

June 26, 2009

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

Subject: Consumer Groups' Comments on the Fuel Economy Advertising Guide Review,
Matter No. R711008

We the undersigned consumer organizations submit the following comments in response to the Federal Trade Commission's review of the Fuel Economy Advertising Guide, Matter No. R711008.

It is important to note that published, consistent, and fully disclosed fuel economy ratings are a significant factor in the ability of consumers to make informed vehicle purchase decisions. Not only do consumers need a reliable and clear mechanism to assess fuel efficiency when shopping for a new (or used) vehicle, but the presence of mileage ratings in the market provides a strong competitive incentive for overall improvement in fuel economy.

Section 259.2 (a) (1) (i-iii) of the current Guide indicates any combination of city, highway, and combined fuel economy can be provided.

We strongly urge that only the *combined* city and highway fuel economy rating be used in advertising. While separate city and highway estimates do provide important information to consumers, in advertising, it is important that fuel economy ratings be readily comparable. By requiring the use of one type of estimate, instead of any of the three types of estimates, consumers will be able to make ready and accurate comparisons between advertised vehicles. Because the EPA ratings are designed to be used comparatively, it is critical that advertisements contain numbers that are comparable, i.e. apples to apples comparisons as opposed to apples to oranges. Therefore, only one of the three ratings should be allowed. While the EPA ratings are comparative estimates, the *combined* rating will most closely resemble what the consumer will experience.

Section 259.2 (c) of the Guide indicates that advertisers can make fuel economy claims based on non-EPA information if they disclose the source of the non-EPA estimate.

We strongly recommend AGAINST allowing advertisers to use non-EPA fuel economy estimates even when the source and methodology of those estimates are disclosed. Allowing non-EPA estimates in advertising, even those legitimately developed, would prevent comparison to the EPA rating and defeat the consumer's

ability to compare advertised information. At the worst, this would mislead consumers; at the best, this would simply confuse them and prevent them from using advertised rating information comparatively. As there is only one way to properly disclose interest rates (APR), the same holds true for fuel economy ratings.

Section 259.2 (d) of the Guide indicates an estimated cruising range can be disclosed for alternative fueled vehicles.

We support efforts to provide comparable performance information on alternative fuel vehicles. Such competitive disclosure will promote improvements in those vehicles in the same way it promotes improvements in gasoline powered engines.

The challenge is in developing a system that is easily understood and comparable to the current EPA fuel economy estimates. For electric vehicles, we recommend using the current EPA methodology which develops a gallon per mile figure based on kilowatt hours used. In advertising for electric powered vehicles, it would have to be noted that the “fuel economy” number was for comparative purposes. It would be called a “fuel economy equivalent” rating so as not to imply that electric powered vehicles needed gasoline.

The Federal Trade Commission Should REQUIRE Vehicle Advertising to Include Fuel Economy Disclosure

Finally, we also strongly recommend that the Federal Trade Commission require the posting of the EPA estimated combined fuel economy in all vehicle advertisements. In those cases where the particular model comes with a variety of fuel economy ratings (due to multiple engine and drive train configurations), the advertisement would be required to use the estimate of the model expected to be most popular.

We appreciate the opportunity to submit these comments in response to the proposed amendments to the Guide Concerning Fuel Economy Advertising for New Automobiles and look forward to working with the FTC in improving the availability of critically important fuel economy rating information that consumers rely on when purchasing a vehicle.

Sincerely,

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