



February 12, 2018

Via E-mail

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

Re: 16 CFR Part 311, Recycled Oil, Matter No. R811006

Dear Sir or Madam:

The National Automobile Dealers Association (NADA) represents over 16,000 franchised automobile and truck dealers who sell new and used motor vehicles and engage in service, repair and parts sales. Together they employ over 1,100,000 people nationwide, yet the majority are small businesses as defined by the Small Business Administration.

Pursuant to its systematic review of its current rules and guides, the FTC recently asked for comment on its Test Procedures and Labeling Standards for Recycled Oil (Rule). 82 Fed. Reg. 60334-5 (December 20, 2017). For the following reasons, NADA supports the Rule's renewal.

The Rule directly regulates used oil processors and marketers by effectively requiring them to provide prospective motor oil purchasers with adequate information on recycled oil in a manner that does not inhibit its marketability. This is of benefit to automobile and truck dealerships who purchase motor oil to install in vehicles and who responsibly manage the used oil they collect from service vehicles and do-it-yourselfers. Dealerships purchase and use American Petroleum Institute (API) certified motor oils consistent with their vehicle manufacturers' recommendations. By encouraging used oil processors to comport with a "substantially equivalent" standard, the Rule helps to foster the growing market acceptance of recycled oil. Yet, by not requiring that "substantially equivalent" recycled oils be labeled as "recycled" or "re-refined," the Rule affords processors marketing flexibility.

Section 383 of the Energy Policy and Conservation Act of 1975 (EPCA) was enacted to encourage and promote the use of recycled oil, and to reduce improper used oil disposal. 42 USC §6363. Any changes to the Rule should comport with these goals and should not undermine the market's acceptance of recycled oil. Lastly, the latest version of API's Publication 1509 should be incorporated by reference.

On behalf of NADA, I thank the FTC for the opportunity to comment on this matter.

Respectfully submitted,

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Douglas Greenhaus
Chief Regulatory Counsel,
Environment, Health, and Safety