

**FEDERAL TRADE COMMISSION  
16 CFR Part 18**

**Guides for the Nursery Industry**

**AGENCY:** Federal Trade Commission.

**ACTION:** Confirmation of Guides.

**SUMMARY:** The Federal Trade Commission (“FTC” or “Commission”) has completed its regulatory review of the Guides for the Nursery Industry (“Guides” or “Nursery Guides”), as part of the Commission’s systematic review of all current Commission regulations and guides, and, with the exception of correcting a misspelled word, has determined to retain the Guides in their current form.

**DATES:** This action is effective as of [insert date of publication in the *Federal Register*].

**ADDRESSES:** Requests for copies of this notice should be sent to the Consumer Response Center, Room 130, Federal Trade Commission, 600 Pennsylvania Ave., NW, Washington, DC 20580. The notice also is available on the Internet at the Commission’s website, <http://www.ftc.gov>.

**FOR FURTHER INFORMATION CONTACT:** Janice Podoll Frankle, (202) 326-3022, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC 20580. E-mail: [jfrankle@ftc.gov](mailto:jfrankle@ftc.gov).

**SUPPLEMENTARY INFORMATION:**

**I. Introduction**

The Commission has determined, as part of its oversight responsibilities, to review its rules and guides periodically to seek information about their costs and benefits as well as their

regulatory and economic impact. The information obtained assists the Commission in identifying rules and guides that warrant modification or rescission.

## **II. Background**

The Commission issued its Nursery Guides in 1979.<sup>1</sup> These Guides address numerous sales practices for outdoor plants, trees, and flowers, including deceptive claims regarding quantity, size, grade, kind, species, age, maturity, condition, vigor, hardiness, growth ability, price, and origin or place where grown.

In 1994, as part of its periodic review, the Commission amended the Nursery Guides.<sup>2</sup> Specifically, the Commission amended Guide 6 (Plants collected from the wild state) and the related definitions. Guide 6 now advises sellers that it is unfair or deceptive to offer for sale plants collected from the wild state without disclosing that fact.<sup>3</sup> Additionally, the Commission amended Guides 1-8 to update legal terminology. Specifically, the Commission deleted the expressions “it is an unfair trade practice” and “has the capacity and tendency or effect of deceiving purchasers,” neither of which the Commission uses in its orders, rules, or guides. The Commission substituted the language “it is an unfair or deceptive act or practice” and “misrepresents directly or by implication.”<sup>4</sup>

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<sup>1</sup> Industry guides are administrative interpretations of laws issued by the Commission for the guidance of the public in conducting its affairs in conformity with legal requirements. 16 CFR 1.5.

<sup>2</sup> 59 FR 64546 (December 14, 1994).

<sup>3</sup> Guide 6 also provides that plants propagated from plants lawfully collected from the wild state may be designated as “nursery-propagated.”

<sup>4</sup> See the Commission’s 1983 Statement on Deception found in the appendix to *Cliffdale Associates*, 103 F.T.C. 110, 174 (1984).

On June 13, 2006, the Commission published a *Federal Register* notice (“FRN”) seeking comment on the Nursery Guides as part of the Commission’s ongoing project to review periodically its rules and guides to determine their current effectiveness and impact.<sup>5</sup> The FRN sought comment on the continuing need for the Guides; the costs and benefits of the Guides; how the 1994 amendments to Guide 6 affected the nursery industry and purchasers; and what effects, if any, technological or economic changes have had on the Guides.

### **III. Regulatory Review Comments**

The Commission received two comments in response to the FRN,<sup>6</sup> one from an individual<sup>7</sup> and one from the American Nursery & Landscape Association (“ANLA”). ANLA, a national trade organization formed in 1875, represents nursery and greenhouse crop growers, landscape design and installation professionals, independent garden retailers, horticultural distributors, and industry suppliers. ANLA stated that these entities collectively comprise what is commonly referred to as the “green industry,” which generates annual economic output estimated at over \$147 billion. According to ANLA, the Nursery Guides cover many of the activities of its members and the industry.

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<sup>5</sup> 71 FR 34045 (June 13, 2006).

<sup>6</sup> The comments are cited in this notice by the name of the commenter. All comments are on the public record and available for public inspection in the Consumer Response Center, Room 130, Federal Trade Commission, 600 Pennsylvania Avenue, N.W., Washington, DC, from 9 a.m. to 5 p.m., Monday through Friday, except Federal holidays. The comments also are available on the Internet at the Commission’s website, <http://www.ftc.gov>.

<sup>7</sup> Barb Sachau (“Sachau”).

ANLA's comments, which responded to each of the eleven FRN questions,<sup>8</sup> indicated that the Nursery Guides serve a useful purpose and should remain in effect in their current form. ANLA stated that it did not have any proposals for changing the Guides<sup>9</sup> and did not have any "specific observations" about what effects, if any, changes in relevant technology, economic conditions, or environmental conditions had on the Guides. ANLA observed that the Guides "have been generally adopted and become part of routine business practice at least among legitimate and respectable industry firms" and that the Nursery Guides "provide a framework for addressing the bad actors." ANLA stated that its sense was that the Guides have imposed minimal costs on purchasers because they "merely convey the performance standards that should be met" when the industry engages in advertising and labeling that it otherwise conducts. Further, ANLA said that it did not believe the Guides have imposed any significant burdens on industry businesses.

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<sup>8</sup> Because ANLA did not provide substantive information in response to every question and some responses overlapped with others, this FRN does not discuss each question separately.

<sup>9</sup> In response to FRN question 9 (whether the Guides overlap or conflict with other federal, state or local laws or regulations), ANLA stated that it did not see any fundamental conflict. It indicated that the nursery industry recently worked with the National Institutes for Standards and Technology to develop industry guidelines for marketing plants sold in packages or in containers. ANLA stated that the "Industry Guide to Marketing Container Plants" ("Industry Guide") "was necessitated by the widespread use of marketing terminology (10-inch pot, 1 gallon pot) that was viewed as not conforming with weights and measures consumer labeling requirements." ANLA suggested that if the Commission decided to retain the Nursery Guides, it might want to reference the Industry Guide because it contains useful supplemental information. ANLA, however, did not propose any specific text or section of the Guides for this supplemental information. Because the Industry Guide addresses matters of state law, as opposed to compliance with the FTC Act or other laws enforced by the FTC, the Commission believes that it is potentially confusing to reference the Industry Guide in the Nursery Guides.

Concerning FRN question 5 (how the 1994 amendments to Guide 6 regarding plants collected from the wild state have affected the nursery industry and purchasers), ANLA stated that the intent of the 1994 amendments – which it supported – was to protect consumers because wild-collected plants often suffer high mortality. It noted, however, if wild-collected plants have been established in the nursery for at least a growing season, the surviving plants regain vigor and thus the consumer is more assured of purchasing viable plants. ANLA opined that the Guide 6 “nursery-propagated” designation helps conservationists and consumers interested in preserving these wild populations because they may want to purchase only truly nursery-propagated and grown plants.

Sachau’s comment related solely to wild-collected plants, and did not indicate that any changes needed to be made to the Guides. Sachau stated that no wild-collected plants should be sold by any U.S. nursery. Sachau indicated that such plants were usually collected on national taxpayer-owned land, and that taking plants from this land was “stealing.” Sachau stated that stealing plants from national land should be a criminal offense, and suggested specific fines to be imposed on anyone caught stealing from nationally-owned land. With regard to Sachau’s comments, the Commission notes that Guide 6 refers only to plants “lawfully” collected from the wild state. Moreover, to the extent that it is not already a crime, the FTC does not have the authority to make collecting plants from the wild state on national lands a criminal offense.

In light of the comments received, and in the absence of any opposition to the Guides, the Commission concludes that there is a continuing need for the Nursery Guides. The comments provide evidence that the Guides serve a useful purpose, while imposing minimal costs on the industry, and the Commission has no evidence to the contrary. Accordingly, with the exception

of correcting the misspelling of the word “bulblets”<sup>10</sup> in Section 18.1(c)(9), the Commission has determined to retain the Nursery Guides in their current form.

#### **IV. Conclusion**

For the reasons described above, the Commission has determined to retain the current Nursery Guides.

#### **List of Subjects in 16 CFR Part 18**

Advertising, Nursery, Trade practices.

#### **Text of Amendments**

For the reason set forth in the preamble, 16 CFR Part 18 is amended as follows:

#### **Part 18 – GUIDES FOR THE NURSERY INDUSTRY**

1. Section 18.1 is revised to read as follows:

#### **§ 18.1 Deception (general).**

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(c)(9) That bulblets are bulbs.

By direction of the Commission.

Donald S. Clark  
Secretary

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<sup>10</sup> “Bulblets” was incorrectly spelled “bublets.”