

AMERICAN FOREST & PAPER ASSOCIATION

GROWING WITH AMERICA SINCE 1861



February 11, 2008

Federal Trade Commission Office of the Secretary Room H-135 (Annex O) 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580.

Re: Comments, Green Guides Regulatory Review, 16 CFR Part 260, Project No. P954501; 72 **Federal Register** 66091, November 27, 2007

To Whom It May Concern:

The American Forest & Paper Association (AF&PA) is pleased to file the following comments in response to the above-referenced **Federal Register** notice regarding the Federal Trade Commission's Green Guides. AF&PA is the national trade association of the forest, paper, and wood products industry. AF&PA represents more than 200 companies and related associations that engage in or represent the manufacture of pulp, paper, paperboard, and wood products. AF&PA worked closely with FTC staff as they developed the FTC Green Guides' provisions pertaining to recycled paper and paper products; we are looking forward to the same relationship in the revision process.

1. Are the Guides still needed?

Yes. The Guides provide a common understanding of appropriate ways of communicating environmental attributes.

2. If they are still needed, how should they be modified, if at all?

The Guides should be updated with additional examples.

AF&PA believes unequivocally that the FTC should revise the Guides to eliminate the artificial distinction between pre- and post-consumer recycled paper. The language in the federal law that makes the distinction is only applicable to federal procurement and was added to the Resource Conservation and Recovery Act as a means to spur use of recovered fibers. This distinction is no longer appropriate in that the overwhelming majority of fibers being recovered and recycled in the US are so-called "post-consumer." In 2006, the recovery rate for pre- and post-consumer paper in the United States was 53.4%; the recovery rate for post-consumer only was 51.6%. Such distinction only adds complications to providing transparency behind the statistics and is not meaningful to

Federal Trade Commission February 11, 2008 Page 2

the consumer. And, because paper companies are using as much recycled fibers as they can obtain, there is no need for government to spur on additional use of recycled paper.

In addition, as we noted in our comments regarding climate change and renewable energy issues, we believe that the FTC needs to clarify how claimants should substantiate their claims:

For example, the FTC could require that claimants spell out the standard, program, or criteria on which the claimant is basing its claim, either in the claim itself or on a website referenced in the claim. The FTC should require that this explanation contain the parameters, definitions, and other relevant information applicable to the claim. The FTC should not require third party verification of claims, as long as this substantiation is provided. This is a consistent approach with earlier guidance the agency has provided regarding environmental marketing claims. (Letter from Jerry Schwartz dated January 25, 2008)

3. What benefits, if any, do the Guides afford businesses?

As more and more products are being identified as having environmental attributes, it is worthwhile to have the FTC describe ways in which those attributes can be described in a manner that is truthful and accurate. It sets a level playing field and promotes transparency in the marketplace.

4. What costs have they had on both businesses and consumers?

We are not aware that the Guides themselves have imposed additional costs on either business or consumers. However, the increasing market focus on green purchasing does require businesses to take prudent steps to verify information.

5. To what extent have the Guides reduced uncertainty about which claims might lead to FTC enforcement actions?

Although the Guides are general by nature, the examples provided by the FTC do clarify what is consistent with the law and what is not allowable. We believe the Guides have reduced uncertainty significantly.

6. To what extent should recycled content be calculated based on the annual weighted average of a product (current approach) or on alternative methods (for example, the average recycled content with a product line)?

Federal Trade Commission February 11, 2008 Page 3

We believe that both measurement techniques are appropriate -- as long as the manufacturer is transparent in demonstrating the way in which recycled content levels are calculated and is consistent in using the same method from year to year.

7. To what extent should the FTC consider the ISO Standard on Environmental Labels and Declarations - Self-Declared Environmental Claims (ISO 14021)?

Ecolabel standards of the ISO 14020 series provide relevant guidance which is generally consistent with the FTC's Green Guides. ISO 14020, 14021 and 14024 are among the ones closely related to the Guides. We believe that the FTC must address the issue of products labeled with environmental claims according to the ISO Standard 14021, whether imported or not, since several countries have adopted, or are in the process of adopting, the ISO 14021 Standard as their official Standard. Since the Guides were revised in 1998, ISO issued final environmental labeling standards. Specifically the ISO 14020 Standard (General Principles) and ISO Standard 14021 (Self Declared Claims) are relevant to the FTC Guides. The US delegates to ISO worked hard to assure that the ISO Standards mirror the FTC Guides. However, there are a few minor deviations:

- the use of the Mobius Loop
- the definition of post-consumer fiber
- the use of the term "reasonable proportion" vs. the FTC term "substantial majority" when describing the accessibility of recycling and composting facilities
- reference to sustainability

These differences were raised with the FTC when the 14021 Standard was finalized. They can be addressed both through the revisions to the ISO standards (which is expected to begin this year) and in clarifying the relationship between the Green Guides and consensus-based international standards. The FTC now has the opportunity to align the Green Guides with the ISO standards and clarify whether products which are labeled in conformance to the ISO 14021 International Standard would be considered acceptable in the US market as labeled, or in violation of the FTC Guides.

8. Should the Guides be revised to include guidance regarding ``sustainable" claims? If so, why, and what guidance should be provided? If not, why not?

AF&PA believes that the FTC should allow the use of the claim of "sustainability" where there is a clear basis for making such a claim. It is likely that the revisions to the ISO environmental labeling standards will amend its prohibition against use the term "sustainable" because there is significant experience in using the term and the attitudes of the consumer have changed in relating to that term. In the US, there are several programs that currently use the term "sustainable" and are

Federal Trade Commission February 11, 2008 Page 4

products, including the Sustainable

consistent with FTC guides when used on products, including the Sustainable Forestry Initiative[®] program. What will be critical, however, is that the claimant must be transparent to the consumer regarding the basis for the claim of sustainability.

9. Should the Guides be revised to include guidance regarding "renewable" claims?

AF&PA believes that it would be useful for the FTC to include guidance in the Guides regarding the use of "renewable". The forest & paper products industry holds strongly that its primary raw material is renewable and wants to be able to use that term in describing the environmental benefits of paper and wood products. "Renewable" means that a material has the capability of being regenerated either through natural processes or with human assistance, for example through replanting with nursery seedlings or natural reseeding.

10. The Guides provide that a recycled content claim may be made only for materials that have been recovered or otherwise diverted from the solid waste stream, either during the manufacturing process or after consumer use. Do the current Guides provide sufficient guidance for recycled content claims for textile products?

As noted above, AF&PA urges the FTC to amend the Green Guides to eliminate the distinction between pre- and post-consumer recovered paper. We believe this out-of-date distinction is unnecessary and costly – regardless of the commodity or product.

Please do not hesitate to contact me or Amy Schaffer (amy_schaffer@afandpa.org) of my staff if you have any questions.

Cathy Foley Group Vice President Paper