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February 11, 2008

Green Guides Regulatory Review
Federal Trade Commission
Office of the Secretary
Room H-135 (Annex B)
600 Pennsylvania Avenue, N.W.
Washington, DC 20580

Re: Green Guides Regulatory Review
16 CFR Part 260
Comment, Project No. P954501

Dear Sir or Madam:

The Automotive Recyclers Association (ARA) submits the following comments on the Federal Trade Commission's (FTC) Green Guides Regulatory Review, 16 CFR Part 260, Project No. P954501. ARA commends the FTC for continuing to review and update the Guides for the Use of Environmental Marketing Claims and strongly urges the U.S. FTC to consider the issues raised in these comments.

I. ARA Background

Founded in 1943, the Automotive Recyclers Association ("ARA") has represented an industry dedicated to the efficient removal and reuse of automotive parts, and the proper disposal of inoperable motor vehicles. ARA and its affiliate chapters represent roughly 3,500 automotive recyclers. A vast majority of its members are small businesses with less than 10 employees.

The professional automotive recycler plays a vital role in our communities. Every year, about 13 million vehicles reach the end of their useful life either because the vehicle incurs some degree of damage that exceed its fair market value, or because of its age. While the car itself may not serve its intended function, many of the parts can be removed and recycled and can be reused as original equipment manufacturer ("OEM") parts in on-road vehicles. Portions of the automobile that cannot be recycled are sent to scrap processors and steel mills for materials recycling. Every bit of an end-of-life vehicle that is recycled reduces the need to extract virgin natural resources and reduces *significantly* the amount of pollution associated with processing those raw materials into final products.

The automobile is the most recycled consumer product -- both in terms of percentage and volume. More than 95 percent of all end-of-life vehicles go through a market-driven recycling infrastructure with no added costs or taxes to consumers; more than 84 percent, by weight, of each end-of-life vehicle is recycled. Materials processed from end-of-life vehicles go back into making new cars, roads, buildings, consumer products and even garden mulch. However, there is still plenty of room for improvement. Currently there are automotive parts that have the ability of being reused and are not. In some states, for example, airbags are not only unable to be reused, but they are not even allowed to be shipped. OEM airbags are a perfectly safe alternative to aftermarket airbags and alleviate the time, cost, labor and materials that are used to produce a new airbag.

Without an efficient automotive recycling industry, end-of-life vehicles would litter our streets and neighborhoods and pollute our environment. In 2006, the US alone manufactured over 4.3 billion cars and over 46.5 billion were manufactured through out the world. Clearly, this is an industry that needs to have the most efficient and thorough form of recycling and reuse.

Overall, the professional automotive recycling industry provides consumers and repairers with quality, low cost alternatives for replacement parts, while preserving and protecting our environment for future generations.

II. Comment

A. Definition of "Recycling" To Continue To Include Used Automotive Parts Recovered From Motor Vehicles

In May of 1998, the FTC agreed with ARA's assertions regarding the definition of "recycled" under the "Green Guides" to include the used automotive parts recovered from motor vehicles. ARA commented on this issue with the claim that it is better for the environment to recycle by reusing, since reuse is likely to consume fewer resources than recycling from raw materials.

ARA believes that example 14 under section 260.7e in the GUIDES FOR THE USE OF ENVIRONMENTAL MARKETING CLAIMS should go unchanged in the review of the "Green Guides".

Example 14: A dealer of used automotive parts recovers a serviceable engine from a vehicle that has been totaled. Without repairing, rebuilding, remanufacturing, or in any way altering the engine or its components, the dealer attaches a "Recycled" label to the engine, and offers it for resale in its used auto parts store. In this situation, an unqualified recycled content claim is not likely to be deceptive because consumers are likely to understand that the engine is used and has not undergone any rebuilding.

Reused automotive parts are a vital and necessary component of the vehicle manufacturing process. Manufacturers are striving to create vehicles that come close to the 100% recyclable mark. To attain this goal, manufacturers are designing parts that can be more easily recycled, and more importantly, reused. ARA considers reusing automotive parts the purest form of recycling. By advocating the use of recycled automotive components, automotive recyclers are helping protect and conserve valuable resources.

Automotive recycling has evolved into a sophisticated market and technology-driven industry that constantly changes to keep abreast of innovations in automotive technology and manufacturing techniques. Rather than merely crushing wrecked, abandoned, and mechanically disabled motor vehicles, today's modern automotive recyclers have a definitive operational scheme that maximizes the vehicle's true market value, all the while providing an economic and environmental benefit to the community. In a typical modern recycling business, inoperative motor vehicles are brought into an automotive recycling facility where the wastes are properly handled and recyclable fluids are properly drained. Undamaged parts are then dismantled from the vehicle, cleaned, tested, inventoried, and subsequently stored in a warehouse until sold. The remaining vehicle hulk is then prepared for scrapping.

III. Conclusion

ARA believes that using reused automotive parts is the purest form of recycling—the product is reintroduced into the automotive manufacturing process without wasting additional natural resources.

Continuing to recognize the contribution reused parts play in the recycling chain enables the manufacturers to receive credit for designing vehicles that can be dismantled with ease, and acknowledges the vital service automotive recyclers provide the economy, environment and their communities.

Again, ARA would like to thank the FTC for continuing to update the Environmental Marketing Guides and for allowing stakeholders the opportunity to comment on such an important issue.

Sincerely,



Michael E. Wilson
Executive Vice President