

**Before the
UNITED STATES FEDERAL TRADE COMMISSION
Washington, DC 20580**

In the Matter of

Rule Concerning Disclosures	)	
Regarding Energy Consumption and	)	
Water Use of Certain Home Appliances	)	
and Other Products Required Under	)	
the Energy Policy and Conservation	)	16 CFR Part 305
Act ["Appliance Labeling Rule"];	)	
Notice of Proposed Rulemaking	)	
	)	
Consumer Electronics Labeling	)	

**Comments of
SONY ELECTRONICS INC.**

Introduction

Sony Electronics is the largest component of Sony Corporation of America, the U.S. holding company for Sony's U.S.-based electronics and entertainment businesses. Headquartered in San Diego, California, Sony Electronics is a leading manufacturer and retailer of audio/video electronics and information technology products for the consumer and professional markets. Operations include research and development, design, engineering, manufacturing, sales, marketing, distribution, retail and customer service. For our retail operations, Sony Electronics has over fifty locations in addition to our national online sales channel.

Sony Electronics is widely recognized as a top brand in America and has earned a solid reputation for quality, reliability, innovation and stylish design.

The company is committed to maintaining a leadership position in consumer electronics, broadcast and professional systems and information technology products. Sony is also committed to developing new technologies that reflect the networked convergence of audio, video and information technology.

Sony Electronics, as both a manufacturer and a retailer, has a considerable interest in the Federal Trade Commission's (Commission) development and promulgation of energy use

disclosure requirements for consumer electronics, pursuant to Section 325 of the Energy Independence and Security Act of 2007 (EISA 2007).

Corporate Environmental Philosophy

Sony Electronics is dedicated to protecting and improving the environment in all areas of its business operations. Conserving resources, eliminating hazardous chemicals, increasing energy efficiency, reducing pollution and offering convenient recycling opportunities to customers are among the many areas that Sony Electronics is committed.

In 1991, Sony Electronics established a corporate-wide environmental policy to address waste minimization, waste management and consideration of environmental impact when evaluating new products, projects and operations. These developments lead to the establishment of Sony's Environmental Vision and Green Management (Green Management) targets.

Green Management provides guidance, direction and progress measurement systems for environmental initiatives for global Sony group operations. The plan creates a framework to uphold "green" policies and procedures in the creation, design, manufacture, packaging, transport, sales and service of products and in all areas of operation in order to achieve these targets.

Summary of Comments

Our comments will cover the following topics:

- Labeling for Televisions
 - Electronic labels
 - Physical labels
 - Content of labels
 - Comparative scales
 - Online disclosures
- Labeling for Personal Computers
- Labeling for Audio/Visual Products
- Test procedures
- Effective date
- Pre-emption

Labeling for Televisions

Electronic Labels

Sony Electronics highly recommends the use of an electronic label which will display directly on the television screen. We suggest that this electronic label be required to be displayed within a timed loop on the television's "retail mode" setting. This display setting is used in most retail environments. An electronic label would provide customers easy access to the required energy guide data while presenting the least burden for manufacturers and retailers.

An electronic label would provide consumers with the most current information, in real time, for that specific model without the fear of accidental mislabeling as would happen with a physical label. Further, the costs associated with electronic labels are minimal, and would not present a great overall burden to either manufacturers or retailers.

With respect to our natural environment, Sony Electronics feels that the use of an electronic label in lieu of a physical label would promote the ideals and principles of environmental conservation.

Physical Labels

The use of an electronic label at the television's initial set-up menu is preferred. However, if mandated by the Commission, we would like to recommend that a physical label be available only at the retail location.

The electronic label is the best method for providing customers with the most up-to-date annual energy consumption and average annual operating cost information, and with the least chance of mislabeling at retail; therefore, Sony Electronics has concern with the use of physical labels, such as an adhesive tag, flap tag, hang tag, and non-adhesive tag.

Sony Electronics is concerned that adhering a physical label onto the viewing surface of a television will hinder the customer's viewing experience as they are making their purchasing decision. Not only would this be aesthetically unappealing, but there is great concern of adhesive residue remaining on the display surface after removal, which is the most valuable part of the television. Furthermore, if the consumer were to remove the residue by use of a chemical or a tool, it very well could cause permanent damage to the display in the form of chemical etching or scratches.

Thus, if a physical label were to be required, then Sony Electronics suggests allowing it to be adhered to a visible location on the television other than the viewing surface, such as an enclosure or the television stand. It is important to note that many television models either do not have bezels or the bezel is part of the actual screen, again raising concerns about damage.

Lastly, we urge you to consider allowing manufacturers flexibility on the actual size of the label in direct proportion to the size of the television.

As a retailer, Sony Electronics would also like to express opposition to a physical hang tag. Such a tag can easily be removed or lost, mislabeling can easily occur, and it presents concerns with consumer confusion in the store.

Given the difficulties that a physical hang tag presents, we feel that the first preference, that of an electronic label discussed above, to be the best option.

Additionally, Sony Electronics would like to express our opposition to any mandatory labeling on boxes. Most television boxes are printed at least six months in advance, while the energy consumption data is typically available only a few weeks before shipping. Therefore, the label on the box may not be 100 percent accurate at the time of printing, violating Energy Star rules.

Also, many consumers never actually see the box. For those consumers who make purchases in retail settings, they typically see a display model in the store rather than simply a boxed set. For those consumers opting for home installation or delivery, the television is often out of the box before it enters the home.

Lastly, it must be stated that placing physical labels on each television sold, whether on the set or on the box, is very labor intensive and costly. The costs associated simply with printing labels are very high. Ultimately, this would nullify any environmental benefit the Commission is trying to achieve.

At a minimum, Sony Electronics asks the Commission to allow manufacturers flexibility when determining labeling options due to the numerous distribution channels Sony Electronics and most other manufacturers maintain.

Content of Label

As the Commission knows, the television product category is constantly evolving. In fact, because display technology changes so rapidly, we caution regulators not to make comparisons between televisions and other household appliances, such as refrigerators or dishwashers. With televisions, there are many variables which factor into energy consumption, such as screen size, display technology, picture quality and other functionalities.

In order to present an uncomplicated, easy-to-understand guide for consumers, labels should use common measuring methods and usage assumptions so consumers can make simple comparisons of potential costs.

Sony Electronics supports the inclusion of estimated annual energy costs and an estimated yearly electricity use figure. Possible additional points of information for an

energy disclosure could also include a notice about individual costs, a notice referencing the basis for electricity costs, and a source for additional information.

Since the Commission is requiring comparative data, we suggest grouping size ranges into “pods” based upon peak sales data. The issue is elaborated upon below.

Finally, Sony Electronics asks that the Commission remain technology-neutral when making a final decision upon energy disclosure guides. Although display technologies consume energy at varying levels, we hope that decisions made by the Commission will not inadvertently create bias in the marketplace.

Comparative Data

Sony Electronics recommends using the following “pods” to provide the requisite comparative energy data for consumers. This is aligned with the proposal by the Consumer Electronics Association (CEA) presented at the Commission’s April 16th, 2010 meeting. We believe that presented in this format, energy data will be provided to consumers with a more accurate comparison between the most commonly-purchased television models.

0 to 20” (0 to < 20.5)
21-23” ($\geq$ 20.5 to < 23.5)
24-29” ($\geq$ 23.5 to < 29.5)
30-34” ($\geq$ 29.5 to < 34.5)
35-39” ($\geq$ 34.5 to < 39.5)
40-44” ($\geq$ 34.5 to < 44.5)
45-49” ($\geq$ 44.5 to < 49.5)
50-54” ($\geq$ 49.5 to < 54.5)
55-59” ($\geq$ 54.5 to < 59.5)
60-64” ($\geq$ 59.5 to < 64.5)
65-69” ($\geq$ 64.5 to < 69.5)
70” or more ($\geq$ 69.5 or more)

Online Disclosures

Sony Electronics supports the online disclosure of energy consumption for televisions and has, in fact, already implemented this segment of the proposal.

Because most consumers research televisions online prior to purchase, the use of online disclosures will likely assist when making purchasing decisions. In addition, its employment is both reasonable and simple for manufacturers and retailers.

Finally, the use of online disclosures maintains and promotes the essence of environmental conservation.

Labeling for Personal Computers

Although the Commission does not propose labeling at this time, Sony Electronics would like to comment on the issue as a manufacturer and retailer.

Consumers are able to customize their computer purchases by selecting specific components, including processors, memory and drives, which all factor into the energy performance and operating costs of the finished product. These configure to order (CTO) products have a multitude of possible configurations for each particular model. Since these are based upon a consumer's personal choices, it would be nearly impossible to develop an estimated annual energy use.

For computers, even identical models can produce broad differences in energy consumption based upon usage and software. Again, because these are based on a consumer's individual preference and habits, forecasting energy costs may provide misleading information, especially to heavy users.

Unlike televisions or refrigerators, personal computers are used in a variety of ways and energy consumption values will vary widely depending on usage. Once software is installed, it can be argued that the estimated energy consumption would be much different from an actual value in the first place. As the labeling may give customers misleading information, Sony Electronics urged the Commission to carefully consider the relative benefits to consumers and the environment against the potential costs before requiring energy labeling for personal computers.

Labeling for Audio/Visual Products

For a variety of reasons, Sony Electronics has concluded that energy labels for video products will not assist consumers with purchasing decisions. Unlike set-top boxes which are constantly drawing power, consumers tend to use video products sporadically.

With video products such as DVD and Blu-Ray players, there are only fractional disparities of energy consumption among standard models. Sony has estimated that the annual energy cost for a standard Blu-Ray player is approximately \$5.00. Our estimates

for average DVD players are between \$2.00 and \$3.00 annually. Because these numbers are so small, the costs of labeling would exceed the annual energy consumption costs.

Furthermore, if the collective goal is to lower energy costs, the actual expenditures to test, print and create a label would outweigh any benefit for the consumer.

Test Procedures

As the Commission recognizes, when making energy use disclosures it is essential that there is an appropriate standard for measuring power consumption in the given product.

Sony Electronics recommends that a standard usage assumption for televisions be required and urges the Commission to use the assumption of five hours per day. This is based upon market research conducted by the Consumer Electronics Association. In addition, this is the same assumption used in the Energy Star program.

Sony Electronics supports the newly-developed CEA test procedure, CEA-2037, intended specifically to determine total power consumption of televisions. This test procedure was developed within a technical standards committee at CEA with the guidance and input of industry engineers. It was produced in accordance with IEC and Energy Star test procedures and will provide additional details to assure that measurements are consistent and repeatable.

We urge the Commission to adopt the CEA standard, CEA-2037.

Effective Date

We strongly suggest providing manufacturers with sufficient time to comply with any labeling requirements. Manufacturers must already conform to sensitive design, production and shipping schedules. In order to effectively prepare for label mandates, it is imperative that manufacturers are allowed sufficient advance notice. We recommend January 2012 implementation.

Pre-emption

Sony Electronics strongly supports the inclusion of a provision which would pre-empt state labeling rules. Federal pre-emption offers a vital safeguard against inconsistencies in state regulations.

While the issue of federal pre-emption generates much public debate, in this instance it is a necessary requirement so that companies are not forced to comply with a patchwork quilt of state regulation.

In fact, the state of California has already promulgated rules requiring that a distinct, permanent label be affixed on every television sold in the state. Should a similar requirement be passed in other states, manufacturers would face the enormous burden of duplicative and unnecessary labeling mandates and consumers would face confusion in the face of numerous energy labels.

Conclusion

In conclusion, label information should be accessible through a variety of methods but should be done so in a manner that provides consumers accurate and timely information. We ask that the Commission allow manufacturers flexibility when providing energy guide information to consumers.

Respectfully submitted,

A large black rectangular redaction box covering the signature area.

Tim Brison
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Sony Electronics, Inc.