

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

SAAB Aircraft AB: Docket 96–NM–233–AD.

Applicability: Model SAAB 2000 series airplanes, having serial numbers 002 through 025, inclusive; certified in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been otherwise modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent flame, fuel, and vapor from entering compartments behind the firezone compartment of the nacelle of the left and right engines, which, if combined with a fire source in a firezone compartment, could result in an uncontrollable fire outside the firezone compartment, accomplish the following:

(a) Prior to the accumulation of 200 hours time in service after the effective date of this AD, modify and seal the firezone compartment of the nacelle of the left and right engines, in accordance with Saab Service Bulletin 2000–54–008, dated March 7, 1996.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Standardization Branch, ANM–113, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Standardization Branch, ANM–113.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM–113.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on October 21, 1996.

James V. Devany,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 96–27520 Filed 10–25–96; 8:45 am]

BILLING CODE 4910–13–U

FEDERAL TRADE COMMISSION

16 CFR Part 253

Guides for the Feather and Down Products Industry

AGENCY: Federal Trade Commission.
ACTION: Request for additional public comment.

SUMMARY: On April 15, 1994, the Commission published a Federal Register Notice initiating the regulatory review of the Federal Trade Commission's ("Commission") Guides for the Feather and Down Products Industry ("Guides"), 16 CFR 253, and seeking public comment. This notice summarizes the comments received, announces the Commission's preliminary determinations regarding certain amendments to the Guides, and seeks further comment on other issues.

The Commission has preliminarily determined to amend or rescind the following sections of the Guides: (1) Section 253.2 "Misrepresentation in general"; (2) Section 253.3 "Use of trade names, symbols, depictions, etc."; (3) Section 253.4 "Misuse of the term 'Tan-O-Quil-QM'"; (4) Section 253.6(e) "Testing"; (5) Section 253.10 "Cleanliness of filling material"; and (6) Section 253.11 "Disclosure as to size."

To assist the Commission in determining whether it should modify certain other sections of the Guides, the Commission requests additional public comment regarding: (1) The tolerance of landfowl feathers in waterfowl feather products; and (2) the tolerance of damaged feathers in feather and down products. Further, to assist the Commission in determining whether it should modify the current tolerances in filling material or develop new guides that measure other qualities of feather and down products, the Commission requests public comment regarding: (1) The continuing usefulness or relevance of the Guides; (2) the existing standards measuring the benefits or qualities of feather and down filling material; and (3) the tolerances as applied to products containing blends of feathers and down.

DATES: Written comments will be accepted until January 28, 1997.

ADDRESSES: Comments should be directed to: Secretary, Federal Trade

Commission, Room H–159, Sixth Street and Pennsylvania Ave., N.W., Washington, D.C. 20580. Comments about the Guides for the Feather and Down Products Industry should be identified as "16 CFR Part 253—Comment." If possible, submit comments both in writing and on a personal computer diskette in Word Perfect or other word processing format (to assist in processing, please identify the format and version used). Written comments should be submitted, when feasible and not burdensome, in five copies.

FOR FURTHER INFORMATION CONTACT: Alice Au, Attorney, Federal Trade Commission, New York Regional Office, 150 William Street, 13th Floor, New York, NY 10038, (212) 264–1210.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Guides for the Feather and Down Products Industry address claims for the advertising, labeling, and sale of products that are wholly or partially filled with feathers or down, and all bulk stocks of processed feathers or down intended for use or used in the manufacture of such products. The Guides also address the use of trade names, symbols, and depictions; the tolerances for filling material; the labeling of products using crushed and damaged feathers; the disclosure of the use of secondhand filling material; the cleanliness of filling material; and the disclosure of the size of feather and down products.

As part of the Commission's ongoing review of all current Commission rules, regulations, and guides, the Commission published a Federal Register notice on April 15, 1994, 59 FR 18006 (1994) ("1994 FRN"), seeking comments until June 14, 1994 about the regulatory and economic costs and benefits of the Guides. The Commission's request for public comment elicited ten comments from the industry and none from consumers or consumer groups: (1) The Association of Bedding and Furniture Law Officials ("ABFLO"), (2) J.C. Penney Company, Inc., (3) Bernard S. Liebman, a chemist and chairman of the feather and down task group of the American Society for Testing and Materials ("ASTM"), (4) Down Lite International, (5) L.L. Bean, Inc., (6) Pacific Coast Feather Company, (7) International Down and Feather Testing Laboratory, (8) United Feather and Down Inc., (9) American Down Association, and (10) Pillowtex Corporation. This notice summarizes the public comment received in response to the 1994 FRN; describes the

Commission's proposed changes to the Guides; and solicits additional public comment regarding certain issues.

II. Public Comment

In response to the 1994 FRN's questions regarding the Guides' benefits, costs, and whether there is a continuing need for the Guides, the commenters uniformly support retaining the Guides. The commenters recommend that the Commission retain the Guides for the "safety and protection" of consumers¹ and say that "[i]t is in the public interest to keep Guides in place."² The most commonly mentioned benefit of the Guides is that they assure a standard of quality to consumers that is not too burdensome to industry. One commenter noted that because "[d]own is a product that is difficult, at best, for the consumer to evaluate * * * there needs to be a standard on which to base the quality of the product."³ The commenters believe that the Guides have "saved monies for consumers and prevent[ed] profiteering by some processors"⁴ and offered a "level playing field for manufacturers."⁵

The commenters generally stated that the Guides "have not imposed costs on purchasers"⁶ and that "costs imposed are principally costs associated with evaluation of down to determine acceptability for use as the product will be labeled and advertised."⁷ Another commenter added that "[t]he Testing, by nature, is very time consuming and costly; but, is a necessity to monitor and control and ensure the purchaser receives the proper product quality."⁸

In response to a question regarding changes to the Guides that could increase benefits to purchasers, several commenters recommended the establishment of a new guide addressing fill power,⁹ which measures the ability of feathers and down to resist compression as pressure is placed on a sample of feathers and down. The term "fill power" appears in many advertisements for down garments and

comforters and is occasionally being used in down pillow ads.

A fill power guide may provide a valuable way for consumers to compare and evaluate feather and down products. Currently, however, there are many tests purporting to measure fill power that provide different results, and therefore, their comparative use to consumers is limited. The Commission has learned that Japan has specified a particular fill power standard that may be an appropriate and useful standard for use in the United States as well as provide a basis for international harmonization of industry practices.

Further, like a possible fill power standard, a rating system measuring the warmth factor of down products, similar to the R-Value ratings for home insulation, may be an alternative way to make useful claims about down products. The Commission is interested in receiving information about whether there is consensus on how to measure warmth in down products, whether standards for warmth factor ratings exist, how such standards work, and whether such standards are as useful or more useful than current claims about content or fill power claims.

Accordingly, to determine whether to provide guidance on these issues, the Commission is requesting further information about fill power, the Japanese fill power standard, warmth factor ratings similar to R-Value, and any other standards for measuring the qualities of feather and down products. The Commission also is interested in learning whether fill power claims or other warmth factor ratings, if standardized, are more useful to consumers than percentage claims, and whether new guidance on fill power or other warmth factor ratings should replace the current or proposed guidance on percentage content.

One commenter expressed concern about the use of fictitious sale prices to market feather and down products.¹⁰ Fictitious pricing is a selling practice by which a retailer advertises products at inflated prices for the sole purpose of being able to offer a large discount from the original price. Although the Guides do not specifically address fictitious pricing of feather and down products, such practices can be addressed by the general prohibition of unfair or deceptive practices in Section 5 of the FTC Act along with the Guides' Section 253.2 "Misrepresentation in general."

In response to the question regarding conflicts with other laws or regulations, several commenters said that all of the states that regulate this industry have

essentially deferred to the FTC Guides.¹¹ Two commenters recommended that all state requirements be based on the federal standard.¹² The Commission appreciates the industry's desire for more uniform state and federal standards, and as appropriate, will continue its work with other enforcement agencies to promote consistent standards.

In response to the question about changed technological or economic conditions that have affected the industry, two commenters said that they were not aware of any technological or economic changes that would have an impact upon the Guides.¹³ One commenter noted, however, that "[e]conomic conditions have changed significantly in that more down and feather[s] are imported into the United States, and it is difficult to monitor and track small lots."¹⁴ The Commission will continue to monitor down content claims and encourages industry members and other interested parties to provide information to the Commission and to U.S. Customs regarding possible violations involving imported raw stock.

One commenter suggested greater distribution of the information contained in the Guides to increase public awareness of the industry standards.¹⁵ When this regulatory review is completed, the Commission will consider developing educational materials that the Commission and industry members may provide to both businesses and consumers. Several industry members suggested that more enforcement would benefit consumers and industry. The Commission will continue to monitor industry practices and will take enforcement action pursuant to the FTC Act when appropriate.

III. Discussion of Proposed Amendments to the Guides

The Commission has preliminarily determined, subject to final review and approval after the comment period, that it will make the following amendments to the Guides:

A. Section 253.2—Misrepresentation in General and Section 253.3—Use of Trade Names, Symbols, Depictions, etc.

Section 253.2 "Misrepresentation in general" and Section 253.3 "Use of

¹¹ Liebman Comment at 2; Pacific Coast Feather Comment at 2; Comment B15621300008, Letter from Benjamin Belfer, Vice President, United Feather and Down, Inc. at 2 ("UF&D Comment").

¹² Pillowtex Comment at 2; UF&D Comment at 2.

¹³ Pacific Coast Feather Comment at 2; UF&D Comment at 2.

¹⁴ Pillowtex Comment at 3.

¹⁵ Id. at 1.

¹ Comment B15621300003, Letter from Bernard S. Liebman at 1 ("Liebman Comment").

² Comment B15621300004, Letter from Larry H. Werthaiser, Down Lite International at 1 ("Down Lite Comment").

³ Comment B15621300005, Letter from Donald G. Thacker, Manager of Product Quality, L.L. Bean, Inc. at 1 ("L.L. Bean Comment").

⁴ Liebman Comment at 1.

⁵ Comment B156213000010, Letter from Chuck Northcutt, Director of Quality Assurance, Pillowtex Corporation at 1 ("Pillowtex Comment").

⁶ Comment B15621300006, Letter from Jerry Hanauer, CEO and Chairman, Pacific Coast Feather Company at 1 ("Pacific Coast Feather Comment").

⁷ L.L. Bean Comment at 1.

⁸ Pillowtex Comment at 1.

⁹ Liebman Comment at 2; Down Lite Comment at

4.

¹⁰ Down Lite Comment at 2.

trade names, symbols, depictions, etc.” include outdated language to describe the Commission’s standard for deception. In the 1994 FRN, the Commission proposed replacing this outdated language with the Commission’s current deception standard, as set forth in *Cliffdale Associates, Inc.*, 103 F.T.C. 110 (1984), and subsequent cases. The Commission plans to amend the affected sections of the Guides accordingly.

B. Section 253.4—Misuse of the Term “Tan-O-Quil-QM”

Section 253.4 prohibits the misuse of the term “Tan-O-Quil-QM,” which refers to a chemical treatment developed by the U.S. Army Natick Research, Development, and Engineering Center (“Natick Center”) to enhance the properties of feathers and down. Between 1970 and 1980, the use of the Tan-O-Quil-QM treatment began to decline, in large part due to the enforcement of clean water requirements that made the treatment prohibitively expensive. Representatives from the American Down Association, the California Bureau of Home Furnishings Laboratory, the Natick Center, and other industry members confirm that the treatment is not used on a commercial basis today.

The 1994 FRN asked: Is there a continuing need for § 253.4 “Misuse of the term ‘Tan-O-Quil-QM’”? One commenter noted that few companies produce Tan-O-Quil-QM products today but thought that the Commission should retain the Guide to prevent misuse of the term,¹⁶ and three other commenters stated, without explanation, that there was a continuing need for the Guide.¹⁷

After considering all the information about the treatment, the Commission plans to eliminate the Guide regarding the Tan-O-Quil-QM treatment because: (1) The treatment is no longer used on a commercial basis; (2) the elimination of the Guide does not prohibit any industry member from using the treatment as long as no misrepresentations are made; and (3) the Guide does not address any unique consumer protection issue that cannot be addressed by Section 5 of the FTC Act, which prohibits unfair or deceptive acts or practices, and by Guide Sections 253.2 “Misrepresentation in general” and 253.3 “Use of trade names, symbols, depictions, etc.”

¹⁶ Liebman Comment at 3.

¹⁷ Pacific Coast Feather Comment at 2; UF&D Comment at 2; Pillowtex Comment at 3.

C. Section 253.6(e)—Testing

In response to the question regarding the Guides’ burdens and costs, some commenters remarked on the high cost of testing the composition of feather and down products as provided by Section 253.6(e) “Testing.” Other commenters said that the cost of testing products for quality assurance was “incontestably money well spent and of benefit to the industry, the retail industry, and consumers.”¹⁸ Other than the testing issue, the commenters did not identify any other significant burdens or costs that the Guides have imposed on industry.

The Commission preliminarily has determined to make two amendments to Section 253.6(e) “Testing.” First, the Commission will update this section to include reference to the September 14, 1965 and October 25, 1968 amendments to Federal Standard 148a entitled “Classification, Identification, and Testing of Feather Filling Material.” This nonsubstantive amendment merely provides a full citation to Federal Standard 148a.

Second, the Commission plans to amend this section by permitting the use of less costly alternative testing methods that yield reliable results. Although considered the most reliable test method by laboratories of enforcement agencies, Federal Standard 148a is also recognized to be a very expensive and time-consuming test. Because of these drawbacks, five industry commenters recommended that the FTC adopt an alternative test method first developed by ABFLO and later adopted by ASTM.¹⁹ To provide greater flexibility to industry while ensuring test reliability, the Commission plans to amend this section to permit use of any competent and reliable scientific test method.

D. Section 253.10—Cleanliness of Filling Material

One measure of cleanliness of down and feather products is the “oxygen number,” which reflects the oxidizable matter content such as blood and excreta in the plumage. Cleaner products have lower oxygen numbers. Section 253.10 requires that down and

feather products be clean and that products have an oxygen number of no more than 20.²⁰

One commenter recommended that the oxygen number be reduced to 10 because modern processing equipment and chemicals produce cleaner products, and other countries have limited the oxygen number to 10.²¹ Some industry members confirmed that much of today’s product is routinely tested to have oxygen numbers between 0–5, so an oxygen level of 10 is a reasonable outer limit. Further, several provinces in Canada are in the process of adopting a regulation requiring an oxygen number of 10 or lower. Therefore, in the interest of harmonizing U.S. and Canadian standards and ensuring cleaner products for consumers, the Commission plans to lower the maximum acceptable oxygen number from 20 to 10.

E. Section 253.11—Disclosure as to Size

Section 253.11 “Disclosure as to size” requires the disclosure of the “finished size” instead of the “cut size” of down and feather sleeping bags, comforters, pillows, and other similar industry products. The Commission has determined preliminarily to eliminate this section in light of changes in industry practices and the existence of laws in nearly all of the states that mandate point-of-sale disclosures similar to those required by the Section 253.11. There are no known violations of this section, and many states already have laws requiring the disclosure of the finished sizes of filled products.²²

IV. Other Issues Raised During The Regulatory Review Process

The 1994 FRN and the comments received in response to the FRN raised questions regarding three sections of the Guides: Section 253.6(b) “Waterfowl feather products,” Section 253.8 “Damaged feathers,” and Section 253.6 “Tolerances in filling material.” The Commission requests additional public comment before making any final changes to these sections.

¹⁸ Pacific Coast Feather Comment at 1.

¹⁹ Comment B15621300001, Letter from A. Richard Geisler, Chief of Pennsylvania’s Division of Bedding and Upholstery and Vice President of ABFLO, at 1 (“ABFLO Comment”); Pacific Coast Feather Comment at 2; Comment B15621300007, Letter from Wilford K. Lieber, President, International Down and Feather Testing Laboratory (“IDFTL”) at 1 (“IDFTL Comment”); UF&D Comment at 2; Comment B15621300009, Letter from Howard C. Winslow, Executive Director, American Down Association (“ADA”) at 2 (“ADA Comment”).

²⁰ The oxygen number of 20 is measured as follows: 20 grams of oxygen per 100,000 grams of sample. The Guide refers to Federal Standard 148a for a test method to determine the oxygen number. The Commission plans to update this section to include reference to the September 14, 1965 and October 25, 1968 amendments to Federal Standard 148a.

²¹ Liebman Comment at 2.

²² The proposed elimination of this Section 253.11 is consistent with the repeal of the Commission’s Sleeping Bag Rule, 60 FR 65528 (1995), and Tablecloth Rule, 60 FR 65530 (1995).

A. Section 253.6(b)—Waterfowl feather products

Section 253.6(b) permits up to 8% nonwaterfowl feathers in waterfowl feather products. Chickens and turkeys are the main sources of nonwaterfowl feathers, and geese and ducks are the main sources of waterfowl feathers. One commenter explained that lowering the current tolerance of nonwaterfowl feathers from 8% to 4% will not increase costs to consumers and will provide a better product to consumers.²³ One commenter recommended the reduction of the tolerance because excessive (i.e., as much as 8%) chicken and turkey feathers in a waterfowl feather product implied that there had been deliberate adulteration by the addition of nonwaterfowl feathers, which have fewer benefits than goose and duck feathers.²⁴ Commenters explained that a reduction in the tolerance is appropriate because geese and ducks are not commercially farmed with chickens and turkeys, so there should be very little natural contamination of waterfowl with nonwaterfowl feathers.²⁵ Moreover, the 8% tolerance of nonwaterfowl feathers was due, in part, to now obsolete military requirements to include certain amounts of chicken and turkey feathers in military down and waterfowl feather products specifications.

The Commission has tentatively determined that the current 8% tolerance of chicken and turkey feathers in goose and duck products should be reduced, but solicits comment on whether it should be reduced to 2%, rather than the 4% recommended by some commenters. A 2% tolerance of nonwaterfowl feathers in waterfowl feather products will match the long-established tolerance of 2% nonwaterfowl feathers in down products found in Section 253.6(a) "Down products." Because the raw material source for goose and duck down and feathers is the same, there appears to be little reason for having a higher nonwaterfowl feather tolerance for waterfowl feather products than for down products. The Commission therefore requests additional public comment regarding the appropriate limit on nonwaterfowl feathers in waterfowl feather products.

B. Section 253.8—Damaged Feathers

Section 253.8 "Damaged feathers" provides that an industry product should not contain damaged feathers—feathers that have been broken, damaged

by insects, or otherwise materially injured—in excess of 2% of the total weight of the filling material, unless the product is labeled as containing damaged feathers. Products identified as "down" pursuant to the Guides may contain up to 20% non-down plumage; therefore, the 2% maximum undisclosed damaged feathers will comprise 10% of that non-down plumage. In contrast, products filled entirely with feathers may not contain undisclosed damaged feathers exceeding 2% of the feather filling.

Five commenters addressed this apparent anomaly, urging that the Guides be revised to substitute a "percentage of the total weight of the feather content" for the current "2% of total fill weight" standard.²⁶ According to the commenters, the current standard reflects the Guides' focus on predominantly down filled products. Only more recently, they contend, have predominantly feather filled products proliferated. Further, a "percentage of the feather filling" standard, according to industry members, will better reflect reasonable and uncontrollable damage to feathers that occurs naturally as a result of preening and pecking by the birds and subsequent commercial processing of the fill.²⁷

Because the current standard appears overly restrictive when applied to feather products, the Commission has preliminarily determined to amend it. However, because four commenters suggested a 10%²⁸ limit, and the Commission recently received a report of tests conducted by members of the International Down and Feather Bureau suggesting that a 7% limit is appropriate,²⁹ the Commission requests additional comment regarding the appropriate limit on damaged feathers.

C. Section 253.6—Tolerances in Filling Material

The Commission is considering the modification of certain tolerances in Section 253.6 "Tolerances in filling material." There may be a misunderstanding regarding the purpose and use of the Guides' tolerances for feather and down percentage claims. The Guides' tolerances are intended to accommodate the imprecise nature of processing and manufacturing non-homogeneous feather and down products. Further, as stated in Section 253.6(f) of the Guides, "[t]he tolerances

set forth in this section are not to be construed to permit intentional adulteration." When the Guides were promulgated, the industry stated it was nearly impossible to manufacture 100% down products; the Guides therefore permitted a 30% tolerance for products advertised or labeled as "down," i.e., products with a minimum of 70% down and plumules may be advertised or labeled as "down" without additional disclosures regarding the actual percentages of the content.

It appears, however, that an increased minimum requirement of 75% down and plumules currently may be practicable for the FTC Guides. A 75% down and plumules standard is embodied in the laws of Canada, a U.S. partner in the North American Free Trade Agreement. Adopting a 75% standard might benefit consumers by achieving greater legal uniformity between the U.S. Guides and Canadian laws. At the same time, the extent of these benefits is difficult to quantify, and some industry members have stated that the benefits would be insubstantial and the costs—in dollars and consumer confusion—would be great. Several of the questions below are intended to gather information that would facilitate analysis of the costs and benefits of increasing the "down" standard to 75% down and plumules.

In addition, over the years, the 30% tolerance has been applied to feather and down products advertised or labeled as blends, even though evidence suggests that the down industry can produce most blends of feather and down products to ± 5 percentage points of the actual, labeled percentage. For example, although the industry may be capable of filling a blended product labeled "50% down/50% waterfowl feathers" with feathers and down equal to 45–55% down and 45–55% waterfowl feathers, industry members apply the Guides' 30% tolerance to produce a product that actually consists of 35% down, 5% down fiber, and 60% other plumage. It appears that the industry has interpreted the tolerance to allow it to aim for the tolerance rather than to attempt to fill the product with the actual labeled amount of plumage.

Finally, the Commission is concerned that with the current disclosures, consumers may not understand how much down is in the products, and may be hampered in their ability to evaluate price, value, and quality. The Commission is therefore considering the following options: (1) Tightening the tolerance for blended products so that the tolerance reflects the true manufacturing abilities of the industry; (2) clarifying that the tolerance in the

²⁶ Down Lite Comment at 2; Pacific Coast Feather Comment at 1; UF&D Comment at 1; ADA Comment at 1.

²⁷ Id.

²⁸ Id.

²⁹ Letter from Wilford K. Lieber, President, IDFTL (May 8, 1996).

²³ UF&D Comment at 1.

²⁴ Pacific Coast Feather Comment at 1.

²⁵ ADA Comment at 2; Pillowtex Comment at 3.

Guides is intended to accommodate manufacturing difficulties and that the intentional practice of aiming for the minimum tolerance level will not be condoned; and (3) requiring point-of-sale (e.g., in catalogs and on product labels) disclosure of actual down content—for example, “Down—consisting of not less than 70% down and plumules.” The Commission seeks comment on these options.

V. Questions

1. The Commission is considering the reduction of landfowl feathers in waterfowl feather products to match the 2% tolerance of landfowl feathers for down products. Can manufacturers meet a 2% tolerance of landfowl feathers for waterfowl feather products? If not, explain why the tolerance for landfowl feathers should be higher in waterfowl feather products than in down products.

2. The Commission is considering an increase in the permissible amount of undisclosed damaged feathers. What is the appropriate limit on damaged feathers (7%, 10%, or some other percentage)?

3. Do the Guides continue to be useful or relevant in today's down industry? If yes, discuss and provide examples of the usefulness or relevance of the Guides.

4. Are there widely accepted standards that accurately measure the warmth of feather and down products, e.g., fill power, warmth factor rating similar to R-Value, or other standards? Should the Commission consider adopting Guides that set forth standards to measure the warmth of feather and down products?

5. How do consumers interpret claims about fill power or warmth factor ratings? Is fill power or a warmth factor rating a better indicator of warmth, durability, or comfort than the percentage or amount of down? Are fill power or warmth factor claims becoming more important than percentage down claims? What would be the costs and benefits of adopting fill power or warmth factor standards?

6. What would be the costs and benefits of adopting the fill power standards used in Japan? Should the Commission adopt the fill power test method(s) used in Japan or any other nation?

7. What are the costs and benefits of:

a. Requiring point-of-sale disclosure (i.e., in mail order catalogs and on visible product labels) of actual down and plumules content in the form “Down—consisting of not less than 70% down and plumules”; and/or

b. Tightening the tolerance for blends of feathers and down by requiring that

the actual percentage of feathers or down found in the product be $\pm 5\%$ of the advertised or labeled content?

8. Since the Guides were issued, what effects, if any, have changes in relevant technology or economic conditions had on:

a. The Guides;

b. The costs and ability of manufacturers to fill products labeled as “down” with the minimum of 70% down and plumules; and

c. The costs and ability of manufacturers to fill blended products with the labeled percentages of down and feathers; e.g., if the product is labeled “50% down/50% waterfowl feathers”, are manufacturers able to fill the product with actual 50% down and plumules?

9. Because products containing a minimum of 70% down and plumules may be identified as “down,” is there any incentive to manufacture products that contain more than 70% down and plumules? If products that contain more than 70% down and plumules are produced, how are such products marketed to distinguish them from “down” products that contain the minimum 70% down and plumules? Provide any information to show consumer interest or disinterest in purchasing products that contain more than 70% down and plumules.

10. What would be the costs and benefits to (a) industry and (b) consumers if the Commission were to increase from 70% to 75% the minimum down and plumules required for products to be advertised or labeled with the term “down”?

11. Canadian regulations require a minimum of 75% down and plumules in products that are labeled “down.” Does maintaining the current U.S. minimum standard of 70% down and plumules for products that are advertised or labeled “down” impair the U.S. industry's ability to efficiently export products to Canada?

List of Subjects in 16 CFR Part 253

Advertising, Labeling, Filling material, Trade practices.

By direction of the Commission.

Donald S. Clark,

Secretary.

[FR Doc. 96-27572 Filed 10-25-96; 8:45 am]

BILLING CODE 6750-01-P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 240

[Release No. 34-37850; File No. S7-27-96]

RIN 3235-AH04

Books and Records Requirements for Brokers and Dealers Under the Securities Exchange Act of 1934

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule.

SUMMARY: The Commission is proposing for comment amendments to the broker-dealer books and records rules. The proposed amendments clarify, modify, and expand recordkeeping requirements with respect to purchase and sale documents, customer records, associated person records, customer complaints, and certain other matters. In addition, the proposed amendments specify certain types of books and records that broker-dealers must make available in their local offices. The Commission is proposing amendments to the books and records rules in response to certain concerns raised by members of the North American Securities Administrators Association (“NASAA”). The proposed amendments are intended to obligate broker-dealers to make and retain certain additional records that would be valuable to state regulators during examination and enforcement proceedings.

DATES: Comments must be received on or before December 27, 1996.

ADDRESSES: Comments should be submitted in triplicate to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Stop 6-9, Washington, DC 20549. Comments may also be submitted electronically at the following E-mail address: rule-comments@sec.gov. All comment letters should refer to File No. S7-27-96. All comments received will be available for public inspection and copying in the Commission's Public Reference Room, 450 Fifth Street, NW., Washington, DC 20549. Electronically submitted comment letters will be posted on the Commission's Internet web site (<http://www.sec.gov>).

FOR FURTHER INFORMATION CONTACT: Michael A. Macchiaroli, (202) 942-0131; Peter R. Geraghty, (202) 942-0177; or Matthew G. McGuire, (202) 942-7103; Office of Risk Management and Control, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549.