assets; § 13.5–20 Federal Trade Commission Act. Subpart—Corrective Actions And/Or Requirements: *§ 13.533 Corrective actions and/or requirements; § 13.533–45 Maintain records; § 13.533–45(k) Records, in general; § 13.533–50 Maintain means of communication.*

List of Subjects in 16 CFR Part 13

Supermarkets, Trade practices.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 7, 38 Stat 731, as amended; 15 U.S.C. 45, 18)

Donald S. Clark,

Secretary.

[FR Doc. 88–22789 Filed 10–3–88; 8:45 am]

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16 CFR Part 304

Hobby Protection Act; Imitation Numismatic Items

AGENCY: Federal Trade Commission.

ACTION: Final amendment.

SUMMARY: The Federal Trade Commission, pursuant to the Hobby Protection Act (15 U.S.C. 2101 *et seq.*), has amended § 304.6 of the Rules and Regulations under the Hobby Protection Act (16 CFR Part 304). The rule currently requires that the word "Copy" be marked on imitation numismatic items in dimensions no less than 2 millimeters high and 6 millimeters wide. The amendment permits use of a smaller marking to accommodate coins that are issued as miniature imitations.

EFFECTIVE DATE: The amendment will be effective on November 3, 1988.

FOR FURTHER INFORMATION CONTACT: Lewis Franke, Attorney, Federal Trade Commission, Washington, DC 20580, (202) 326–3009.

SUPPLEMENTARY INFORMATION: The Hobby Protection Act requires that all imitation numismatic items sold in, or imported into, the United States shall be marked with the word "Copy" in a manner to be determined by the Federal Trade Commission. In 1975, the Commission promulgated rules requiring the word "Copy" to be marked on either the obverse or the reverse surface of the item. The words must have a vertical dimension of not less than two millimeters and a horizontal dimension of not less than six millimeters. The concept of requiring the word "Copy" to be a minimum size rather than to vary with the size of the coin or words on a coin was selected because it minimized the burden of compliance for industry.

After the rules were promulgated, miniature imitation numismatic items became more popular in the market. Marking some of these miniature imitations has posed a hardship since many are as small as or smaller than the minimum size required for the word "Copy." When an item covered by the rules is of such a small size that it is impossible to conform with the minimum size requirement, the manufacturer must request the Commission to issue a variance.

On May 23, 1983, the Commission published a notice in the **Federal Register** proposing to amend the rules and providing notice to the public of the opportunity to comment. Based on the comments received, the Commission has determined that the amendment is warranted and is in the public interest.

The amendment to the rule permits manufacturers of miniature numismatic items to mark the word "Copy" in smaller dimensions than those required under the present rule. For example, a coin having a diameter of only six millimeters could have the word "Copy" in a horizontal dimension of no less than one-half the diameter or three millimeters. The vertical dimension would be required to be no less than one-sixth of the diameter or one millimeter.

The amendment will facilitate compliance with the rule and thus should result in the lessening of deception. By allowing a relative size for the word "Copy", the amendment will encourage manufacturers and importers to increase the number of imitation miniatures which are properly marked. As a result, more consumers will be put on notice that such coins are imitations and not originals.

The current rule, with its absolute minimum size requirement and use of a variance request procedure, may impede entry into the market for imitation miniature numismatic items. Manufacturers and importers may forego the opportunity to sell imitation miniatures because of the costs and physical difficulties of compliance with the rule. The amendment will eliminate this barrier and should promote competition and allow the increased availability of imitation miniature numismatic items.

Finally, the amendment will eliminate the potential costs, in both time and resources, to industry and the Commission necessitated by individual variance applications for miniature numismatic items.

List of Subjects in 16 CFR Part 304

Hobbies, Labeling, Trade practices.

Accordingly, Chapter I of 16 CFR Part 304 is amended as follows:

PART 304—[AMENDED]

1. The authority citation for Part 304 continues to read as follows:

Authority: 15 U.S.C. 2101 et seq.

2. Section 304.1 is amended by adding paragraph (k) to read as follows:

§ 304.1 Terms defined.

* * * * *

(k) "Diameter of a reproduction" means the length of the longest possible straight line connecting two points on the perimeter of the reproduction.

3. Section 304.6 is amended by revising paragraphs (b)(3) and (b)(4) to read as follows:

§ 304.6 Marking requirements for imitation numismatic items.

* * * * *

(b) * * *

(3) An imitation numismatic item of incusable material shall be incused with the word "COPY" in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) or not less than one-sixth of the diameter of the reproduction, and a minimum depth of three-tenths of one millimeter (0.3 mm) or to one-half (½) the thickness of the reproduction, whichever is the lesser. The minimum total horizontal dimension of the word "COPY" shall be six millimeters (6.0 mm) or not less than one-half of the diameter of the reproduction.

(4) An imitation numismatic item composed of nonincusable material shall be imprinted with the word "COPY" in sans-serif letters having a vertical dimension of not less than two millimeters (2.0 mm) or not less than one-sixth of the diameter of the reproduction. The minimum total horizontal dimension of the word "COPY" shall be six millimeters (6.0 mm) or not less than one-half of the diameter of the reproduction.

By direction of the Commission.

Donald S. Clark,

Secretary.

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