

**May 2001**

## **NIST Hosts E-Business Workshop**

By: Joan Koenig

On April 24, the National Institute of Standards and Technology (NIST) hosted a workshop to help identify problems associated with the sale of products or services by weight or measure on the Internet and to begin to develop strategies for dealing with them. Workshop participants included staff of the NIST Office of Weights and Measures (OWM) and representatives of State and local weights and measures jurisdictions, Federal regulatory agencies, the National Conference on Weights and Measures (NCWM), and industry. While the focus of the workshop was on Internet sales, the problems and principles discussed also were applicable to catalog sales.

The workshop featured both individual presentations and group discussions. Tom Coleman of OWM showed workshop participants dozens of examples of web pages that advertised the sale of products required to be sold by weight without including any weight information. In one case a "giant" turkey costing over \$100 and advertised as "feeds 75" was offered for sale without any mention of weight. Other products were sold by such means as weight ranges, number of people served, and relative size (small, medium, or large).

Louise Jung of the Federal Trade Commission (FTC) presented an overview of consumer protection issues related to the Internet that FTC is addressing including privacy and use of contradictory or ambiguous language. She encouraged weights and measures officials to work with their State Attorneys General to clarify the extent of their jurisdiction with respect to prosecuting companies selling on the Internet and the jurisdiction's ability to serve subpoenas on businesses in other States to obtain business records for court cases. She noted that the FTC's website ([www.ftc.gov](http://www.ftc.gov)) contained a lot of information that could be useful to "E-tailers."

Food Marketing Institute (FMI) representatives Elizabeth Tansing and Michael Sansolo also made presentations at the workshop. Mrs. Tansing reviewed the need for and history of the NCWM Laws and Regulations Committee's voting item on labeling exemptions for indirect sales of random packages (Item 231-2). This item makes allowances for some of the special circumstances that cause problems in the case of indirect sales (including sales through e-commerce, on-line, phone, fax, and catalog). Mr. Sansolo gave an overview of some of the trends that are affecting the future of the food industry. Among the trends he covered were the enormous consolidation of food sellers, the change in primary consumer concerns from economic and health care issues to social issues and the breakdown of traditional values, the increasing diversity of buyers and workers, the increased pace of change, and the lack of skilled workers.

Workshop participants were asked for their suggestions on actions that could be taken now to assist weights and measures officials in regulating indirect sales. One recommendation was to ask the NCWM Laws and Regulations and Administration and

Public Affairs Committees to work together to develop an e-letter that could be sent by a weights and measures jurisdiction to an Internet retailer when the jurisdiction encountered incorrect or misleading methods of sale on the Internet. Another recommendation was to develop educational materials for consumers and retailers to let them know what types of information should be provided as part of an Internet sale. For more information on the workshop or efforts to address issues related to indirect sales, contact Mr. Coleman (301) 975-4868.