

May 14, 2010

United States Federal Trade Commission
Washington, DC 20580

SHARP comments regarding Consumer Electronics Labeling, Project No. P094201:

As a major manufacturer of televisions sold in the US, SHARP Corporation has demonstrated a commitment to improvements in energy efficiency. We are proud to have contributed to the development of energy measurement standards and specifications in IEC, as an Energy Star partner, and as a member of CEA. This January, at the CES tradeshow, SHARP announced the LE810, LE820, and LE920 model lines – all of which qualify for Energy Star 4.1 and meet the levels required by Energy Star 5.1. SHARP strongly supports energy labeling of TV sets as a means for helping consumers choose the most efficient televisions at the point of making a purchase decision.

SHARP fully supports the comments filed by CEA to the FTC on 14 May 2010. Key recommendations include:

- The labels should rely on ANSI/CEA-2037 as the energy measurement method.
- A disclosure on the box is duplicative and unnecessary.
- Alternate physical implementations should be allowed in consideration of products with no bezel and to ensure no damage to the television screen. One example is a “fold over” label that attaches to the back of the set, but is seen from the front.
- An electronic labeling option should be available.
- A reverse color scheme should be allowed.
- Eleven cents per kilowatt hour, 19 hours in the on mode, and 5 hours in sleep mode are appropriate.
- The CEA proposal for size ranges should be adopted.
- The effective date for the new rules should be in or around early summer.
- There should be an explicit exemption for televisions that run on batteries.
- The FTC should concentrate on a ruling for televisions at this time. Other product categories should have data collected and studied before any decisions are made.

SHARP would like to amplify some of CEA's recommendations as follows:

Measurement Method

ANSI/CEA-2037 would provide the clearest, least ambiguous measurement method for use in television power labeling. It is also harmonious with EPA's Energy Star program. ANSI/CEA-2037 clearly specifies a single mode and test loop for measuring On Mode power, which is appropriate for a label that displays a single numerical result.

Label Location

In the case of SHARP's manufacturing process, boxes are ordered long before the final power consumption of the television is determined. Televisions are a unique product category because energy consumption is tightly coupled to picture settings. Picture settings are among the final items that are fine tuned and approved before shipment. In practice, labeling boxes on multiple sides would require multiple stickers to be produced and added to the boxes before shipment. This would add cost to television production.

Because consumers primarily shop online and in retail locations that show the television in the On Mode, there is virtually no benefit to providing labels on boxes.

In short, the benefit of a label on the box is very small and the cost is not insignificant. A robust label on the product is adequate for serving the current US TV market.

Alternate Implementations

At the April 16th, 2010 hearing, SHARP provided an example of a "fold over" label to FTC staff. This particular label was made of plastic. There are other materials that could also be used in a "fold over" label that would have a lower environmental impact. The FTC should allow flexibility in material selection so that manufacturers can provide ecological solutions and comply with environmental regulations.

The benefits of the "fold over" label are that it can be used on televisions without a bezel and in a way that does not risk damage to the screen. A standard label on the bezel or front of the TV should also be allowed.

In addition, electronic implementations should be allowed. An electronic label has the lowest possible environmental impact. The vast majority of retailers display televisions in the on mode, and consumers put picture quality at or near the top of their priorities, so it is highly unlikely that consumers would purchase TVs in significant quantities from a retail setting without seeing the television in the On Mode.

IEC 62087 Ed. 2.0, Energy Star, and ANSI/CEA-2037 all allow for a 'forced menu' in which the user or retailer must select between Home Mode and Retail Mode when the television is first powered on. Activation of an electronic EnergyGuide label could be tied to the selection of Retail Mode. In order to both inform consumers and to allow them to view an un-obscured picture, the Electronic Label could have a duty cycle – for instance, the label could be displayed for 10 of every 30 seconds.

Reverse Color Scheme

Televisions are often placed in living rooms, making the elegance of the design a critical selling point. Consumers also want to evaluate image quality at retail without distraction. These considerations make the presentation of a television in the retail setting uniquely important. In addition, television manufacturers cannot put the label inside the product, as one can with a stove or refrigerator.

A large, yellow label could interfere with consumers' goals of clearly experiencing the design and the images. As such, a reverse color label with yellow text on a black background would be more appropriate for many television models. In informal testing, SHARP found that those who viewed a reverse color label clearly understood that the reverse color EnergyGuide label example was of the same brand as standard EnergyGuide labels.

To ensure that an optional reverse color EnergyGuide label does not go unnoticed, a yellow border could be incorporated into the current label proposals without increasing the size.

Conclusion

SHARP looks forward to the opportunity to communicate the energy efficiency of our televisions to consumers with an EnergyGuide label. We urge the FTC to adopt all of the recommendations made by CEA. Such a program would be cost effective, environmentally sound, tuned to the current television marketplace, and would help elevate the position of energy efficiency during consumers' television purchasing decision process.

If you have any questions or concerns, please contact Jon Fairhurst by phone at 360.817.8496 or by e-mail at jonf@sharplabs.com.

Respectfully submitted,

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