



INSULATION CONTRACTORS ASSOCIATION OF AMERICA

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Federal Trade Commission, Office of the Secretary
600 Pennsylvania Avenue NW
Suite CC-5610 (Annex E)
Washington, DC 20580

Re: Comments on Proposed Amendments to R-value Rule (No. R811001)

Dear Secretary,

By notice in the Federal Register (83 FR 2934, January 22, 2018), the Federal Trade Commission has invited comments on specific questions and issues that the Commission has identified and that relate to the amendments the Commission has proposed to the R-value Rule.

Following this letter, please find the comments of the Insulation Contractors Association of America (ICAA) respectfully submitted to the FTC in response to the Commission request for comments.

Since 1977, ICAA has been a member-based national trade association of residential thermal insulation contractors and manufacturers.

ICAA appreciates the opportunity to express its views on this matter. Please feel free to contact me directly at 703-739-0356.

Sincerely,

Michael Kwart
Executive Director

Attachment

The Federal Trade Commission Trade Regulation Rule Concerning the Labeling and Advertising of Home Insulation (“R-value Rule”) is the regulation that governs home insulation and has been in effect since 1979. In January 2018, the Federal Trade Commission proposed to amend the R-value Rule, following its periodic regulatory review of the Rule. The Commission last reviewed the Rule in 2005 and issued several amendments to update and improve the Rule, including new initial installed thickness disclosures for loose-fill insulation and updated tests for reflective insulation.

The Commission now proposes to (1) clarify that the Rule covers products marketed for residential applications, even if those products are originally developed for the commercial market; (2) require marketers to use the Rule’s testing requirements to substantiate any R-value claims for non-insulation products; (3) add information about air sealing and installation to fact sheets; (4) clarify that online retailers must provide labels and fact sheets; and (5) exempt space-constrained advertising from certain affirmative disclosures. Furthermore, the Commission has determined to retain the Rule as it benefits consumers and industry members by creating a level playing field that promotes competition and by furnishing guidelines to the industry for product testing and evaluation. ICAA is in full accord with the Commission’s determination to retain the Rule and to enact the above proposals (1), (2), (3), and (4). ICAA does not support the above proposal (5).

(1) R-value Rule would apply to any product marketed to reduce energy use by slowing heat flow in residential buildings. Although the Commission does not propose extending the Rule to cover insulation marketed solely in the commercial market, the Commission proposes to clarify that the Rule applies to products marketed for residential applications albeit they were developed and marketed primarily for commercial and industrial structures. ICAA supports the Commission’s proposal.

(2) Non-insulation product marketers would use the Rule’s testing requirements to substantiate any R-value claims. ICAA supports the Commission’s proposal.

(3) Add information to fact sheets about air sealing and installation. The Commission proposes to modify the Rule’s Fact Sheet disclosures to better alert consumers to factors that

may affect their heating and cooling costs. Commenters noted that factors such as proper insulation installation and home air sealing can also affect fuel costs. ICAA supports the Commission's proposal.

(4) Online insulation sellers must post labels and fact sheets. The Commission proposes to require that online insulation sellers post labels and fact sheets for covered insulation products they sell directly to consumers. ICAA supports the Commission's proposal.

(5) Space-constrained advertising would be exempted from certain affirmative disclosures.

As the North American Insulation Manufacturers Association commented, Twitter and mobile-source advertising demand "pithy and concise messages" and the Commission agreed. The Commission proposes to exempt space-constrained advertising from the Rule's required disclosures. The proposed Rule defines "space-constrained" as any "communication made through interactive media (such as the internet, online services, and software, including but not limited to internet search results and banner ads) that has space, format, size or technological limitations or restrictions that effectively prevent marketers from making the required disclosures."

ICAA does not agree with the Commission's proposal to exempt any "space-constrained advertisement" from the disclosure requirements in sections 460.18 and 460.19. Disclosures are a core part of the FTC mission and subsequent effectiveness. There are countless ads appearing on Facebook, LinkedIn, and other popular digital media without adequate disclaimer language, contributing to digital illiteracy.

Digital advertising will continue to far outpace print and radio advertising, making this the mainstream communication channel for consumers. Lack of disclosures may seem like a minor technicality today, however, should the Commission exempt disclosures from digital media, there will be no adequate disclosures where the bulk of advertising dollars are expended. During the 2016 presidential election, fewer than 3 percent of Americans cited print as their most important source of news. For younger people, print was their least important source. FTC-required disclosures are intended to make the public aware of the

Rule's requirements on insulation ads and savings claims. Without the disclosures cited, consumers would have no knowledge that federal rules even exist on ads and savings claims.

As for the lack of space for the required disclosure in interactive media, a short hyperlink such as "See FTC disclosures here" could easily be included and take consumers directly to the appropriate code sections.

Here is an example of the volume of space a link to the FTC disclosures would consume:

[See FTC disclosures here.](#)

ICAA strongly supports the Commission's mission to provide guidance to consumers, which can continue to be fulfilled by requiring a limited disclosure hyperlink on digital media advertising where space constraints are an issue.