

**Before the
UNITED STATES FEDERAL TRADE COMMISSION
Washington, D.C. 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”];)	RIN 3084-AB15
Notice of Proposed Rulemaking)	
)	
Appliance Labeling Amendments)	
Matter No. R611004)	

**COMMENTS OF THE
CONSUMER ELECTRONICS ASSOCIATION**

Introduction

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the \$195 billion U.S. consumer electronics industry. CEA represents more than 2,000 corporate members involved in the design, development, manufacturing, distribution, sale and integration of audio, video, in-vehicle electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels.

CEA and its members have a significant interest in the Federal Trade Commission’s proposed amendments to its Appliance Labeling Rule, as the rule currently covers televisions and may in the future cover other consumer electronics, including personal computers, monitors and set-top boxes, pursuant to Section 325 of the Energy Independence and Security Act of 2007 (EISA 2007). CEA is active in several areas related to power consumption and energy efficiency in consumer electronics, including

public policy, research and analysis, industry standards development, and consumer education. CEA supports energy use disclosures and welcomes the opportunity to provide comments during this proceeding.

The Commission should allow the option of electronic labeling for products incorporating displays.

For products that include displays, such as televisions and monitors, we urge the Commission to allow an option for electronic labeling –the presentation of the EnergyGuide disclosure on the product’s display or screen itself while in a retail setting or retail mode of operation. This is not only a good use of technology; it also is in keeping with the industry’s ongoing environmental sustainability efforts to reduce the printed and physical materials associated with a product. Moreover, the Commission’s allowing an option for electronic labeling would be an innovative and flexible regulatory action that aligns well with recent directives from the Administration on regulatory reform and the reduction of regulatory burdens.¹ Lastly, electronic labeling could have a potential added benefit of enabling a consumer or researcher to retrieve a model’s energy use information long after a product is sold.

The Commission should eliminate the “range of comparability” disclosure for televisions.

Not long after the EnergyGuide requirements for televisions took effect, many television models performed better than the lower end of the “range of comparability” specified for the EnergyGuide label. More than a year ago, CEA inquired with Commission staff about the protocol for presenting the annual estimated operating cost when the cost is lower than the bottom of the cost range for the given screen size. In its rules, the Commission says that “when the estimated annual energy cost of a given television model falls outside the limits of the current range for that product, the manufacturer shall

¹ See, for example, Executive Order No. 13563, 76 Federal Register 14 (January 21, 2011).

place the product at the end of the range closest to the model's energy cost.”²

Commission staff have explained that placing the triangular marker or “carrot” just to the left of the lower limit of the scale is acceptable as well.

The pace of product innovation and improvement in the market for televisions is especially rapid. This product category is highly competitive and dynamic, and product models change quickly. The validity and relevancy of product comparisons among television models at any given moment is relatively brief. What is the value to consumers of a range of comparability disclosure if many models perform below the bottom end of the specified range? Similarly, what is the value to consumers if the end points on the scale are outdated and irrelevant?

Back in May 2009, CEA recommended to the Commission that it not include a range of comparability on the label for at least three reasons. First, there are many variables relevant to energy use to consider in the constantly-evolving television category, including display technology, screen size and picture quality. This could add unnecessary complexity to what otherwise should be a simple and straightforward energy use disclosure. Second, there are a large number of television models on the market, and new models are constantly and frequently introduced. If comparative information were required, it would be difficult to both establish and maintain reasonable points of comparison for such information. Third, there are already well-established resources for product comparisons of televisions by consumers, including consumer and trade publications and product reviews. Having energy use disclosure requirements for televisions will itself enable various consumer-oriented publications and organizations to compare television models based on power consumption and cost of operation as well as other factors.

Consumers are in a good position to make energy use comparisons between television models based on the most significant element of the EnergyGuide label, the estimated

² “Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act (Appliance Labeling Rule); Final rule,” 76 Federal Register 4 (6 January 2011), p. 1051.

yearly energy cost. Given the difficulty of maintaining a relevant and helpful range of comparability for television models, the Commission should no longer require this element of the EnergyGuide label for televisions.

The Commission's Appliance Labeling Rule should be the model for energy use disclosures, at least for the North American market.

With respect to televisions and potentially other consumer electronics in the future, CEA believes that the Commission's Appliance Labeling Rule also should be the model for energy use disclosures in Canada and Mexico. While the Government of Canada has not acted to expand its energy use disclosure program, known as EnerGuide, to cover televisions, the Government of Mexico last year did promulgate its first-ever energy use disclosure requirements for an unusually wide range of consumer products, including televisions and several other categories of electronics. Unfortunately, Mexico did not harmonize its program with the established parallel programs in either the U.S. or Canada, resulting in difficulties with cross-border trade. We realize that resolution of this matter largely rests with the Government of Mexico, but we want to raise it in response to the Commission's request for feedback on harmonization with foreign regulatory requirements. Mexico's energy use disclosure requirements are problematic in form and implementation, and it would not be appropriate for the Commission to harmonize with them. On the contrary, the Commission's rule, which is well-considered, detailed and proven, should serve as the model for energy use disclosure requirements in both Mexico and Canada.

Respectfully submitted,

CONSUMER ELECTRONICS
ASSOCIATION

By: /s/ _____
Douglas Johnson
Vice President, Technology Policy
1919 South Eads Street
Arlington, VA 22202
(703) 907-7600

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