As a result, tests or calculations which are used to substantiate claimed savings must control these variables to the greatest extent possible. An example of failure to control individual factors and, thus, of unacceptable substantiation, would be a testimonial by an individual consumer of the savings achieved after insulation was installed in his or her home. In this case, the amount of savings could easily have been influenced by purposeful or inadvertent changes in the living habits of the occupants. Thus, testimonials or similar comparisons of occupied houses before and after the addition of insulation are inherently unreliable, and do not constitute a reasonable basis for any claimed savings.

B. General Savings Claims

General savings claims, like specific savings claims, must be founded on a reasonable basis. Staff believes that all general savings claims imply that the level of savings is more than *de minimus*. However, the level of substantiation required for a general savings claim will sometimes be less than that required for a specific savings claim, depending upon the nature of the claim being made. For example, a claim such as "reduce fuel bills" may be substantiated on the basis of government studies or reports that conclude that adding insulation can result in significant savings for many consumers.

On the other hand, general savings claims which suggest significant savings may require substantiation of the type required for specific savings claims. For example, an ad which states that insulation can "slash fuel bills" clearly implies that substantial savings can be achieved. Thus, advertisers who make general savings claims should choose the language of the claim with care, if they wish to avoid the burden of substantiation associated with specific savings claims.

By direction of the Commission.

Carol M. Thomas,

Secretary.

[FR Doc. 80-32517 Filed 10-16-80; 8:45 am]

BILLING CODE 6750-01-M

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16 CFR Part 460

Trade Regulation Rule: Labeling and Advertising of Home Insulation; Partial Stay for Mobile Home

AGENCY: Federal Trade Commission.

ACTION: Notice of temporary partial stay of trade regulation rule insofar as it applies to sales of mobile homes.

SUMMARY: The Federal Trade Commission has temporarily stayed § 460.16 of its trade regulation rule on labeling and advertising of home insulation insofar as it applies to mobile home sellers, pending a final decision by the Commission on petitions for exemptions filed by three trade associations representing mobile home manufacturers and retailers. The Commission has denied the associations' requests to stay other portions of the Rule. The temporary partial stay is effective immediately.

EFFECTIVE DATE: September 29, 1980.

FOR FURTHER INFORMATION CONTACT: Kent C. Howerton, Attorney (202) 724-1515, Division of Energy and Product Information, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

SUPPLEMENTARY INFORMATION: Three trade associations—the National Manufactured Housing Federation, Inc., the Manufactured Housing Institute, Inc. and the Indiana Manufactured Housing Association, Inc.—have filed petitions on behalf of mobile home manufacturers and retailers requesting exemptions from the Commission's trade regulation rule on labeling and advertising of home insulation ("the Rule"). The Rule went into effect September 29, 1980. Pending the Commission's final determination on their respective petitions for exemptions, the three petitioners requested that the rule be stayed as to the mobile home industry.

All three petitioners requested that the mobile home industry be exempted from § 460.16 of the Rule. Section 460.16 requires "new home" sellers, including mobile home sellers, to disclose in the sales contract the type, thickness and R-value of any insulation installed in each part of the home. The petitioners asserted that the rule is unnecessary as to mobile homes because construction standards issued by the Department of Housing and Urban Development effectively achieve the same result. Petitioners also argued that R-value information is not appropriate as a tool for comparison shopping in the mobile home area because nearly all such homes have identical insulation due to certain design characteristics.

The Commission has not yet made an initial decision on the merits of the exemption petitions. When an initial decision is made, it will be published in the **Federal Register**, and written public comments will be accepted in accordance with § 1.16 the Commission's Rules of Practice. However, upon review of the petitions for a stay, and weighing the likelihood of success on the merits, the harm to the petitioners, and the public interest, the Commission has determined that a temporary stay of Section 460.16 of the Rule insofar as it applies to mobile home industry members, pending the Commission's decision on the petition, is appropriate. The Commission has denied the request of the petitioners to stay all other portions of the Rule insofar as they apply to the mobile home industry.

Copies of the petitions for stays and exemption from the rule, and the Commission's response, have been placed on the public record of this proceeding.

By direction of the Commission.

Carol M. Thomas,

Secretary.

[FR Doc. 80-32513 Filed 10-16-80; 8:45 am]

BILLING CODE 6750-01-M

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16 CFR Part 460

Trade Regulation Rule: Labeling and Advertising of Home Insulation; Technical Amendments

AGENCY: Federal Trade Commission.

ACTION: Technical amendment to rule.

SUMMARY: The Commission is publishing a technical amendment to its trade regulation rule on labeling and advertising of home insulation. The amendment is effective immediately. The technical amendment would permit manufacturers of home insulation to include on the fact sheets required by § 460.13 any disclosures which are required by federal laws or regulations to be made on the fact sheet. The amendment corrects a drafting error which would have made it a violation of the rule to include such required disclosures on the fact sheets.

DATES: Although the technical amendment is effective October 17, 1980 the Commission will receive public comment on the amendment until December 16, 1980.

ADDRESSES: Send comments to Secretary, Federal Trade Commission, 6th Street and Pennsylvania Avenue, N.W., Washington, D.C. 20580. Submissions should be captioned "Comment—Technical Amendment to Home Insulation Rule."

FOR FURTHER INFORMATION CONTACT: Kent C. Howerton, Attorney, Division of Energy and Product Information, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580, (202) 724-1514.

SUPPLEMENTARY INFORMATION:

I. Text of the Amendment Voted by the Commission

Accordingly, Chapter I of 16 CFR is amended by revising the first four sentences in the first paragraph of § 460.13 to read as follows:

§ 460.13 Fact Sheets.

If you are a manufacturer, you must give retailers and installers fact sheets for the insulation products you sell to them. Each sheet must contain what is listed here. You can add any disclosures that are required by federal laws, regulations, rules, or orders. You can add any disclosures that are required by state or local laws, rules, and orders, unless they are inconsistent with the provisions of this regulation. Do not add anything else.

* * * * *

II. Reasons for the Amendment

Due to a drafting error in the first paragraph of Section 460.13, the rule prohibited manufacturers from putting disclosures on the fact sheet which were required to be placed there by other federal laws, regulations, rules, or orders. This result clearly put manufacturers in an unfair position: by complying with one set of federal regulations, the manufacturer violates another set of federal regulations. This result is clearly not in the public interest, nor is it consistent with the Commission's intent. Accordingly the Commission has amended § 460.13 to make clear that manufacturers may put disclosures on the fact sheet if required to do so by other federal laws, regulations, rules or orders.

This problem was brought to the Commission's attention by a proposed rule of the Consumer Product Safety Commission, published at 45 **Federal Register** 39434. Under this proposed rule, manufacturers of urea-formaldehyde foam insulation would be required to include certain health risk disclosures on the fact sheet required by Section 460.13 and 460.15 of the home insulation rule. The Commission is unaware of any other federal rules, regulations, laws, or orders which would require disclosure on the fact sheet required by the Commission's home insulation rule. However, the Commission believes the amendment is necessary to prevent confusion arising out of any future federal regulations.

The amendment does not create any substantive change in the rule. The purpose of the provision prohibiting additional disclosures was to prevent manufacturers from vitiating the required disclosures by making distracting promotional claims. The exception to this prohibition for state and local laws, rules, and orders was intended simply to clarify the preemptive effect of the required disclosures. These purposes are not changed by the amendment. Since other federal actions are equally valid with the Commission's actions, the only effect of the amendment is to remove any potential liability for manufacturers who comply with other federal regulations, rules, laws, or orders. It does not change any duties required by the rule.

III. Public Comment

To avoid any potential conflict with other federal laws, regulations, rules, or orders, the Commission has decided that the amendment should take effect immediately upon publication. The Commission finds that notice and public procedure relating to the amendment are unnecessary and would cause a delay which would be contrary to the public interest. Therefore, under § 1.15 of the Commission's Rules of Practice, the Commission has decided to dispense with the procedures set out in subpart 1 of those Rules. However, the Commission will accept public comment on the amendment action for a period of sixty days following publication in the **Federal Register.**

By direction of the Commission.

Carol M. Thomas,

Secretary.

[FR Doc. 80-32514 Filed 10-16-80; 8:45 am]

BILLING CODE 6750-01-M

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16 CFR Part 460

Labeling and Advertising of Home Insulation; Trade Regulation Rule

AGENCY: Federal Trade Commission.

ACTION: Invitation for public comment on tentative decision to grant a partial exemption to manufacturers of a type of flat roofing insulation, and notice of a temporary stay of a labeling requirement for those manufacturers.

SUMMARY: The Federal Trade Commission has tentatively decided to grant an exemption to manufacturers of a certain type of flat roofing insulation product used almost exclusively in industrial and commercial applications from the requirement in § 460.12 of its trade regulation rule on labeling and advertising of home insulation (16 CFR Part 460). Section 460.12 requires all home insulation products to be labeled with certain information about R-value. The Commission has tentatively decided to deny an exception to such manufacturers from any other provision of the rule. The Commission has issued a temporary stay of § 460.12 insofar as it applies to this particular type of roof insulation.

DATES: Effective date: September 29, 1980.

Written comments regarding the Commission tentative decision to grant the exemption in part, and deny it in part, will be accepted until November 17, 1980.

ADDRESS: Written comments should be addressed to the Secretary, Federal Trade Commission, 6th and Pennsylvania Avenue, N.W., Washington, D.C. 20580. All comments should be captioned: "Comment on Proposed Partial Exemption for Flat Roof Insulation Manufacturers—Home Insulation Rule."

FOR FURTHER INFORMATION CONTACT: Kent C. Howerton, 202–724–1514, Attorney, Division of Energy and Product Information, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

SUPPLEMENTARY INFORMATION: On August 31, 1980, the Commission announced that the effective date of the rule would be September 29, 1980 (45 FR 54702).

Two trade associations (The Society of the Plastics Industry, Inc. [SPI] and Thermal Insulation Manufacturers Association [TIMA]) and four manufacturers (Apache Building Products Company, GAF Corporation, Grefco Inc., and the Celotex Corporation) have petitioned the Commission for an exemption from the rule for rigid roof insulation which is used in flat built-up roofs. TIMA and the four manufacturers have requested an exemption from all requirements of the rule, including those requiring disclosures in advertisements (§ 460.18 and § 460.19). SPI has limited its request to an exemption from the labeling requirements of § 460.12 of the rule.

The labeling provisions of § 460.12 require all home insulation products to be labeled with basic information about the type of insulation, its R-value, and the coverage of the product. This type of information was intended to provide consumers purchasing the product directly or through installers with basic information needed to evaluate the thermal performance of the insulation product.

The trade associations and manufacturers state that more than ninety-five percent of the rigid roof insulation boards are used in commercial or industrial buildings, and are therefore not covered by the rule. However, some of the product is used in multi-family residential buildings, such