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May 16, 2012

Federal Trade Commission
Mr. Hampton Newsome
Attorney, Division of Enforcement
Bureau of Consumer Protection
Room M-8102B
600 Pennsylvania Ave., NW
Washington, DC 20580

Subject: **Our Public Comments - Appliance Labeling Amendments, Matter No. R611004**

Alliance Laundry Systems LLC manufactures covered clothes washers under the Speed Queen™, Huebsch™, Unimac™, Cissell™, and IPSO™ brands in the commercial segments of the market, and the Speed Queen™ brand in the consumer retail segment of the market. These are our comments in response to Commission's Notice of Proposed Rulemaking (NOPR) published in the March 15, 2012 *Federal Register* regarding proposed amendments to the Appliance Labeling Rule 16CFRPart 305.

1.) Need for Label?

- a.) We question whether a paper label is necessary in today's electronic age. It is interesting that the NOPR proposes adding a Quick Response (QR) Code to the paper label to allow access consumers with "smart phones" to easily access the FTC database, etc. We suggest FTC simply require retailers to have a sign posted at point-of-sale with the QR Code for quick access to FTC's database and/or additional QR Codes for links to manufacturer's websites, where all FTC Energy Label illustrations are readily available by the manufacturers?
- b.) Alternately, if the Commission determines a "label" is required per the Energy Policy Conservation Act (EPCA) "labeling provisions", rather than a "retailer sign" with electronic links, Alliance Laundry Systems supports the following 2-options:
 - i. *A much smaller label.*
 - ii. *Solely an adhesive label.* If label must be same size as today's label, we support FTC's proposal that it be solely an adhesive label. Clothes Washer energy labeling began in 1980, and since that time we have employed only "adhesive labels". Certainly, we can live with adhesive labels for another 32-years. An adhesive label helps reduce the issue of missing hang-tags on display models, where the hang-tag is easily lost, is stolen, or is made not readily-visible by a retailer.
- c.) Labeling generates waste due to the requirement to label each and every residential clothes washer, while only a very small fraction of the clothes washers manufactured ever sit on a retailer's showroom. FTC should work with stakeholders to propose a more environmental-friendly "sustainable" method.

2.) Harmonizing of Reporting and Testing Requirements

- a.) We support AHAM's comments on this subject.

- i. Report Content: We request FTC to align its report content with that of the DOE annual certification report of clothes washer models. DOE aligned the DOE annual reporting date with the FTC annual date, but did not align the content. Manufacturers are making separate reports to each agency, which is burdensome.
- ii. Models to be included in the report: We request FTC to continue to require reporting only models that are “currently in production”, unlike DOE’s requirement to potentially report models “that are being offered for sale”. We continue to object to DOE’s approach, as it is impossible for manufacturers to know when all retailers are no longer offering for sale a model, which the manufacturer made.
- iii. Conservative Rating: FTC should formally align its labeling regulation to be consistent with DOE’s requirement. DOE allows manufacturers to conservatively rate a model’s energy consumption (i.e. display an energy consumption value higher than the “sampling plan” would provide) to allow for variation in testing and variation in the manufacturing process.

3.) Clothes Washer Capacity Disclosure Requirements

- a. Alliance Laundry Systems objects to FTC’s proposal to replace the existing 2-capacity classes of “Standard” and “Compact” with the US DOE Test Procedure measured volume in Cubic Feet.
- b. We object, because the proposal can potentially multiply the number of unique labels a manufacturer needs to create, maintain and utilize. Many clothes washer models have common energy consumption, but their capacities vary depending on the shapes of the agitator, clothes container and related parts that are involved during the capacity measurement. Today’s requirement of using DOE terms of “Standard” and “Compact” allows grouping more models onto a common label. FTC should not unintentionally promote proliferation of unique labels.

4.) Website Internet Disclosures Period

- a. We object to FTC’s proposal to require manufacturers to maintain access to view labels for 2-years after production ceases. The period of 2-years is too long and burdensome. We support a period of 6-months.

5.) Add QR Code to Existing Label

- a. Alliance Laundry Systems objects to FTC’s proposal to add the QR Code to the existing label. The requirement would mean adding unique investment for the capability into our manufacturing facility, that is not justified and we may learn of issues that are insurmountable. The use of QR Codes is fairly new and we do not understand of all the issues surrounding their usage.

6.) Transition Period With New 2015 DOE Test Procedure for Clothes Washers.

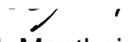
- a. Manufacturers should be allowed to introduce models earlier than the DOE 2015 Minimum Standard compliance date, and utilize a label that does not requiring changing on the mandatory compliance date, just like what was done last time the Clothes Washer Test Procedure changed. Alliance Laundry Systems supports the same labeling method of a “bold black heading” used previously in the 2002 to 2006 time period when the DOE Test Procedure changed from Appendix J to Appendix J1 in association with the 2004 Minimum Standard. The label had a bold black-colored bar across the top that alerted consumers that they should compare models labeled with the black bar heading. The heading bar should be “black-color” to avoid added cost for printing a new color. FTC could establish the effective period for the black bar heading such that it’s usage is required to be discontinued 2-years after the 2015 Clothes Washer Minimum Standard effective date, when most clothes washers manufactured the 2015

Minimum Standard should be out of the distribution system. This would require manufacturer's to print new labels in less than the 5-year time period specified in the existing rule, but manufacturers could effectively plan for it.

- b. Eliminating potential for consumer confusion when test procedure changes, does not seem possible. In the 2-possible scenarios i.) No alert to consumer on label, or ii.) Bold alert heading, on the label, the consumer will at some point have potential for confusion.
- i. No alert heading: The washer labeled and tested under the newer test procedure may actually show higher energy consumption than the same model labeled and tested under the older test procedure. This would mean consumers would see different ratings at different showrooms depending on what vintage washer is on the showroom floor, even though they are the same model, and have the same energy consumption. Seeing 2-different ratings for same model will confuse consumers.
 - ii. Bold alert heading: Consumer confusion will exist when the bold alert heading label format is discontinued. Consumers may continue to compare washers with bold alert heading, only to find very few of them, or believe the ones without heading should not be compared, when in fact the ones without heading would be ok for comparison at that point in time.

Thank you for the opportunity to comment on the proposed amendment.

Respectfully submitted,


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