RULES AND REGULATIONS

The Commission received sixty-seven (67) comments from Federal and local officials, private citizens and industry representatives. Fifty-four (54) of the comments objected to the proposal in 304.1(c) that the term “imitation numismatic item” shall not include any reissue or re-strike of any original numismatic item by the United States Mint. This exemption is based upon the fact that the Hobby Protection Act or its legislative history suggests that the Congress intended to subject the United States Mint to the marking requirements. In the language of the Act makes it clear that governmental operations are outside the Act’s purview. The general statutory definition of “person” subject to Act, as contained in sections 3 and 4 of the Act, in 1 U.S.C. 1, does not include the United States Government or its agencies. Further, a requirement that re-issued or re-struck United States Mint medals be incised with the word “COPY” would impose a limitation on the Treasury’s general authority to strike national medals (31 U.S.C. 358), which would be inconsistent with section 6 of the Hobby Protection Act which provides that the provisions of the statute are in addition to and not in substitution for or in limitation of, any other law of the United States. Therefore, the specific language in the Act and its legislative history exempts the United States Mint from the marking requirements of the Act.

The definition of “United States” in section 304.1(c) of the regulation is defined to conform to the definition contained in the Hobby Protection Act (15 U.S.C. 2106(7)) and the Tariff Act of 1930 (19 U.S.C. 1401(a)) in order to avoid conflicts with the enforcement jurisdiction of the United States Customs Service under Section 5 of the Hobby Protection Act.

It was suggested that the Commission make it clear that the regulations do not require the otherwise unlawful reproduction of genuine currency simply because it is marked with the word “COPY”. This suggestion prompted new §304.4 which incorporates section 6 of the Hobby Protection Act and provides, in effect, that the regulations are in addition to and not in substitution for or limitation of the existing statutes and regulations prohibiting the reproduction of genuine currency.

It has been brought to the Commission’s attention that marking requirements for imitation political and imitation numismatic items are inconsistent with the requirement that the items be conspicuously marked. The Commission has considered all matters of fact, law and policy, including all responses to the published proposals, and has determined that the proposed regulations, with certain modifications as explained herein, should be adopted.

The 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

PART 304—RULES AND REGULATIONS UNDER THE HOBBY PROTECTION ACT

§ 304.1—Rules and regulations under the Hobby Protection Act.

On July 19, 1974 (39 FR 26429) a notice of proposed regulations to be promulgated under the Hobby Protection Act, 15 U.S.C. 2101 et seq., was published in the Federal Register. Fromulation of these proposals would regulate the manner and form of permanently marking imitation political and imitation numismatic items. The proposals afforded all interested persons the opportunity to submit data, and express views or comments.

The Commission has now considered all matters of fact, law and policy, including all responses to the published proposals, and has determined that the proposed regulations, with certain modifications as explained herein, should be adopted.

Hutchinson, Kan.—Hutchinson Municipal Arpt., ILS Run 13, Admt. 8.
St. Joseph, Mo.—Roeckeman Memorial Arpt., ILS Run 23, Admt. 23.
Watertown, N.Y.—Watertown Municipal Arpt., ILS Run 12, Admt. 1.

* * * effective January 30, 1975:

* * * effective January 22, 1975:
New Orleans, La.—New Orleans Intl. Arpt. (Mossian Field), ILS Run 10, Admt. 27.

* * * effective March 20, 1975:
Fort Wayne, Ind.—Fort Wayne Municipal Arpt. (Baer Field), RADAR-1, Admt. 11.

* * * effective January 27, 1975:

§ 304.2—Rules and regulations under the Hobby Protection Act.

These amendments are made effective under the authority of secs. 907, 313, 301, 1110, Federal Aviation Act of 1946; 49 U.S.C. 1438, 1354, 1421, 1516, Sec. 6(c) Department of Transportation Act, 49 U.S.C. 1085(c) and 5 U.S.C. 552(a)(1).


JAMES M. VINES,
Chief, Aircraft Programs Division.

NOTE: Incorporation by reference provisions in §§ 97.10 and 97.20 approved by the Director of the Federal Register on May 12, 1969 (32 FR 5610). [FR Doc. 75-3355 Filed 3-5-75; 8:45 am]
The remaining substantive comments were evaluated and rejected by the Commission as not being within the scope of section 3(c) of the Act or as not being in the public interest, because they either
(1) recommended regulations which would have exceeded the permissible authority of the Hobby Protection Act, e.g., advertisements offering reproductions for sale should not be the items being sold as reproductions; (2) recommended expanding the authority of the Act in an area already covered by existing statutes, e.g., medals and decorations of a military nature which are governed by 18 U.S.C. 704; (3) suggested word changes inconsistent with the language of the Act, e.g., date of manufacture be substituted for the word “COPY” as the marking requirement on imitation numismatic items; or (4) recommended a size requirement which was not as clear and conspicuous as the proposed requirement. Since there were only two comments relating to size of the calendar year or the word “COPY”, and since our initial size proposals were based on the expert opinion of twenty representative consumer, industry and government authorities, the size requirements are adopted as proposed.

Accordingly, pursuant to the provisions of the Hobby Protection Act, 15 U.S.C. 2101 et seq., Subchapter C is amended by adding thereto the following new Part 304:

§ 304.1 Terms defined.


(b) “Commerce” has the same meaning as such term has under the Federal Trade Commission Act.

(c) “Commission” means the Federal Trade Commission.

(d) “Imitation numismatic item” means an item which purports to be, but in fact is not, an original numismatic item, or which

is a reproduction, copy or counterfeit of an original item.

(f) “Original numismatic item” means anything which has been a part of a coinage, or issue which has been used in exchange or has been used to commemorate a person, object, place, or event. Such term includes coins, tokens, paper money, and commemorative medals.

(c) “Original political item” means any political button, poster, literature, sticker, or any advertisement produced for use in any political cause.

(d) “Person” means any individual, group, association, partnership, or any other business entity.

(f) “Regulations” means any or all regulations prescribed by the Federal Trade Commission pursuant to the Act.

(j) “United States” means the States, the District of Columbia, and the Commonwealth of Puerto Rico.

§ 304.2 General requirement.

Imitation political or numismatic items subject to the Act shall be marked in conformity with the requirements of the Act and the regulations promulgated thereunder. Any violation of these regulations shall constitute a violation of the Act and of the Federal Trade Commission Act.

§ 304.3 Applicability.

Any person engaged in the manufacturing, or importation into the United States for introduction into or distribution in commerce, of imitation political or imitation numismatic items shall be subject to the requirements of the Act and the regulations promulgated thereunder.

§ 304.4 Application of other laws or regulation.

The provisions of these regulations are in addition to, and not in substitution for or limitation of, the provisions of any other law or regulation of the United States (including the existing statutes and regulations prohibiting the reproduction of genuine currency) or of the law or regulation of any State.

§ 304.5 Marking requirements for imitation political items.

(a) An imitation political item which is manufactured in the United States, or imported into the United States for introduction into or distribution in commerce, shall be plainly and permanently marked “COPY.”

(b) The word “COPY” shall be marked upon the item legibly, conspicuously, and nondeceptively, and in accordance with the further requirements of these regulations.

(1) The word “COPY” shall appear in capital letters, in the English language.

(2) The word “COPY” shall be marked on either the obverse or the reverse surface of the item. It shall not be marked on the edge of the item.

(3) An imitation numismatic item of incusuable material shall be incused with the word “COPY” in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) and a minimum depth of three-tenths of one millimeter (0.3 mm) or one-half (1/2) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension of the word “COPY” shall be six millimeters (6.0 mm).

§ 304.6 Marking requirements for imitation numismatic items.

(a) An imitation numismatic item which is manufactured in the United States, or imported into the United States for introduction into or distribution in commerce, shall be plainly and permanently marked “COPY.”

(b) The term “COPY” shall be marked upon the item legibly, conspicuously, and nondeceptively, and in accordance with the further requirements of these regulations.

(1) Each numeral shall have a vertical dimension of not less than two millimeters (2.0 mm) and a minimum depth of three-tenths of one millimeter (0.3 mm) or one-half (1/2) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension for the four numerals composing the calendar year shall be six millimeters (6.0 mm).

§ 304.7 Marking requirements for imitation political items.

(a) An imitation political item which is manufactured in the United States, or imported into the United States for introduction into or distribution in commerce, shall be plainly and permanently marked “COPY.”

(b) The word “COPY” shall be marked upon the item legibly, conspicuously, and nondeceptively, and in accordance with the further requirements of these regulations.

(1) The word “COPY” shall appear in capital letters, in the English language.

(2) The word “COPY” shall be marked on either the obverse or the reverse surface of the item. It shall not be marked on the edge of the item.

(3) An imitation numismatic item of incusuable material shall be incused with the word “COPY” in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) and a minimum depth of three-tenths of one millimeter (0.3 mm) or one-half (1/2) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension of the word “COPY” shall be six millimeters (6.0 mm).

Effective date. Pursuant to Subpart B of the Commission’s Procedures and Rules of Practice, 16 CFR 1.16(e) these regulations shall be effective March 10, 1975.

Dated: February 6, 1975.

By direction of the Commission.

[SEAL]  CHARLES A. TOTH,
Secretary.

[FEDERAL REGISTER, VOL. 40, NO. 26—THURSDAY, FEBRUARY 6, 1975]