C. 20580

**RE: Energy Labeling, Project No. R511994 – Comments of AHAM to the  
FTC on its Appliance Labeling Rule**

Dear Secretary Clark:

On August 8, 2005 President Bush signed the Barton-Domenici Energy Policy Act of 2005 (EPACT). Section 137 of EPACT requires the Federal Trade Commission (FTC) to conduct a rulemaking to assess the effectiveness of the *EnergyGuide* label.<sup>1</sup> On November 2, 2005 the FTC published an Advance Notice of Proposed Rulemaking and request for comments on the effectiveness of its Appliance Labeling Rules and suggestions for improving the energy labeling system.<sup>2</sup> The FTC is asking for comments on: (1) the effectiveness of the current *EnergyGuide* label; (2) possible changes to the *EnergyGuide* label; and (3) evaluation of certain of its elements. On behalf of the Association of Home Appliance Manufacturers I would like to present the following comments for your review.

The Association of Home Appliance Manufacturers (AHAM) is the trade association representing the manufacturers of major, portable and floor care home appliances, and suppliers to the industry.

**I. BACKGROUND AND PURPOSE**

A. The *EnergyGuide* Label and the Energy Star Program

The purpose of the *EnergyGuide* label is to provide useful information to consumers on the energy usage of home appliance products.<sup>3</sup> The Appliance Labeling Rule was adopted in an era in which the concern was a market failure in providing full

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<sup>1</sup> 42 U.S.C. § 6291 *et seq.*

<sup>2</sup> Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act (“Appliance Labeling Rule”), 70 Fed. Reg. 66,307 (Nov. 2, 2005) (the “November 2 Notice”)

<sup>3</sup> The FTC’s Appliance Labeling Rule requires that manufacturers of Clothes Washers, Dishwashers, and Refrigerator/Freezers display the energy usage of these products in the *continuous-style* format. However, the label for Room Air Conditioners is measured in terms of an EER rating.

and comparative consumer information on the after-purchase costs of energy-using products. Full and fair disclosure was required and the FTC was chosen for this task because of its competency and experience in full and comparative labeling programs and countering deceptive practices. The FTC was not chosen because of its expertise in energy efficiency or selecting efficient products because it had and has no such expertise.

This mission has been carried out well. The current label design for home appliances provides consumers with information on the energy usage of a particular home appliance in a *continuous-scale* format that compares the energy use or efficiency rating of a particular model with that of other appliances offered in the marketplace. The label employs a horizontal scale that is bounded by the energy values identifying those products in the marketplace that use the most and the least amount of energy. This is commonly known as the “Range of Comparability.” With it, consumers get accurate, useful and comparative information.

The Environmental Protection Agency (EPA) and Department of Energy’s (DOE) Energy Star program was established in 1992 as a voluntary market-based program that identifies highly efficient appliances in the marketplace. The program has been vastly successful in providing energy savings to consumers and incentives to manufacturers on the production of energy efficient products.

B. AHAM’s Response to the FTC’s November 2 Notice

In the November 2 Notice, FTC requested data that demonstrates consumers understanding of the current FTC *EnergyGuide* label and alternatives to the label. In order to properly respond to this question, and others posed by the FTC, AHAM conducted consumer research that examined the current *EnergyGuide* label, and three alternatives, to assess consumer understanding of the label and the information it communicates.<sup>4</sup>

The survey, described below, was conducted by a nationally recognized consumer research firm and utilized consumers that were representative of the U.S. population. The AHAM-Synovate Study found that a variant of the current *continuous-style* label was preferred by the majority of consumers. In addition, consumers found the *categorical-style* confusing and incorrectly interpreted its purpose. An overview of the research and its findings are below.

The AHAM-Synovate Study results are consistent with the policy decision made thirty years ago which is still sound today. The FTC label provides useful comparative information which allows consumers to exercise their free will to make good decisions based on energy and other factors. To the extent that government should promote and attempt to direct energy efficient purchases, agencies with expertise – such as EPA and

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<sup>4</sup> EnergyGuide Label Study, Synovate, January 2006 (the “AHAM-Synovate Study”).

DOE – should administer such programs, as Congress determined when authorizing the Energy Star program last year.

Below is a discussion of the pertinent policy issues surrounding the current *EnergyGuide* label, and an analysis of AHAM’s consumer research. In summary, the AHAM-Synovate Study found that (1) consumers prefer the current *continuous-style* label format; and (2) consumers found the *categorical-style* label to be confusing. From a programmatic standpoint, we believe that adoption of the *categorical-style* format (3) would add onerous program requirements on the FTC that it is not well suited to perform; and (4) would interfere with the successful Energy Star program.

## II. ISSUES IMPLICATED BY THE FTC’S *ENERGYGUIDE* LABEL RULEMAKING

### A. Harm to the Appliance Labeling Program if the FTC Adopts a Categorical-Style Label

The FTC *EnergyGuide* Label was created to provide consumers with information that would assist them in determining the energy usage of appliances (and operating costs) thereby assisting them in their purchasing decision. As is discussed below, there are serious implications for changing the current label to a different design type. One of the variations that is advocated by the American Council for an Energy Efficient Economy (ACEEE) is the *categorical-style* label. This type of label rates a particular product on a scale that the AHAM-Synovate Study found provides confusing and misleading information on energy usage and efficiency to consumers that conflicts with the Energy Star program. Moreover, consumers may see this label as providing information related to the quality or performance of an appliance rather than providing the required energy usage information. This is directly counter to the FTC mandate to ensure accurate and non-deceptive information.

### B. Any Change to the *EnergyGuide* Label Must Take Into Account the Energy Star Program

In addition, an examination of the *EnergyGuide* label must be done with consideration of the Energy Star program. The Energy Star logo has become an important means for manufacturers to demonstrate a higher category or level of energy efficiency of an appliance, and is integrated in manufacturers’ marketing strategies. The Energy Star program has had significant market impact in the purchase of energy efficient appliances and has literally transformed the marketplace. In practice, manufacturers must have full lines of Energy Star products. We believe that it is vital that the FTC’s label not diminish the value of this Energy Star label through a change to the *EnergyGuide* label that would either confuse consumers, or encourage them not to consider the Energy Star logo when making their purchase decisions.

In fact, it is important to note that the Energy Star program has a statutorily distinct purpose from the *EnergyGuide* label program. While the FTC's *EnergyGuide* was created to provide energy usage and consumption information to assist consumers in understanding the long-term cost implications of purchasing a particular product, the Energy Star program has been specifically identified by the Congress to "identify and promote energy-efficient products" for consumers.<sup>5</sup> Furthermore, Energy Star derives its product efficiency specifications through in-depth economic and technical analyses and stakeholder involvement, and its placement on products reflects the actual energy efficiency, performance and, in some cases, quality of the product. The *EnergyGuide* label conversely is designed to provide consumers with simple energy usage information that allows them to compare similar units. AHAM strongly believes that since this program has worked so well, it should not, in any way, be undermined.

We must note that the *EnergyGuide*'s concept of providing a basis for comparison for energy consumption among various models has proven to be effective for manufacturers, retailers and consumers. A variety of company market research and anecdotal evidence suggests that the current label provides consumer benefits, and while AHAM believes that the current label can be modified to improve its use, we do not believe that a wholesale revision is called for at this time. The AHAM-Synovate Study found that consumers preferred a variation of the current *continuous-style* bar graph design that is only moderately different from the current design, but includes improved graphics.

C. A Categorical-Style Label Would Require the FTC to Make Subjective Assessments of Appliance Energy Usage

The FTC should also consider the programmatic implications of changing the current label format to the *categorical-style*. In utilizing this format type, the FTC would be expanding its responsibilities under the Appliance Labeling Rule. Instead of identifying energy usage on the *EnergyGuide* as reported by manufacturers, the FTC would instead have to develop categorical energy efficiency ratings levels (i.e. the energy efficiency for 1-star, 2-star ratings) and then make subjective judgments as to where particular products should be categorized. Such a responsibility is clearly beyond the scope of the current program and current the expertise of the agency.

### III. OVERVIEW OF AHAM'S CONSUMER RESEARCH

A. Overview of the AHAM-Synovate Study and its Methodology

AHAM conducted consumer research by a nationally recognized consumer research firm, Synovate, to identify types of information conveyed in the *EnergyGuide* label, to measure the usefulness of the information conveyed and to examine consumer

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<sup>5</sup> Barton-Domenici Energy Policy Act of 2005, Pub. L. No. 109-58, § 131. (emphasis added)

preference for four *EnergyGuide* prototype label designs including the current label. The survey also examined the label design, with an “Energy Star” logo added.

The online survey was completed with 882 respondents who were involved in purchase decisions related to major appliances for their household. The sample was balanced in order to be representative of the general public based upon region, gender, age, and household income data from the U.S. Census Bureau.<sup>6</sup>

The survey was presented online to 1000 Synovate’s Consumer Opinion Panel members. Only individuals who were jointly or completely responsible for home appliance purchase decisions for the household qualified to respond to the survey.

The attachment shows the series of labels that were displayed to the survey panel: Label #1 is the current FTC *EnergyGuide* label; Label #2 is a variation of the current label with added segmenting marks to the continuous bar and a white background; Label #3 is the *categorical-style* label using stars; and Label #4 is an alternative to the current *EnergyGuide* label that does not employ a graphical bar format.

The respondents were presented with the labels in a random rotating order and were asked a series of questions to determine how useful each label design was in providing energy usage information. The survey found that Label #2 “significantly outperformed” the other three labels in effectiveness in conveying energy usage information.<sup>7</sup>

B. Results of AHAM’s Consumer Research – *Label #2 (the modified continuous-style label) was the most effective in conveying energy usage information*

Label #2 was the clear favorite of those taking the survey, and most importantly, of those in the key demographic age group of 35-44 years (i.e. 49%) and the income segments of \$50,000 and over (i.e. 41%).<sup>8</sup> When respondents were asked “What information does the label provide you about this product?”, respondents indicated that Label #1 (i.e. the current *EnergyGuide* label) and Label #2 (i.e. the modified *continuous-scale* label) best provided information about energy usage. The research found that the continuous-scale design of Label #1 and Label #2 communicated energy usage to a “significantly better extent” than Label #3.<sup>9</sup>

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<sup>6</sup> AHAM-Synovate Study, p. 1.

<sup>7</sup> Id. at p. 2.

<sup>8</sup> 49% of respondents in this age group and approximately 41% of those in the \$50,000 and higher income group found Label 2 to be the best to provide energy usage information.

<sup>9</sup> Id. at p. 2.

Label #3 (i.e. the star-based *categorical-style* label) was found to be less effective in demonstrating energy usage for an appliance, but in combination with an Energy Star logo was seen as effective in measuring performance and energy efficiency.<sup>10</sup> However, the research demonstrated that respondents were confused by this label and did not sufficiently understand the purpose and information conveyed when it was combined with an Energy Star logo. Respondents were clearly confused by the juxtaposition of a “star,” which is the basis of this categorical approach, with the Energy Star logo, and made the assumption that this was an energy efficient product.<sup>11</sup>

Over 75% of respondents rated Label #2 either a “4” or “5” (i.e. top-two box percentage) on a 5-point usefulness scale. Respondents stated that this label was “easy to read,” and most importantly “easy to understand.” One respondent noted that this label was the “easiest to read” and that it made it easier to “locate” how much energy was being used by the particular product. Several respondents noted that in comparison to Label #3, Label #2 was preferable and easiest to understand because the star-based label might lead some to believe that it represents an “overall rating” or a “rating system... and not an energy guide” and that Label #2 “is strictly talking about energy usage.”<sup>12</sup>

Those respondents also found the descriptors on Label #2 to be useful as well. Respondents liked the specificity of this label and the fact that they could “define the range of energy usage” and that they could see an actual energy usage number that could be compared to other models’ energy usage numbers.<sup>13</sup>

Most importantly, respondents preferred Label #2 because of the fact that it provided information that could be used to compare different models and because of the

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<sup>10</sup> Id. at p. 6.

<sup>11</sup> One respondent noted that they preferred the *continuous-style* label with the Energy Star logo because it was “Easiest to read and right to the point” but then noted that “The stars are too confusing.”

<sup>12</sup> Some of the full statements from the respondents are as follows: “I think [Label #2] is the easiest to understand without confusing me. For instance, the one with the stars might make someone believe that it is an overall rating (if they did not read it properly, which most people don’t). The one I chose lets me know that this label is strictly talking about energy usage and giving some other information about efficiency of gas vs. electric.”

“I find it easier to understand the energy usage by reading the gauge bar concept as opposed to the concept using stars, as that might fool some people into believing that it’s a rating system of the product and not an energy guide.”

<sup>13</sup> This respondent stated: “It clearly defines the range of energy usage for the type of appliance and then marks just where within that range the specific model falls. This way if I know that there are other models that only use 194 Kwh and the one I’m looking at uses 500, I know I need to keep shopping.”

graphical format that many found “clear,” “simple,” “understandable,” “logical” and “illustrative.”<sup>14</sup>

The consumer responses above, and the consolidated report summary, clearly demonstrate that the *continuous-style* label is the preferable format to the *categorical-style* label. Respondents preferred Label #2, which is a modification of the current *EnergyGuide* label that includes segmentation on the bar, and a white background to emphasize the continuous bar when observed. The survey respondents most clearly understood the FTC’s goal of proving absolute and relative energy usage information when the *continuous-style* bar *EnergyGuide* label was presented.

### C. Consumers Misunderstood the Categorical Label

In the next question, consumers were shown the same series of *EnergyGuide* labels with an Energy Star logo included in the bottom right corner. Respondents were asked, “Which *EnergyGuide* label, with “Energy Star” logo, most clearly conveys that this product is a high efficiency model? Respondents were clearly confused by having a label with stars and the Energy Star logo combined on the same label because Label #3 was selected as the preferred label even though this label did not represent an energy efficient product.<sup>15</sup> At the same time, it is clear from the survey comments that respondents fully understood the purpose, format and structure of Label #2.

The consumer responses demonstrated that the *categorical-style* label was seen as introducing additional complexity and confusion, in the instances in which the Energy Star logo was included: Labels #1A, #2A, #3A, and #4A. The AHAM-Synovate Study concluded of these types of labels, which would only be used in instances where the product was Energy Star compliant (i.e. which typically represents only 25% of the marketplace for any particular home appliance product) showed that Label #3A was the most popular for demonstrating “high efficiency.” Respondents were obviously confused with the purpose of the label, however, especially when combined with the Energy Star logo.

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<sup>14</sup> Some of the statements from the respondents are as follows: “It shows me the information, and a realistic range to see what the usage and costs might be. It is clear, easy to read, and gives me the information.”

“It is the easiest to read. The line graph is easy, the contrast with black and white makes it easy to read as well. A consumer can just glance at it and understand it.”

“Simple layout with all of the important information you need.”

<sup>15</sup> The format of the categorical-style label identifies the most efficient products with a “five” star rating. The label presented in the survey included only “one” star and therefore represented the least efficient product of the universe of products, however, respondents thought that it was the most efficient.

#### IV. COMMENTS ON THE ACEEE 2002 STUDY

In the November 2 Notice, the FTC has asked for input and commentary on the ACEEE 2002 Study.<sup>16</sup> AHAM observed the conduct of this study and therefore was able to comment on it.

Overall, through our observations of the study and subsequent review of the final results, we find the ACEEE 2002 Study to be a non-scientific and significantly biased study which resulted in a flawed conclusion. Importantly, through our observations at the time, and review of the results, it appears that the general methodology of the focus group studies was quite poor. In fact, the report confirms this fact as it states in the appendix that the results are not scientific, and thus cannot be substantiated: “The non-statistical nature of qualitative research means the results cannot be generalized to the population under study...”<sup>17</sup> Conversely, the AHAM-Synovate Study is scientific and did produce quantitative results.

In addition, our observations at the time of the study were that during the conduct of the focus group research, the participants knew or had determined quickly what the research was about and the preferred answers – group participants were given significant prompting. Consequently, participant answers appear to be skewed toward what the surveyor wished to hear. AHAM observed that the research, and the discussion in the focus groups, started with the proposition that the current label was not working and that it needed to be fixed. However, this proposition was never substantiated. One of the interesting comments resulting from the focus groups is quite illustrative to the bias that existed in the whole research process. It concerns the current perspectives of the efficiency of appliances today. Many consumers, when asked, made the assumption that all modern appliances are now efficient, especially when compared to older models. Unfortunately, this statement was immediately discounted as incorrect by those conducting the research. In actuality, this comment was not only true, but also perceptive.

Furthermore, in reviewing the findings in the report itself, it is clear that it lacks a scientific or structured methodological approach. The research was done through a series of focus groups and miscellaneous consumer research, each phase essentially

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<sup>16</sup> An Evaluation of the Federal Trade Commission’s EnergyGuide Appliance Label: Final Report and Recommendations, Jennifer Thorne and Christine Egan, August 2002 (the “ACEEE 2002 Study”)

<sup>17</sup> “It is important to note that qualitative research methods, such as focus groups and time-structured interviews, seek to develop directions rather than quantitatively precise or absolute measures. Because of the limited number of respondents involved in this type of research, each study should be regarded as exploratory in nature and the result should be used to generate hypotheses for further testing. The non-statistical nature of qualitative research means that results cannot be generalized to the population under study with a known level of statistical precision.” ACEEE 2002 Study, p. 31.

independent of the other. Results from one focus group's work were sometimes discarded, and then new focus groups were convened to look at completely new sets of labels that had very little connection to the previous round's results, and in some cases, with misinterpretation of the those results. For instance, during the 1<sup>st</sup> round, ACEEE notes that the "thermometer" and "speedometer" style labels "were well liked" and were considered the "most preferred labels" by consumers.<sup>18</sup> However, for the 2<sup>nd</sup> round of focus group testing, the speedometer label was eliminated from those to be considered due to "its poor testing in the [1<sup>st</sup> round] of focus groups."<sup>19</sup> Combined with this inconsistency was the fact that while the tested star-based *categorical-style* label admittedly did poorly during the 1<sup>st</sup> round of interviews,<sup>20</sup> it was included in the 2<sup>nd</sup> round of testing nonetheless. Interviewees found it difficult to understand and confusing. However, in the final conclusions, ACEEE ignored the earlier results and noted that this type of label was reported to be the easiest to understand.<sup>21</sup>

Furthermore during the 2<sup>nd</sup> round of testing, the study used an unusual and distinctly unscientific approach. Instead of comparing all of the different styles of labels (i.e. a mix of categorical and continuous) together and then determining the most effective design, they presented certain selected pairs to the consumers and then derived the conclusions. As a result, they presented the respondents with specific label choices that were not necessarily appropriately grouped together and were, in reality, variations within each label type.

To compound these earlier inconsistencies, the 3<sup>rd</sup> round research now included "additional" labels, instead of building upon the results and preferences identified in the earlier rounds. Not surprisingly, the selected labels included several *categorical-style* variations. Most confusing is how the study came to the conclusion that the "stars label" was the preferred label. It appears that the researchers presented consumers with labels grouped into the two general types – *categorical-* and *continuous-style* – and then asked the respondents which label within each type they preferred. In using this technique, the study noted that within the *continuous-style* type there was a strong preference to the bar graph format, and within the *categorical-style* type the stars label was preferred over the "checkmarks" and A through E rating variations. Then with these bifurcated results, ACEEE concluded that the stars label was preferred over the *continuous-style*.

Lastly, ACEEE took these questionable results and conducted an additional survey with consumers in which they presented four labels for review, three of which were the *categorical-style* variety. Not surprisingly, consumers chose one of the three categorical designs.

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<sup>18</sup> Id. at p. 12.

<sup>19</sup> Id. at p. 14 (emphasis added).

<sup>20</sup> "The stars label also did not fare well..." Id. at p. 12.

<sup>21</sup> Id. at p. 27.

Overall, it appears that this research, from its inception, was designed to conclude that the *categorical-style* label was the preference of consumers. Despite that bias, however, it must be noted that the study did conclude that the *continuous-style* format was found by many consumers to be effective in providing energy usage information and effective in transmitting energy use information about the appliance.

#### **V. IMPACT OF THE ENERGY STAR LOGO ON THE *ENERGYGUIDE* LABEL**

If the FTC were to adopt Label #2, it would require only minor modifications to the existing label. The Energy Guide's effectiveness would be enhanced by Label #2 while also protecting the successful use of the Energy Star program to continue to transform the market to more efficient products. Importantly, this label design would not threaten the viability of the Energy Star program which is an important and successful tool for demonstrating energy efficiency and has become a critical component of manufacturers' marketing strategies. If the FTC were to adopt the *categorical-style* label it would jeopardize Energy Star's effectiveness. This is primarily because the results of our research demonstrate that the *categorical-style* label presents consumers with a confusing array of symbols that are difficult to interpret and differentiate.

However, it is also clear that Label #2 provides consumers with relevant energy usage and consumption information (as evidenced by the consumer responses) that individuals can then use to compare and determine whether they wish to purchase energy efficient products. In this manner, Label #2, and the current label to an extent, are effective in educating consumers to consider energy efficiency, and subsequently the Energy Star program, by providing them with information and an awareness of the energy efficiency issue.

#### **VI. SUGGESTED REVISIONS TO THE RANGES OF COMPARABILITY**

Another issue that needs consideration is the average fuel rates used on the *EnergyGuide* labels to compute estimated annual operating costs. The FTC uses the national average rates published by the Department of Energy. However, although DOE updates these rates on an annual basis, the rates used on the labels are only updated when the Ranges of Comparability of a particular product category change by more than 15 percent from year to year. This results in different rates being used for different appliances, and sometimes obsolete rates being used for several years on a given appliance because the Ranges have not changed by more than 15 percent over a long period of time.

AHAM recommends that the same average fuel rates be used on all appliances, and that they be uniformly changed every two to three years. This would avoid the use of rates that are too old, keep all appliances using the same rates, and allow sufficient time for manufacturers to plan inventory of labels accordingly.

## VII. CONCLUSIONS AND RECOMMENDATIONS

### A. Consumers Prefer the *Continuous-Style* Format

The AHAM-Synovate Study results clearly demonstrate that the current *EnergyGuide* label, while not the preferable model, is clearly the type of label design that consumers prefer and understand the best – i.e. *continuous-style*. The *categorical-style* label was shown to be complex, unclear and confusing to consumers. Furthermore, it is critical that the Energy Star logo not be confused with other information on the *EnergyGuide* label so that it can continue its market transformation success. A *categorical-style* label clearly runs the risk of confusion in this regard, whereas minor revisions to the existing label, as illustrated by Label #2, would protect Energy Star while enhancing the information needed on the *EnergyGuide* label.

The research also shows that the format of the current label is that which consumers prefer. Label #2 is a modification of the current label that includes segmentation of the bar and a different color scheme. Consumers found this design appealing, understandable, clear, logical and useful. If the FTC decides that they wish to make changes to its current label, they would not have to engage in a wholesale redrafting of the label, with all of the accompanying problems with consumer recognition and adjustment that would result. Therefore, AHAM believes that minor modifications to the existing label, as illustrated by Label #2, would enhance its effectiveness while best protecting the successful use of Energy Star to continue to transform the market to more efficient products.

### B. Consumers Found the *Categorical-Style* Label Confusing

While it is clear that consumers do not prefer the *categorical-style* label as a means to provide them information on the energy usage of products, there are other reasons why the FTC should not consider such a format for its *EnergyGuide* label. As stated above, and is generally accepted, this type of label is confusing to consumers, not just in the way that it conveys energy usage, but because it is seen as providing other information about a product such as performance or quality. The very nature of the label is such that consumers assume that a 5-star product must be of better quality, performance or reliability. In fact, the ACEEE 2002 study acknowledges this fact.<sup>22</sup>

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<sup>22</sup> “Based on comments from a few focus groups participants and survey respondents, there was some concern that a categorical rating system, particularly the stars-based rating, might mislead consumers by implying a rating of product quality in addition to energy efficiency.” ACEEE 2002 Study, p. v.

C. The *Categorical-Style* Format Would Add Onerous Program Requirements on the FTC That it is Not Suited to Perform

Another problem with the *categorical-style* label is the fact that by its very nature there must be a point between different rating levels (i.e. between 2 and 3 stars, etc...) in which the FTC would have to make judgment decisions as to whether a product would be one rating or another. And, importantly, the difference in energy use between one rating and another would be miniscule. For instance, in the ACEEE study in one of the examples shown to consumers (i.e. a replica of the European Union label) as observed at the time, the difference in the annual usage per year of the two appliances was shown to be only \$11.00. And yet the appliance with the \$52.00 per year usage was given a “B” rating and the appliance with the \$63.00 per year usage was given a “F” rating. This major divergence in rating was the result of only an \$11.00 per year savings which means that the models labeled in between “B” and “F” would only have a dollar or two difference in annual energy consumption, giving a false impression to the consumer that there was more of a distinct difference. This type of label clearly overemphasizes very small differences in energy use for simply the sake of differentiation.

The *categorical-style* label also presents the FTC with difficulties in determining where particular products would be rated on the scale and also in establishing the boundaries between the different rating levels. In establishing those ratings the FTC would likely become embroiled in disputes involving the ratings of particular appliances of different manufacturers and would have to make subjective judgments as to which rating a particular appliance must be given. On the other hand, if the FTC were to decide to modify the current *continuous-style* design, we believe that such a change could be effectuated simply and with minimal disruption to consumers’ recognition of the label and purpose by discretely altering some of the current label’s components.

D. The *Categorical-Style* Label Would Interfere with the Energy Star Program

Lastly, if FTC were to adopt the *categorical-style* label, they would be changing the very nature of the label to one that would identify categories or groupings of products rather than providing a range of information and allow consumers to make their own judgments among different products. Importantly, this function of categorizing products is actually the basis for the Energy Star label – it is designed to identify for consumers those categories of products that are super-energy efficient. These super-efficient products are identified as distinct from those other products in the marketplace. If the FTC were to adopt the *categorical-style* label, they would be creating a rival program to Energy Star that would be categorizing products in the marketplace.

E. International Practice Should not Guide the FTC's Decision in Changing the *EnergyGuide* Label

While we recognize that a number of other countries have adopted a *categorical-style* label, this fact should not influence the FTC in making its decision. The important fact to consider is that the U.S. experience with voluntary marketplace programs and U.S. law is vastly different. The enormously successful Energy Star program is now firmly in place in the U.S. and widely used by manufacturers and recognized by consumers. The FTC should reject suggestions or pressure to join with other countries in their *categorical-style* label programs simply for the sake of conformity.

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AHAM appreciates the opportunity to provide comments to the FTC as a part of its November 2 rulemaking. As described above, our research has found that consumers clearly prefer the current format-style of the *EnergyGuide* label – the bar graph, *continuous-style*. Their preference is a variety of that label that includes segmentation to the bar and a different color scheme. Comments from these respondents were unambiguous and demonstrated that they felt that such a label provides clear comparative information about a product that is not confusing or connoting other characteristics of the appliance such as performance or quality. The *categorical-style* label, however, was found to be confusing and not providing the type of information that the label should provide.

We would welcome the opportunity to discuss our findings with you in more detail. They are attached for your review.

Sincerely,

David B. Calabrese  
Vice President  
Government Relations

# ATTACHMENT 1- LABELS USED IN AHAM-SYNOVATE CONSUMER RESEARCH STUDY

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83

**Compare the Energy Use of this Dishwasher with Others Before You Buy.**

This Model Uses  
500kWh per year

▼

**Energy use (kWh/year) range of all similar models**

Uses Least Energy 194	Uses Most Energy 531
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kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

**Dishwashers using more energy cost more to operate.**  
This model's estimated yearly operating cost is:

**\$43**

When used with an electric water heater.

**\$31**

When used with a natural gas water heater.

Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

**Label 1 and Label 1A**

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83

**Compare the Energy Use of this Dishwasher with Others Before You Buy.**

This Model Uses  
500kWh per year

▼

**Energy use (kWh/year) range of all similar models**

Uses Least Energy 194	Uses Most Energy 531
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kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

**Dishwashers using more energy cost more to operate.**  
This model's estimated yearly operating cost is:

**\$43**

When used with an electric water heater.

**\$31**

When used with a natural gas water heater.



Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



**Compare the Energy Use of this Dishwasher  
with Others Before You Buy.**



kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

**Dishwashers using more energy cost more to operate.  
This model's estimated yearly operating cost is:**

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Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

**Label 2 and Label 2A**

Based on standard U.S. Government tests

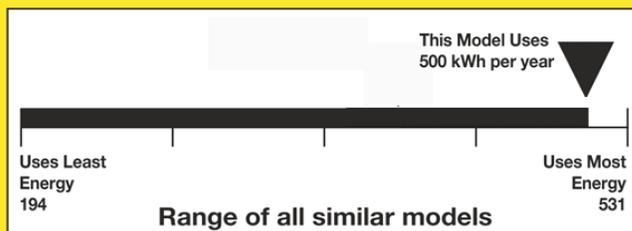
# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



**Compare the Energy Use of this Dishwasher  
with Others Before You Buy.**



kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

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Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83

**Compare the Energy Use of this Dishwasher  
with Others Before You Buy.**

The More Stars the More Energy Efficient



Uses Most  
Energy  
531

Range of all similar models

Uses Least  
Energy  
194

**This model uses 500 kWh**

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

Dishwashers using more energy cost more to operate.

This model's estimated yearly operating cost is:

**\$43**

When used with an electric water heater.

**\$31**

When used with a natural gas water heater.

Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

**Label 3 and Label 3A**

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83

**Compare the Energy Use of this Dishwasher  
with Others Before You Buy.**

The More Stars the More Energy Efficient



Uses Most  
Energy  
531

Range of all similar models

Uses Least  
Energy  
194

**This model uses 500 kWh**

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

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Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).



Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



THIS DISHWASHER USES

**500** kWh  
per  
year

Compare the Energy Use of this Dishwasher with Others Before You Buy. Similar models range in energy usage from 194 kWh/hour to 531 kWh/hour.

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

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This model's estimated yearly operating cost is:

**\$43**

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**\$31**

When used with a natural gas water heater.

Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

Label 4 and Label 4A

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



THIS DISHWASHER USES

**500** kWh  
per  
year

Compare the Energy Use of this Dishwasher with Others Before You Buy. Similar models range in energy usage from 194 kWh/hour to 531 kWh/hour.

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

Dishwashers using more energy cost more to operate.  
This model's estimated yearly operating cost is:

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When used with an electric water heater.

**\$31**

When used with a natural gas water heater.



Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

# EnergyGuide Label Study

Prepared for Association of Home Appliance Manufacturers (AHAM)  
in association with Smith-Dahmer Associates

Prepared by Synovate

Job number 2B89

Date January 2006



**synovate**

Research reinvented

## Objectives and Method

- *The purpose of the study was to identify types of information conveyed, to measure usefulness of the information conveyed and to examine preference for four alternative EnergyGuide label designs. It was also desired to determine which label design, with an “Energy Star” logo added, most clearly conveyed high efficiency for the appliance.*
- *The data was collected using an omnibus study via the internet from December 20-23, 2005. Each survey wave consists of a minimum of 1,000 completes with adults 18 years of age or older in the contiguous U.S.A. The sample consisted of individuals selected from the online segment of Synovate’s Consumer Opinion Panel, and was balanced to be representative of the general population based upon region, gender, age, and household income data from the U.S. Census Bureau.*
- *Selected individuals received a customized e-mail inviting them to participate. Only individuals who were jointly or completely involved in major appliance purchase decisions for the household qualified for the survey. Surveys were completed with 882 nationally-representative respondents who had at least some involvement in major appliance purchase decisions for the household.*
- *Consumers saw 4 alternative EnergyGuide label designs on a sequential monadic basis and evaluated each on several measures. A copy of the questions is appended to this summary. Measures collected for the label designs were:*
  - *Types of information conveyed by the label*
  - *Usefulness of label in providing information about energy usage of the appliance*
  - *Label design preference for energy usage information and reasons for preference (open-ended)*
  - *Label design, with “Energy Star” logo, that most clearly conveys high efficiency*
  - *Reasons for preference, with “Energy Star” logo (open-ended)*
- *Data tabulations were weighted to compensate for variations in return patterns. The data were weighted on an individual multi-dimensional basis to give appropriate representation of the interaction between various demographic factors. The multi-dimensional array covers age within income, within four national census regions, within gender. The current population survey from the U.S. Census Bureau was used to determine the weighting targets.*
- *In the charts that follow, capital letters indicate significant differences across label designs at the 90% confidence level; lower case letters indicate differences with less than 90%, but at least 80% confidence.*

# Summary of Findings

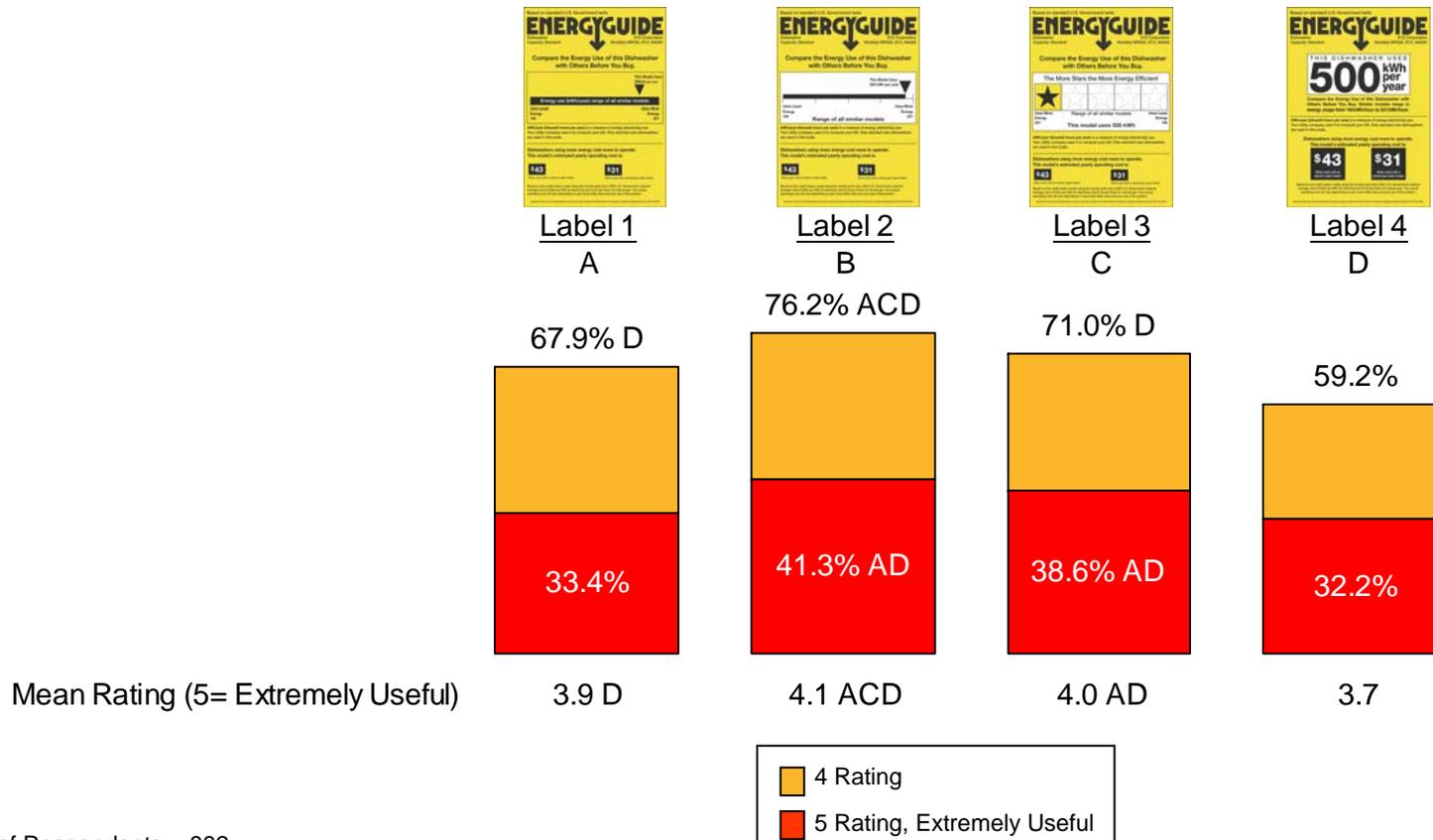
- *Label 2 significantly outperformed the other three designs in terms of energy usage information usefulness (top-two box percentage and mean ratings). Label 3 achieved the second highest usefulness ratings overall. Labels 2 and 3 scored comparably in terms of the percentage of respondents rating the label as “extremely useful” (top-box percentage rating).*
- *In terms of messages or communication points, Label 3 significantly outperformed the three other designs in conveying **energy efficiency** information; however, Label 2 communicated **energy usage** to a significantly better extent than Label 3.*
- *When respondents were asked to indicate which label they **most preferred overall** for energy usage information, Label 2 was preferred over all other labels by a significant margin. Label 3 was second most preferred and was significantly preferred over Labels 1 and 4.*
- *Label 2 was clearly preferred over other designs among men; Labels 2 and 3 were equally preferred among women. Label 2 was preferred by a wide margin among the 35-44 age segment but was preferred by only a slight margin over Label 3 among other age groups. Label 2 was preferred among the upper income segments (\$50K and over), while Labels 2 and 3 scored comparably among lower income groups.*

## Recommendation

- *Label 2 is the optimal design of the four designs tested **without the Energy Star logo** and is recommended. It outperformed the others on energy usage information usefulness, it was most preferred in terms of energy usage information and it communicated **energy usage** to a significantly better extent than Label 3, the second leading design. Furthermore, Label 2 was preferred by a wide margin among men, the 35-44 age segment and upper income segments; demographic groups that Synovate has found to be important purchaser segments in other appliance research.*
- *Label 3 is the second leading design on energy usage information usefulness and energy usage information preference. It was the leading design in conveying **energy efficiency** information and may also be considered.*
- *If a label design **with the Energy Star** is desired, Label 3A is a slightly better option than Label 2A as it scored higher on “high efficiency” communication; however, Label 2A can also be considered.*
- *Labels 1 and 4 did not perform well **with and without the Energy Star logo** on key measures. Labels 1 and 4 are not recommended.*

# Usefulness of EnergyGuide Label in Informing You of Appliance Energy Usage – Total Ratings

- Label 2 significantly outperformed the other three designs in terms of energy usage information usefulness. Over three-fourths of consumers rated Label 2 either a 4 or 5 (top-two box percentage) on a 5-point usefulness scale. Both top-two box and mean usefulness ratings were significantly higher for Label 2 than for the other labels.
- Label 3 achieved the second highest usefulness ratings overall and significantly outperformed Labels 1 and 4 on the mean usefulness measure. Labels 2 and 3 scored comparably in terms of the percentage of respondents rating the label as “extremely useful” (top-box percentage rating).



Number of Respondents = 882

Capital letters indicate significant differences at 90% confidence level; lower case indicate directional differences at 80% confidence level

Q3. How useful is this “Energy Guide” label design in informing you about the energy usage of an appliance? (Select one.)

# Information That EnergyGuide Label Provides About This Product

- Label 3 significantly outperformed the three other designs in conveying energy efficiency information – 87% of consumers indicated that Label 3 provided energy efficiency information compared to 74% to 80% for the other designs.
- Label 2 communicated energy usage to a significantly better extent than Label 3.
- Label 1 best communicated energy usage information overall. Label 1 scored significantly or directionally higher than the other three designs in terms of providing energy usage information.



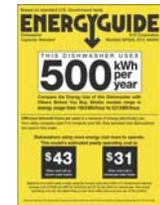
Label 1  
A



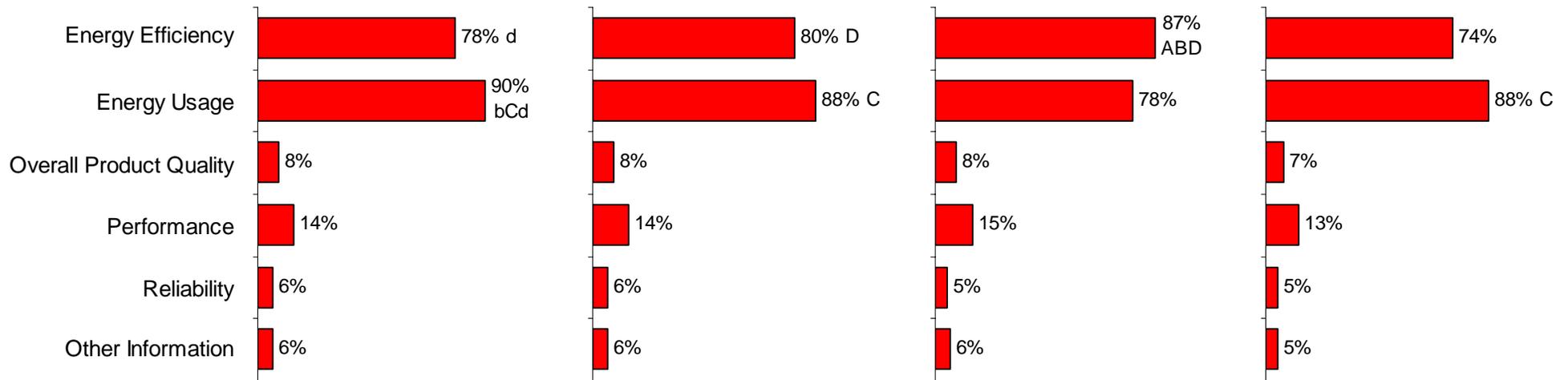
Label 2  
B



Label 3  
C



Label 4  
D



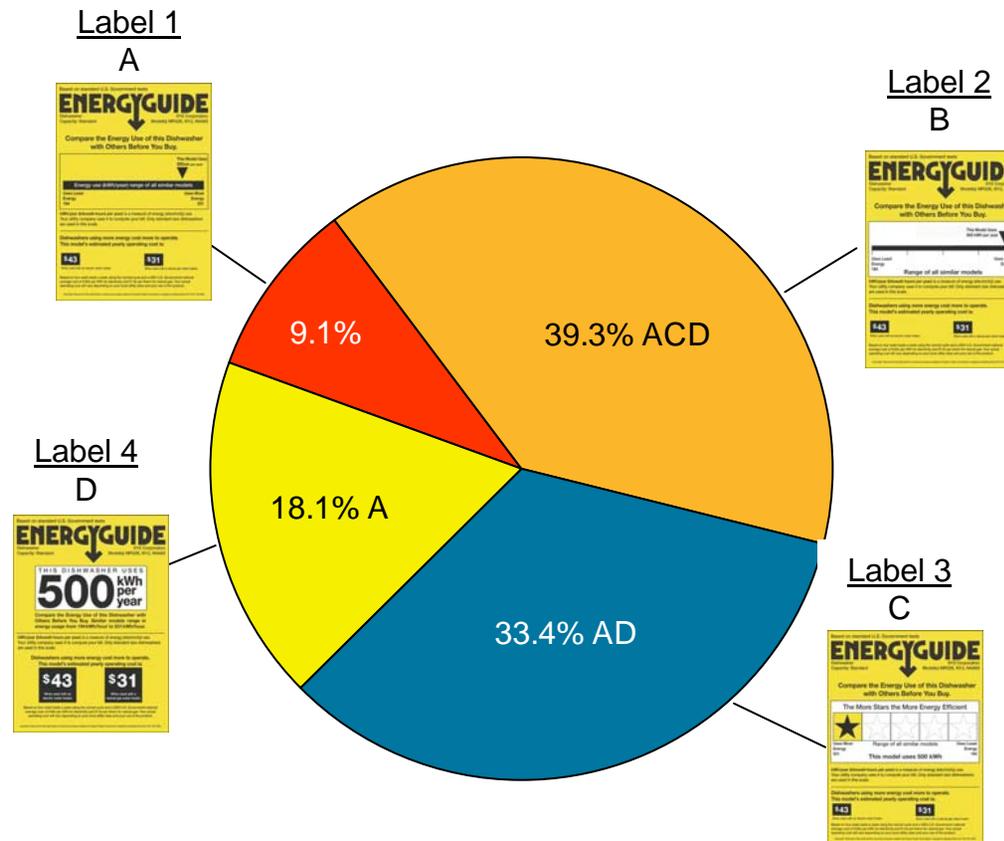
Number of Respondents = 882

Capital letters indicate significant differences at 90% confidence level; lower case indicate directional differences at 80% confidence level

Q2.What information does this label provide you about this product? (Select all that apply.)

# EnergyGuide Label Design Preferred For Energy Usage Information

- Label 2 was **most preferred overall** for energy usage information and was preferred by a significant margin over all other labels. Label 3 was second most preferred and was significantly preferred over Labels 1 and 4.
- Preference for both labels was primarily driven by ease of reading and ease of understanding. The bar/scale graphic in Label 2 was frequently cited as a reason for preference and appeared to be more comparative in nature. Those preferring Label 3 frequently cited the star concept.



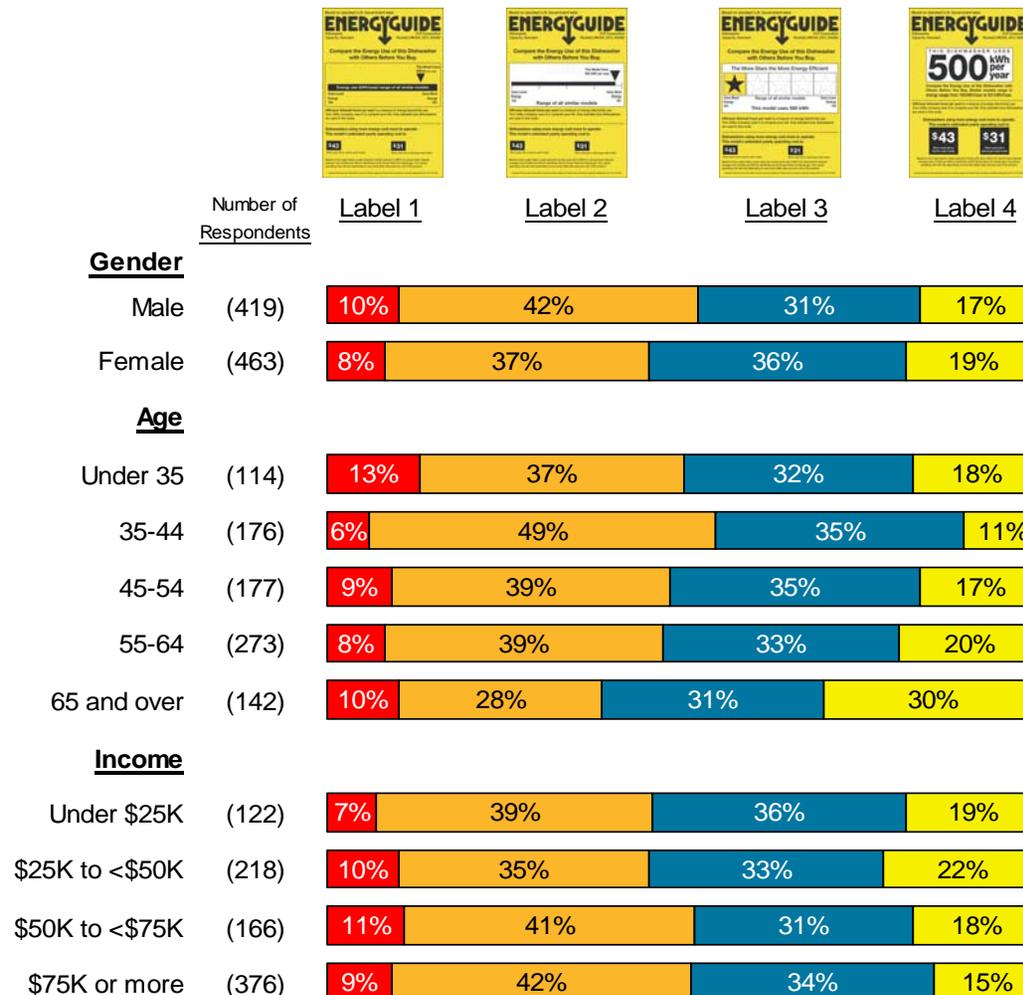
Number of Respondents = 882

Capital letters indicate significant differences at 90% confidence level; lower case indicate directional differences at 80% confidence level

Q4. Which of the “Energy Guide” label designs do you prefer for energy usage information? AND Q5. Why do you prefer this “Energy Guide” label design?

# EnergyGuide Label Design Preferred For Energy Information By Segments

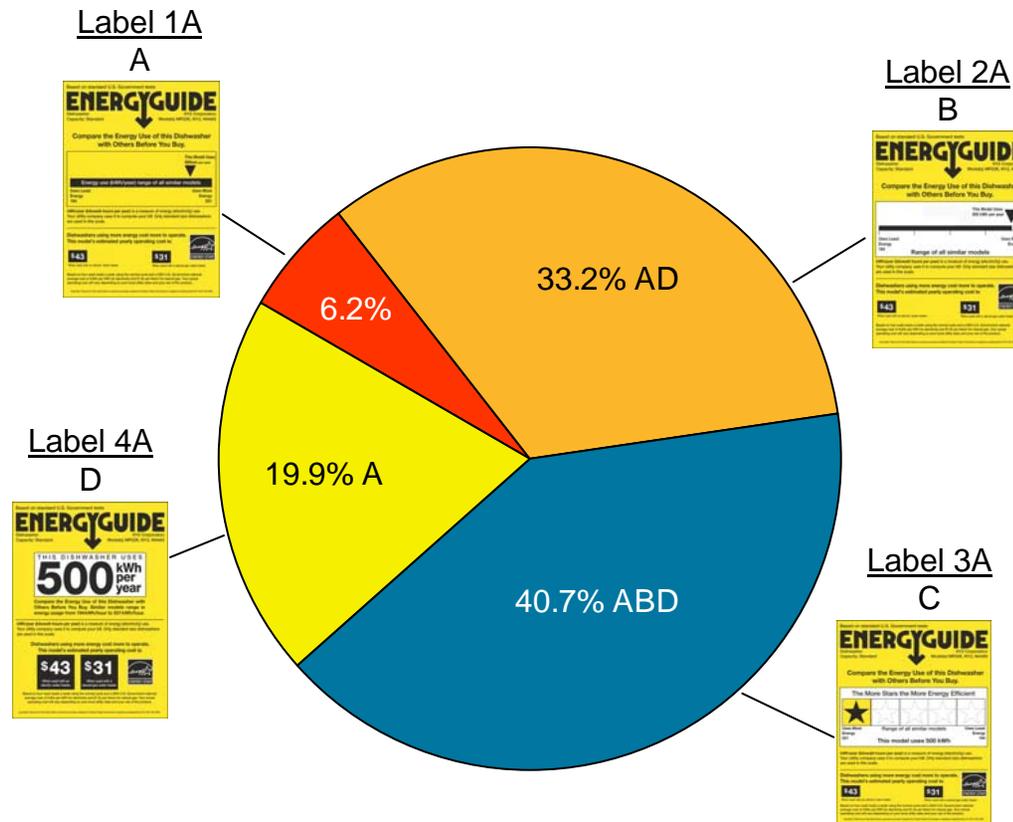
- Label 2 was clearly preferred over other designs among men; Labels 2 and 3 were equally preferred among women.
- Label 2 was preferred by a wide margin over all others among the 35-44 age segment but was preferred by only a slight margin over Label 3 among those under age 35 and those age 45-64. There was no clear preference for any one design among the age 65 and over segment; Labels 2, 3 and 4 all scored comparably among this age group.
- Label 2 was clearly preferred over other designs among the upper income segments (\$50K and over), while Labels 2 and 3 scored comparably on the preference measure among lower income groups (under \$50K).



# EnergyGuide Label Design With Energy Star Logo That Most Clearly Conveys That Product Is a High Efficiency Model

Respondents were also presented the four EnergyGuide labels with the Energy Star logo added and were asked to indicate which one best conveyed high efficiency.

- Label 3A (with Energy Star) better communicated “high efficiency” than the other three designs. Label 2A was the second leading label in terms of high efficiency communication and scored significantly higher than Labels 1A and 4A.



Number of Respondents = 882

Capital letters indicate significant differences at 90% confidence level; lower case indicate directional differences at 80% confidence level  
 Q6. Which “Energy Guide” label, with “Energy Star” logo, most clearly conveys that this product is a high efficiency model?

# Appendix

# Synovate

*Synovate is one of the world's top ten research companies, generating consumer insights that drive competitive marketing solutions for major brands around the globe. Through 77 offices in 46 countries, we provide a comprehensive portfolio of custom and branded solutions, cohesive global support, and action-oriented deliverables that give clients the research they need to succeed.*

*Synovate re-brands and unites the talents and global resources of such well-known research firms as Asia Market Intelligence, BAIGlobal, Demoscopie, IMR, INNER Strategic Market Research, Market&More, Market Facts Inc., MarkTrend, MEMRB, Motoresearch, MS&P, Pegram Walters, Research Fact, Sample Surveys, Strategic Research Corporation, and Tandem Research Associates.*

*Our multi-disciplinary staff is well equipped to conduct all forms of consumer and business-to-business research, from qualitative exploratory and ideation work to large-scale market structure, sizing, customer satisfaction and segmentation studies. Our client list reads as a who's who of leading global marketers across a wide range of industries including retailing, e-commerce, publishing, packaged goods, personal care (including cosmetics), financial services, direct marketing, telecommunications, automotive, computer hardware and software, pharmaceuticals, and many others.*



## Questionnaire (continued)

Display label designs in the **SAME ORDER** in which they were shown in Qu.2 and 3.

4. Which of the “Energy Guide” label designs do you prefer for energy usage information? **(Click on the thumbnail image to see the full size label.) (Select one.)**

**Label 1**  
**Label 2**  
**Label 3**  
**Label 4**

5. Why do you prefer this “Energy Guide” label design? **(Please be specific.)**
- 
- 

**The order in which the graphics were displayed in Qu. 2, 3 and 4 will determine the order in which they will be displayed in Qu. 6. The graphics must be displayed in the SAME ORDER; substitute designs with Energy Star logo.**

6. “Energy Star” is a U.S. Government program to promote energy efficient products. The Energy Star label is put on products that are highly energy efficient and distinguishes them from those that are not as energy efficient. Below are the “Energy Guide” labels that you’ve just seen with the Energy Star logo added to them.

Which “Energy Guide” label, with “Energy Star” logo, most clearly conveys that this product is a high efficiency model? **(Click on the thumbnail image to see the full size label.) (Select one.)**

**Label 1A**  
**Label 2A**  
**Label 3A**  
**Label 4A**

7. Why do you prefer this “Energy Guide” label design? **(Please be specific.)**
- 
-

# Label 1

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83

**Compare the Energy Use of this Dishwasher with Others Before You Buy.**

This Model Uses  
500kWh per year



Energy use (kWh/year) range of all similar models

Uses Least Energy 194	Uses Most Energy 531
--------------------------	-------------------------

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

**Dishwashers using more energy cost more to operate. This model's estimated yearly operating cost is:**

\$43

When used with an electric water heater.

\$31

When used with a natural gas water heater.

Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

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# Label 1A

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83

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This Model Uses  
500kWh per year



Energy use (kWh/year) range of all similar models

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## Label 2

Based on standard U.S. Government tests

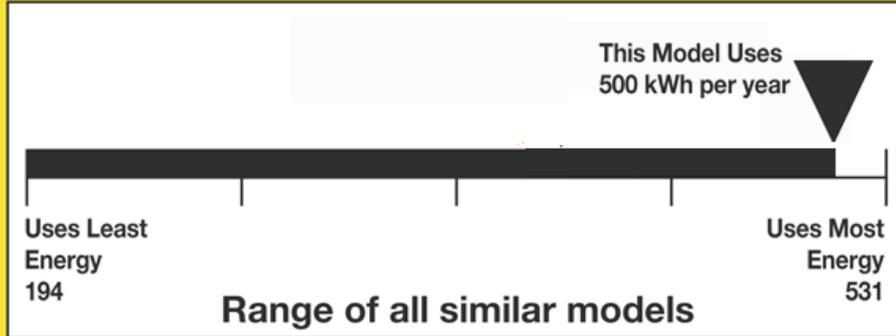
# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



**Compare the Energy Use of this Dishwasher  
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## Label 2A

Based on standard U.S. Government tests

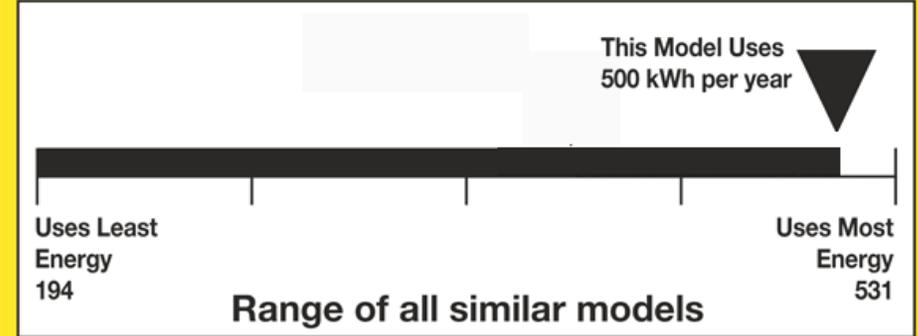
# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



**Compare the Energy Use of this Dishwasher  
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# Label 3

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



**Compare the Energy Use of this Dishwasher with Others Before You Buy.**

The More Stars the More Energy Efficient



Uses Most Energy  
531

Range of all similar models

Uses Least Energy  
194

**This model uses 500 kWh**

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

**Dishwashers using more energy cost more to operate. This model's estimated yearly operating cost is:**

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When used with a natural gas water heater.

Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

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# Label 3A

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



**Compare the Energy Use of this Dishwasher with Others Before You Buy.**

The More Stars the More Energy Efficient



Uses Most Energy  
531

Range of all similar models

Uses Least Energy  
194

**This model uses 500 kWh**

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## Label 4

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



THIS DISHWASHER USES  
**500 kWh**  
per  
year

Compare the Energy Use of this Dishwasher with Others Before You Buy. Similar models range in energy usage from 194 kWh/hour to 531 kWh/hour.

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

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**\$31**

When used with a natural gas water heater.

Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).

## Label 4A

Based on standard U.S. Government tests

# ENERGYGUIDE

Dishwasher  
Capacity: Standard

XYZ Corporation  
Model(s) MR328, XI12, NAA83



THIS DISHWASHER USES  
**500 kWh**  
per  
year

Compare the Energy Use of this Dishwasher with Others Before You Buy. Similar models range in energy usage from 194 kWh/hour to 531 kWh/hour.

kWh/year (kilowatt-hours per year) is a measure of energy (electricity) use. Your utility company uses it to compute your bill. Only standard size dishwashers are used in this scale.

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This model's estimated yearly operating cost is:

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When used with an electric water heater.

**\$31**

When used with a natural gas water heater.



Based on four wash loads a week using the normal cycle and a 2004 U.S. Government national average cost of 8.60¢ per kWh for electricity and 91.0¢ per therm for natural gas. Your actual operating cost will vary depending on your local utility rates and your use of the product.

Important: Removal of this label before consumer purchase violates the Federal Trade Commission's Appliance labeling Rule (16 C.F.R. Part 305).