



**Paramount Farms**  
Pistachios & Almonds

December 10, 2010

**By Electronic Submission**

Federal Trade Commission  
Office of the Secretary  
Room H-135 (Annex J)  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

**Re: Proposed, Revised Green Guides, 16 CFR Part 260, Project No. P954501**

Dear Sir or Madam,

Paramount Farms is the largest integrated grower, processor, and distributor of pistachio products in the United States. The Company's state-of-the-art processing and packing facilities in California ship more than 150,000 tons of pistachios and almonds throughout the world each year. The Company has also invested in one of the largest solar panel farms in California, much of which energy is utilized to power the processing and packing facilities. Paramount Farms is a leader in promoting efficient, science and environmental-driven farming practices, providing superior-quality pistachio and almond products year-round.

Paramount Farms is dedicated to sustaining our environment by investing in renewable energy resources and educating consumers about the value of such activities. We support positive, sound government regulatory guidance and programs targeting environmental manufacturing practices and the marketing claims associated with such. As part of our dedication and support to responsible environmental advertising, Paramount Farms hereby submits the following comments in response to the Federal Register Notice titled: "Guides for the Use of Environmental Marketing Claims."

**General Environmental Claims**

The Federal Trade Commission ("Commission") suggested that unqualified general environmental claims such as "eco-friendly" or "green" are deceptive because they "are difficult to interpret and likely to convey a wide range of meanings." The Commission suggested that companies would be required to "substantiate all reasonable interpretations" of environmental claims and in order to efficiently do so,



they should reduce the possible interpretations by including qualifying language as part of the claims. Though we do agree that claims must be accurately and clearly conveyed so as to not confuse or mislead consumers, it may be very difficult if not impossible to adequately limit interpretation without first educating consumers.

The fact that environmental claims have become so common over the past few years with relatively little regulatory definition or oversight has caused consumers to have varying understandings of environmental product claims. Without creating a basic consumer understanding of environmental advertising, it is unlikely marketers will be able to successfully and clearly communicate the true nature of the product utilizing simple, qualifying language, based on all potential interpretations of environmental terms. In order to successfully enhance consumer protection, consumers must be educated and informed so that simple, qualifying language will be effective. Initially, such education and information will be impractical to consider for labeling purposes, however in an age of common internet access and use, it may be more reasonable to address such educational and informational challenges via web media.

The Commission addressed the options of including web addresses on packaging from which a consumer may obtain additional qualifying information. The Commission expressed the concern that “websites cannot be used to qualify otherwise misleading claims that appear on labels or in other advertisements because consumers likely would not see that information before their purchase.” In terms of clearly misleading claims, we agree with the Commission’s position that it is irresponsible to attempt to over-generalize claims which consumers will likely misinterpret based on the premise of later narrowing the claim on a website. We do not agree however that websites should not be used to clarify a product claim that is responsible and more limited in scope.

In the age of modern internet accessibility, many consumers may easily visit websites while making purchasing decisions. The point that “consumers likely would not see (websites) before their purchase” is contrary to what other US regulatory agencies have recognized and even enforced. For example, the FDA has maintained in recent enforcement actions that if a link to a website is included on a product label, the FDA considers the website and its content to be labeling as defined in the Federal Food, Drug and Cosmetic Act (CFSAN-OC-10-24). If other US regulatory agencies have already concluded and enforced the point that information contained on a website can accompany a product at the time it is in interstate commerce, we suggest the Commission consider the same as an option for clarifying environmental claims. Though we do not believe making overly general claims on product packaging then including a website would best serve the consumer, we do feel it would be viable to allow companies to make simplified and qualified claims on product packaging, with further clarity provided on their website.



## **Renewable Energy Claims**

The proposed guidance document suggests that “it is deceptive to make an unqualified ‘made with renewable energy’ claim unless all or virtually all of the significant manufacturing processes involved...are powered with renewable energy...” Though we agree suggesting to a consumer that a product is manufactured using only renewable energy is deceptive when the claim is false, we do not support efforts to unnecessarily restrict opportunities for responsible environmental advertising by requiring arduous or confusing disclaimers. Companies who invest in renewable energy should be allowed to market and gain from such efforts, otherwise the Commission will discourage many mid-size and small companies from investing valuable funds in these environmentally protective practices. If companies do not have incentive to invest in renewable energy, most will not continue to do so, leading to an increase in traditional energy consumption and a reduction in product available for those consumers interested in supporting renewable energy manufacturing. We do agree that companies should disclose that a product is not made entirely using renewable energy sources if, in fact, the entire manufacturing process is not powered by renewable energy, however the degree to which the disclosure is required should not be too specific or restrictive.

The example included in the proposed guidance document suggests a company disclose the amount of renewable energy used, however a consumer may not understand the actual environmental difference, if any, between a product made with 50% renewable energy and a product made with 35% renewable energy, particularly when renewable energy has not been defined for consumers. Forcing companies to include qualifiers that may cause a consumer to inaccurately and negatively perceive the value of the renewable energy used in the process hurts both the company and the consumer. Rather than suggesting that companies disclose the level of renewable energy or require significant disclaimers, we suggest the Commission consider simple claims such as “made in part with renewable energy” or “made with renewable energy (see website for details)” and, once again, allow companies to clarify via web media. Allowing less-specific but accurate descriptions of renewable energy utilization will allow consumers to make conscious decisions to support companies investing in renewable energy and encourage companies to continue such activities.

## **Summary**

We support increased responsibility in environmental advertising through federal and self-regulatory activities. The challenge we all face is the lack of consistency in the marketplace and lack of consumer education related to environmental claims. Though we do agree additional guidelines will help better protect consumers, we do not consider it beneficial for either the consumer or industry to become overly restrictive by requiring extensive qualifying language that will lead to increased consumer confusion and prohibit companies from marketing their environmental efforts. We strongly support efforts to educate consumers appropriately by allowing companies to make simple, qualified claims while providing more detailed explanations via other media such as websites. Such conjunctive measures will not only decrease consumer deception but will allow consumers to make more educated purchasing decisions and further encourage industry to invest in environmentally-protective practices.



Regards,

Dominic Engels

Vice President of Global Marketing

Paramount Farms, Inc