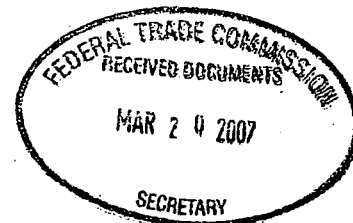


ORIGINAL



BRAND SOURCE

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March 14, 2007

FTC/Office of the Secretary
Room H-135 (Annex A)
600 Pennsylvania Ave., N.W.
Washington, DC 20580

Re: Appliance Labeling Rule Amendments, R511994

Dear FTC/Office of the Secretary:

My name is Mark Pardini and I am President of AVB, Inc./Brand Source. We are the largest appliance/furniture/electronics buying group in the United States and Canada, representing over 5,000 store fronts in North America. In addition, I've been an appliance retailer for 32 years, with 2 stores in Northern California.

As we understand it, the F.T.C. is thinking about changing the yellow energy guide label for major appliances, ranging from leaving the status quo; emphasizing dollars over kilowatt hours, using five year figures, and also lifetime figures.

As a retailer, and President of Brand Source, we would strongly disagree with changing the existing label for the following reasons:

- The current annual operating cost for the year based on kilowatt-hours to operate the appliance, times the cost of energy has worked extremely well for over 20 years.
- Annual kilowatt-hours times the cost of energy makes the most sense.
- Consumers, retailers, and manufacturers easily understand the label.
- Modifying the label that emphasizes the dollar figure over the kilowatt figure can be misleading for the consumer.
- Consumers will believe the dollar figure on the label and the average life, which could be arbitrary.
- Ambient temperature is not being taken into consideration. A refrigerator in New Hampshire will not use the same amount of electricity to operate as will one in southern Arizona. The refrigerator in mild New Hampshire should last longer than one in hot Arizona.
- No manufacturer or retailer would want a life expectancy figure in writing. It is not realistic for a lifetime label.



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- Changing the label to a figure that represents the total dollar figure for lifetime operation will be misleading and confusing.
- Consumers may think the dollar figure is the price of the appliance.
- New point-of-sale signs will have to be developed to state the energy guide label is not the price of the appliance.
- It's not broken, please don't fix it.

On behalf of all the Brand Source dealers, I would like to thank you for the opportunity to address this issue. If in the future, we can be of any assistance to your committees on energy efficient issues that would affect consumers, retailers, or manufactures in regards to appliance standards or issues, please do not hesitate to contact us. We welcome the opportunity to help in our mutual goals of energy efficient appliances.

Respectfully yours,

Mark Pardini
President
Brand Source

