Comments on Proposed, Revised Green Guides, 16 CFR Part 260, Project No P954501

Please find enclosed comments on FTC's proposed modifications to its Green Guides from the Automotive Recyclers Association and from over 90 individual automotive recyclers.

Thank you.

Elizabeth Vermette Director, Government Affairs Automotive Recyclers Association







9113 Church Street Manassas, Virginia 20110-5456 USA

Telephone: (571) 208-0428

Telefax: (571) 208-0430

December 8, 2010

Mr. Donald Clark Office of the Secretary Federal Trade Commission 600 Pennsylvania Ave, NW Washington, DC 20580

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

Dear Mr. Clark:

The Automotive Recyclers Association (ARA) appreciates the opportunity to comment on the proposed modifications and additions to the Federal Trade Commission's (FTC) *Guides for the Use of Environmental Marketing Claims (Guides)*, as published in the October 15, 2010 edition of the Federal Register. ARA and its members continue to support the use of the *Guides* and are pleased to learn that the existing *Guide* language addressing the recycled content claims (Sec. 260.12) for automotive parts (see Sec 260.12, Examples 12 and 13) is retained.

However, ARA requests that the language in these examples be amended as follows to specifically include automobile recyclers.

Example 12: An automotive dealer, <u>automobile recycler or other qualified entity</u> recovers a serviceable engine from a wrecked vehicle. Without repairing, rebuilding, remanufacturing, or in any way altering the engine or its components, the dealer attaches a "Recycled" label to the engine, and offers it for sale in its used auto parts store. In this situation, an unqualified recycled content claim likely is not deceptive because reasonable consumers likely would understand that the engine is used and has not undergone any rebuilding.

Example 13: An automobile parts dealer, <u>automobile recycler or other qualified</u>
<u>entity</u> purchases a transmission that has been recovered from a <u>salvaged or end-of-life vehicle</u>. Eighty-five percent of the transmission, by weight, was rebuilt and 15% constitutes new materials. After rebuilding the transmission in accordance with industry

practices, the dealer packages it for resale in a box labeled "Rebuilt Transmission," or "Rebuilt Transmission (85% recycled content from rebuilt parts)," or "Recycled Transmission (85% recycled content from rebuilt parts)." These claims are not deceptive.

ASSOCIATION BACKGROUND - Since 1943, ARA has represented an industry dedicated to the efficient removal and reuse of "green" automotive parts. For over fifty years, ARA has helped members provide an invaluable service to the economy as well as the environment. By recycling components of salvaged and non-repairable vehicles, automotive recyclers preserve natural resources and reduce the demand for scarce landfill space.

Today, ARA represents over 4,500 automotive recycling facilities in the United States and fourteen other countries around the world.

INDUSTRY LEADER - FTC's recognition that automobile parts recovered from vehicles are appropriately described as recycled, lends crucial support to the automotive recycling industry. But, we ask that the FTC go further and note specifically in the examples that automotive recyclers or other qualified entities recover the parts as state statues are very specific on this subject.

Ninety-five percent of all end-of-life vehicles in the U.S. go through a market-driven recycling infrastructure beginning with the automotive recycler. The suggested *Guide* language affirms ARA members' efforts to keep contaminants and hazardous materials out of landfills, water and air. In fact, every motor vehicle that is recycled saves 2,500 pounds of iron ore, 1,400 pounds of coal, and 120 pounds of limestone.

CONCLUSION - ARA appreciates FTC's continued inclusion of language recognizing the legitimacy of the recycling descriptor for the management of older vehicles in the *Guides* and requests that the existing language be changed as noted above.

Sincerely, ,

Michael E. Wilson Chief Executive Officer Automotive Recyclers Association