

Federal Trade Commission

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fulfill his obligations under the guarantee.

(c) A specific example of refusal to perform obligations under the guarantee would arise in connection with the use of the phrase "Satisfaction or your money back" if the guarantor does not promptly make a full refund of the purchase price upon request, irrespective of the reason for such a request.

(d) This section has application not only to "guarantees" but also to "warranties," to purported "guarantees" and "warranties," and to any promise or representation in the nature of a "guarantee" or "warranty."

NOTE: The Commission's Guides Against Deceptive Advertising of Guarantees furnish additional guidance respecting guarantee representations. See 16 CFR part 239 for Guides Against Deceptive Advertising of Guarantees.

[Guide 16]

§ 241.17 Deceptive pricing.

An industry member should not represent directly or indirectly in advertising or otherwise that an industry product may be purchased for a specified price, or at a saving, or at a reduced price, when such is not the fact; or otherwise deceive purchasers or prospective purchasers with respect to the price of any product offered for sale; or furnish any means or instrumentality by which others engaged in the sale of industry products may make any such representation.

NOTE: The Commission's Guides Against Deceptive Pricing furnish additional guidance respecting price savings representations. See 16 CFR part 233 for the Guides Against Deceptive Pricing.

[Guide 17]

PART 245—GUIDES FOR THE WATCH INDUSTRY

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APPENDIX TO PART 245

AUTHORITY: Secs. 5, 6, 38 Stat. 719, as amended, 721; 15 U.S.C. 45, 46.

SOURCE: 33 FR 10332, July 19, 1968, unless otherwise noted.

§ 245.1 Definitions.

For the purpose of this part the following definitions shall apply:

(a) The term *watch* means a time-piece or time-keeping device for measuring or indicating time which is designed to be worn on or about the person.

(b) The term *watchcase* or *case* means any metal case, covering, or housing of any quality or description for a watch as defined above and shall include the back, center, lugs, bezel, pendant, crown, bow, cap, and other parts thereof, including a watch band which has been permanently affixed thereto; and unless otherwise stated, either term as used in this part applies to the case whether marketed separately or together with the movement or works.

(c) The term *accessories* means products, other than watch bands, which are affixed to and sold in combination with watchcases or watches, such as, for example, bracelets, pins, pendants, brooches, or ornaments.

NOTE: Metallic watch bands of the detachable type are subject to the provisions of the Trade Practice Rules for the Metallic Watch Band Industry, promulgated June 30, 1962, and amended June 16, 1964.

(d) The term *mark* means any letter, figure, numeral, symbol, sign, word, or term, or any combination thereof,

which has been stamped, embossed, inscribed, or otherwise placed, on any industry product for the purpose of disclosing its metallic composition or any other material information.

(e) The term *plate* or *plated* means that a sheet or shell of metal has been applied by soldering, brazing, welding, or other mechanical means to the outer surfaces of foundation metal stock.

(f) The term *electroplate* or *electroplated* means that a coating of metal has been applied by the electrolytic method to the outer surfaces of foundation metal stock.

(g) The term *industry product* means a watch, watchcase, accessory or a part thereof.

(h) The term *industry member* means a person, firm, corporation, or organization engaged in the importation, manufacture, sale, or distribution of any industry product. [Guide 1]

§ 245.2 Misrepresentation in general.

Industry members should not use, or cause or promote the use of any promotional materials, advertising, labels, tags, marks, insignia, brand or trade names, depictions or packaging which bear, contain, or constitute representations which have the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers:

(a) With respect to the grade, quality, estimated life, appearance, substance, size, construction, novelty, composition, accuracy, dependability, imperviousness, repairability, conformance to standards, or methods of manufacture, of industry products; or

(b) With respect to the country of origin of industry products or parts thereof; or

(c) In any other material respect. [Guide 2]

§ 245.3 Misrepresentation of metallic composition of watchcases and certain watch bands.

Industry members should not directly or indirectly, in advertising, marking, labeling, in a brand or trade name, or otherwise, misrepresent the metallic composition of a watchcase. With respect to cases having an exposed surface or surfaces which are, or

have the appearance of being, metal, the metallic composition of the cases should be clearly and conspicuously disclosed in accordance with the methods and terminology set forth below:

(a) *Exclusions.* In determining the metallic composition of watchcases, parts which are necessarily required to be of steel or some other base metal may be excluded, namely, the springs, hinge pins for jointed cases, spring pins for straps or bands, separate inside movement holding rings, and crown cores.

(b) *Gold.* Watchcases which are not composed entirely of fine (24 karat)¹ gold should not be marked with the unqualified word "gold" or an abbreviation thereof.

(c) *Gold alloy.* Watchcases composed entirely of an alloy of gold of not less than 10 karat fineness¹ should be marked as "gold" or by an abbreviation thereof, and such word or abbreviation should be immediately preceded with a correct designation of the karat fineness¹ of the alloy, for example, "10 Karat Gold," "14 Kt Gold," "10 Kt."

(d) *Gold filled.* Watchcases which have been plated by mechanical means with gold, or with an alloy of gold of not less than 10 karat fineness,¹ and the plating is of a thickness throughout of not less than three one-thousandths² of an inch after completion of all finishing operations, should be marked "Gold Filled", or by an abbreviation thereof, and such term or abbreviation should be immediately preceded by a correct designation of the karat fineness¹ of the gold alloy of which the plating is composed, as, for example, "12 Karat Gold Filled", "12 K.G.F."

(e) *Rolled gold plate.* Watchcases which have been plated by mechanical means with gold, or with an alloy of gold of not less than 10 karat fineness,¹ and the plating is of a thickness throughout of not less than one and one-half one thousandths² of an inch upon completion of all finishing operations, should be marked "gold plate"

¹Subject to the tolerances applicable thereto under the National Stamping Act (15 U.S.C., section 294, et seq.).

²See footnote on previous page.

²Subject to permissible tolerances set forth in paragraph 1 of the appendix.

or "rolled gold plate" or by an abbreviation thereof and such term or abbreviation should be immediately preceded by a correct designation of the karat fineness¹ of the gold alloy of which the plating is composed, as, for example, "10 Karat Gold Plate," "10 Karat Rolled Gold Plate," "10 K.R.G.P."

(f) *Gold electroplate.* (1) Watchcases which have been electroplated with gold or with an alloy of gold of not less than 10 karat fineness,¹ to a thickness throughout of not less than three-fourths one thousandths² of an inch upon completion of all finishing operations and which can successfully withstand the tests set forth in paragraph 2 of the appendix, should be marked "gold electroplate" or "gold electroplated" and such term may be immediately preceded by a correct designation of the karat fineness¹ of the gold alloy of which such coating is composed, e.g., "16 Karat Gold Electroplate." If the thickness of such gold electroplate is one and one-half one thousandths² of an inch or greater, it may be described as "Heavy Gold Electroplate," and such term may be immediately preceded by a correct designation of the karat fineness¹ of the gold alloy of which such plating is composed. Gold electroplated products which satisfy the provisions in this paragraph may also be marked with an accurate disclosure of the actual thickness of the electroplate, e.g., "¹/₁₀₀₀" gold electroplate."

(2) Watches which have cases marked "gold electroplate" or "gold electroplated" in conformity with this section should, when sold to the ultimate consumer within the 18-month period immediately following the operative date of this section, be accompanied by an appropriate statement explaining the meaning of the marking and providing sufficient information to enable the consumer to make an informed judgment regarding the quality of the coating. The statement should not purport to compare the merits of electroplated coatings with the merits of coatings applied by other processes. The statement should be made on any point of sale material describing or referring to the watch and on a label or tag firmly affixed to the watch.

(g) *Silver.* Watchcases which are composed entirely of pure silver or of an alloy of silver of not less than nine-hundred twenty-five one thousandths fineness¹ should be marked as "silver," "sterling" or "sterling silver" or by an abbreviation thereof. Cases which are composed entirely of a silver alloy of at least nine-hundred one thousandths fineness¹ should be marked "coin silver."

(h) *Silver plate.* Watchcases which have been plated or electroplated with silver, should be marked as "silver plate" or "silver plated", if after the completion of all finishing operations, such plating is of sufficient thickness to withstand normal use and last throughout the estimated life of the watch.

(i) *Other precious metals.* Watchcases which are composed in whole or in part of a precious metal other than gold or silver, or of an alloy of such a metal, or which have been plated or electroplated with such a metal or alloy thereof, should be marked so as to disclose the kind of precious metal or alloy so used and the manner of its use.

(j) *Base metals.* Watchcases or parts thereof which do not meet the minimum requirements set forth in paragraphs (b) through (i) of this section should be marked as "Base Metal" or so as to identify clearly the kind or kinds of metal of which they are composed, e.g., "Aluminum," "Stainless Steel," "Chromium Plated Steel," and under these circumstances the mark should not contain the names of or abbreviations for any precious metal.

(k) *Combination of metals.* Watchcases which are composed of parts having different metallic compositions, should be marked in the manner prescribed in paragraphs (b) through (j) of this section with an accompanying explanation of the part or parts to which such markings or descriptions apply, e.g., "Base Metal Back," "14 K Gold Filled Bezel."

(l) *Substantiality.* A watchcase should not be composed of metals or alloys, or have coatings of either base metal or precious metals, which are not of sufficient thickness and substantiality as to render lasting and effective service, with due regard to the estimated life of the watch of which it is a part, unless

the fact that such case will not render such service is clearly and conspicuously disclosed on a tag, label, or in other printed material which accompanies the watch when it is sold to the ultimate consumer.

(m) *Placement of markings and abbreviations.* All markings on watchcases as provided in this part should be of a permanent type and made on the exterior, exposed surface of the back, and be so placed and of such a size that they will be readily apparent to purchasers of the product. Provided that markings, respecting the metallic composition of watch bands which are part of the cases, may be placed on the bands or on the cases. All markings should be stated in the English language and printed in letters or figures of the same size and conspicuousness as that used for words or abbreviations descriptive of any precious metal content, i.e., “gold,” “silver,” or “karat”. When using abbreviations in markings as provided by this section, “G” may be used for the word “Gold,” “K” or “Kt” for the word “Karat,” and “Chr” for the word “Chromium”. In addition “G.F.” may be used for “Gold Filled,” and “R.G.P.” for “Rolled Gold Plate.” The terms “electroplate” and “electroplated” should not be abbreviated. The word “filled” and the word “plate” should not be abbreviated in marks containing the word “gold” unless the word “gold” is abbreviated by use of the letter “G”.

(n) *Misuse of terms.* The words “gold,” “karat,” “silver,” “sterling,” “coin,” or any abbreviation thereof either alone or in conjunction with other words such as “solid,” “plate,” “plated,” “filled,” “electroplate,” or “electroplated” or any abbreviation thereof should not be used as a marking or as descriptive of a watchcase or part thereof in labeling, advertising, trade names or otherwise in a manner inconsistent with the provisions of this section.

(o) *Disclosures in advertising.* All disclosures which are placed on industry products in conformity with this section should also appear in all advertising or other promotional material pertaining to such products, irrespective of the media used, whenever statements, representations, or depictions

are made or appear therein, which in the absence of such disclosures serve to create a false impression that the products or parts thereof, are of a certain metallic composition. The disclosure so made should be of such conspicuousness and clarity as to be noted by purchasers and prospective purchasers casually reading, or listening to, such advertising, and the words and terms therein which are descriptive of metallic composition should not be used except as provided in this section. [Guide 3]

§245.4 Misrepresentation as to durability or suitability.

Industry members should not misrepresent directly or indirectly, in advertising, labeling, marking, brand or trade name, depictions, or otherwise the characteristics of a product or the ability of a product to resist or withstand damage from stated causes, or of its suitability for particular uses. Illustratively, industry members should not, under this section: Falsely designate or describe a watch as a chronometer or use such terms as “skin divers,” “navigators,” or “railroad” as descriptive of industry products which do not possess the characteristics, e.g., ruggedness, accuracy, dependability, or other features, required of watches used by persons engaged in those activities. [Guide 4]

§245.5 Misrepresentation of protective features.

(a) Industry members should not misrepresent directly or indirectly, in advertising, other promotional material, labeling, brand or trade name, or marking, or otherwise, the ability of a product to withstand or resist damage or other harmful effects from stated causes. Illustratively, under this section a product should not be described or designated as “shockproof,” “waterproof,” “nonmagnetic,” or “all proof,” even if such term or terms are qualified by words or phrases, e.g., “waterproof when case, crown, and crystal are intact.” In addition a product should not be described or designated as “shock resistant,” “water resistant,” or “anti-magnetic” unless it conforms to the applicable provisions set forth below:

(1) *Shock resistant.* A product may be properly described or designated as “shock resistant” or “shock absorbing” if it possesses a level of resistance to damage from shock sufficient to insure that it will successfully withstand the test described in paragraph 3 of the appendix to this part.

(2) *Water resistant.* An industry product may be properly described or designated as “water resistant” if it is sufficiently impervious to water or moisture so as to insure that at the time of its sale to the ultimate consumer it will successfully withstand the test described in paragraph 4 of the appendix to this part.

(3) *Antimagnetic.* A product may properly be described or designated as “antimagnetic” if it is so designed and constructed as to provide a substantial degree of protection against magnetism, and the product will successfully withstand the test described in paragraph 5 of the appendix to this part.

(b) Whenever a product described or designated as “shock resistant,” “water resistant,” or “antimagnetic” in conformity with this section is sold to the ultimate consumer, the designation should be accompanied by an appropriate statement explaining the meaning of the term and the care and maintenance ordinarily required to preserve the described qualities. The statement should be made on any point of sale material describing or referring to the watch having the designation in question and on a label or tag firmly affixed to the watch bearing the designation. [Guide 5]

§ 245.6 Deception as to jewels.

Industry members should not misrepresent directly or indirectly, in advertising, labeling, marking, brand or trade name, or otherwise, the number of jewels contained in a watch, or that a watch is “jeweled” or that a watch contains a jeweled movement. Illustratively, industry members should not:

(a) Represent or describe a watch as “jeweled” or as containing a jeweled movement unless the watch movement contains at least seven jewels each of which serves the purpose of protecting against wear from friction by providing

a mechanical contact with a moving part at a point of wear;

(b) Refer to the number of jewels contained in a watch unless each and every one of these jewels serves the purpose of protecting against wear from friction by providing a mechanical contact with a moving part at a point of wear. [Guide 6]

§ 245.7 Misrepresentation of accessories.

Industry members should not misrepresent directly or indirectly, in advertising, labeling, marking, brand or trade name, or otherwise, the composition, quality, or any other material fact respecting accessories. Illustratively, industry members should not, under this section: use terms, representations of metallic composition, words or names associated with precious, semiprecious, synthetic, and imitation stones, and quality marks in a manner inconsistent with the provisions of the Commission’s Trade Practice Rules for the Jewelry Industry, promulgated June 28, 1957, and amended November 17, 1959. [Guide 7]

§ 245.8 Deceptive selling of used, rebuilt, or secondhand products.

An industry product which in whole or in part is used, secondhand, rebuilt, repaired, refinished, or which contains parts that are used, secondhand, rebuilt, repaired or refinished, should not be sold, offered for sale or distributed unless the fact that such product or parts are not new, or are used, secondhand, rebuilt, or repaired, or refinished, is fully and nondeceptively disclosed in all advertising of the product, on the product itself or on a label firmly affixed thereto, and on the immediate container in which the product is sold to the ultimate consumer. [Guide 8]

§ 245.9 Deceptive imitation, obliteration, or concealment of trade names, trademarks, and marks.

Industry members should not imitate or simulate the trade names or trademarks of competitors, or obliterate, conceal, or remove tags, labels, marks, or other disclosures placed on an industry product or on the package in which it is sold to the ultimate consumer

under circumstances having the capacity and tendency of deceiving the ultimate consumer as to the identity of the manufacturer, origin of the product, or in any other material respect. [Guide 9]

§ 245.10 Disclosure of foreign origin of watch movements, movement parts, and related matters.

(a) Watches having movements of foreign origin or movements which contain parts of foreign origin should not be offered for sale or sold unless they are accompanied by a clear and conspicuous disclosure of the country or countries of origin of the movement.

(b) The countries of origin of a watch movement are the country in which the movement has been assembled and the country in which its substantial and significant parts have been manufactured. For purposes of this section, if parts constituting 50 percent or more of the cost to the assembler of all the parts of the movement are manufactured in a single country, those parts shall be presumed to be the substantial and significant parts of the movement.

(1) If the movement has been assembled in the same foreign country in which parts constituting 50 percent or more of the cost to the assembler of all the parts of the movement have been manufactured, the name of that country alone should be used to designate the origin of the movement. Appropriate forms of disclosure would include “Swiss Made”, or “Japan”.

(2) If the watch movement has been assembled in one country and parts constituting 50 percent or more of the cost to the assembler of all the parts of the movement have been manufactured in a single other country, the names of both such countries, and no other, should be used to designate the origin of the movement. Appropriate forms of disclosure would include “Assembled in France from Swiss parts”, or “Japanese parts, assembled in the United States”.

(3) If the watch movement has been assembled in one country but parts constituting 50 percent or more of the cost to the assembler of all the parts of the movement have not been manufactured in a single other country, only the name of the country of assembly

should be used, accompanied by a disclosure that the parts are partially foreign, imported or domestic, as the case may be. Appropriate forms of disclosure would include “Movement assembled in the United States from domestic and imported parts” or “Movements assembled in France from foreign parts” or “Assembled in Germany with parts from foreign countries”.

(4) For purposes of this section, the United States includes only the States, the District of Columbia, Puerto Rico, the American Virgin Islands, Guam and American Samoa.

(c) In making the disclosures under the circumstances set forth in paragraphs (b) (2) and (3) of this section, care should be exercised to insure that the form selected does not imply directly or indirectly that the movement is solely a product of the country from which its substantial and significant parts were obtained, or that it is solely a product of the country in which the movement was assembled.

(d) The disclosures provided for in this section should be permanently marked on an exposed surface of the watch or on a label or tag affixed thereto which has such a degree of permanency as to remain thereon until consummation of the consumer sale of the watch and be of such size and conspicuousness that they will be readily apparent to purchasers or prospective purchasers making a casual inspection of the watch. [Guide 10]

[35 FR 13122, Aug. 18, 1970]

§ 245.11 Deceptive pricing.

Members of the industry should not represent directly or indirectly in advertising or otherwise that an industry product may be purchased for a specified price, or at a saving, or at a reduced price, when such is not the fact; or otherwise deceive purchasers or prospective purchasers with respect to the price of any product offered for sale; or furnish any means or instrumentality by which others engaged in the sale of industry products may make any such representation.

NOTE: The Commission’s January 8, 1964, Guides Against Deceptive Pricing furnish additional guidance respecting price savings representations and are to be considered as

supplementing this section. Copies are available upon request.

[Guide 11]

§245.12 Commercial bribery.

Members of the industry should not give, offer to give, or permit or cause to be given, directly or indirectly, money or anything of value to employees or agents of customers or prospective customers, without the knowledge of their employers or principals, as an inducement to influence or cause their employers or principals to purchase or contract to purchase the products of such industry members, or to refrain from purchasing products from competitors of such members. [Guide 12]

§245.13 Coercing purchase of one product as a prerequisite to the purchase of other products.

Members of the industry should not coerce a customer or prospective customer to purchase one or more products as a prerequisite to the purchase of one or more other products, where the effect may be substantially to lessen competition, or tend to create a monopoly or to unreasonably restrain trade. [Guide 13]

§245.14 Misrepresentation of the character and size of business, extent of testing, etc.

Industry members should not falsely represent, directly or indirectly, in company, brand, or trade name, or in advertising, labeling or otherwise:

- (a) The length of time they have been in business;
- (b) The extent of their sales;
- (c) Their rank in the industry as producers or distributors of a product or type of product;
- (d) That they are manufacturers of industry products or own or control a factory engaged in the manufacture of such products;
- (e) That they own or operate a laboratory, or that their products have been tested in any particular manner or for any period of time, or with any particular results;
- (f) That a product or manufacturing process is new or exclusive; or
- (g) Any other material aspect of their business or products. [Guide 14]

§245.15 Guarantees, warranties, etc.

(a) Industry members should not represent in advertising or otherwise that a product is "guaranteed" without clear and conspicuous disclosure in close conjunction with such representation of:

- (1) The nature and extent of the guarantee, and
- (2) Any material conditions or limitations in the guarantee which are imposed by the guarantor, and
- (3) The manner in which the guarantor will perform thereunder, and
- (4) The identity of the guarantor.

(b) A seller or manufacturer should not advertise or represent that a product is guaranteed when he cannot or does not promptly and scrupulously fulfill his obligations under the guarantee.

(c) A specific example of nonperformance of an obligation under the guarantee would arise in connection with the use of the phrase, "Satisfaction or your money back" if the guarantor does not promptly make a full refund of the purchase price upon request, irrespective of the reason for such request.

(d) Guarantees should not be used which under normal conditions are impractical of fulfillment or which are for such a period of time or are otherwise of such nature as to have the capacity and tendency of misleading purchasers or prospective purchasers into the belief that the product so guaranteed has a greater degree of serviceability, durability or performance capability in actual use than is true in fact.

(e) This section has application not only to "guarantees" but also to "warranties", to purported "guarantees" and "warranties", and to any promise or representation in the nature of a "guarantee" or "warranty."

NOTE: The Commission's April 26, 1960, Guides Against Deceptive Advertising of Guarantees furnish additional guidance respecting guarantee representations and are to be considered as supplementing this section. Copies are available upon request.

[Guide 15]

§245.16 Use of the word "free".

In connection with the sale, offering for sale, or distribution of industry products, industry members should not

use the word "free" or any other word or words of similar import, in advertisements or in other offers to the public, as descriptive of an article of merchandise, or service, which is not an unconditional gift, under the following circumstances:

(a) When all the conditions, obligations, or other prerequisites to the receipt and retention of the "free" article of merchandise or service offered are not clearly and conspicuously set forth at the outset so as to leave no reasonable probability that the terms of the offer will be misunderstood; and regardless of such disclosure:

(b) When, with respect to any article of merchandise required to be purchased in order to obtain the "free" article or service, the offerer (1) increases the ordinary and usual price of such article of merchandise, or (2) reduces its quantity, or (3) reduces the quantity or size thereof.

NOTE 1: The disclosure provided by paragraph (a) of this section should appear in close conjunction with the word "free" (or other word or words of similar import) wherever such word first appears in each advertisement or offer. A disclosure in the form of a footnote, to which reference is made by use of an asterisk or other symbol placed next to the word "free", will not be regarded as compliance.

NOTE 2: Provisions of outstanding Cease and Desist Orders pertaining to subject matter covered by this part will not be construed by the Commission as prohibiting or requiring more than the relevant provisions of this part.

[Guide 16]

[33 FR 10332, July 19, 1968, as amended at 33 FR 15021, Oct. 8, 1968]

APPENDIX TO PART 245

Set forth in this appendix are the thickness tolerances, and tests referred to in the foregoing Guides in this part.

1. *Thickness tolerances: plated and electroplated cases.* The minimum thicknesses specified in paragraphs (d), (e), and (f) of §245.3 for the coatings of gold or gold alloy on watchcases shall mean that the coating of precious metal affixed to the surface of the metal stock shall be throughout the surface and at the thinnest point not less than the thickness specified after the completion of all finishing operations, including polishing, except, however, for such deviations therefrom, not exceeding 20 percent (minus) of the stated thickness, as may be proved by the

manufacturer to have resulted from unavoidable variations in manufacturing processes and despite the exercise of due care, which deviation so proved shall be allowed if and when the quantity of precious metal remaining plated on the outside of the case is sufficient to equal the quantity necessary to provide the specified minimum thickness at all points on such watchcase including the thinnest point.

2. *Gold electroplate: standards and tests.* The gold electroplated surface coating of a watchcase should be free of cracks, blisters, pits or other flaws, and capable of successfully undergoing the following tests:

a. *Adhesion.* The watchcase should be heated to a temperature of not less than 360° nor more than 400 °C. and maintained at that temperature for not less than 5 minutes. At the end of that time such surface coating should show no signs of blistering, flaking, peeling, or similar defects.

b. *Hardness.* Such surface coating should undergo a Knoop hardness test with a 25 gram load and achieve a rating of not less than 130.

c. *Porosity.* After such surface coating has been thoroughly cleaned and freed of any foreign material, the case should be:

(1) Immersed in a solution of one part concentrated nitric acid (sp.gr. 1.42) and one part water at room temperature for 5 minutes; and

(2) Exposed to fumes of concentrated nitric acid (sp.gr. 1.42) in a closed vessel for 3 hours at room temperature.

At the conclusion of each of the foregoing porosity tests, the surface coating should show no signs of having been attacked. Any discoloration or pitting should be considered as signs of an attack. The nitric acid solution in which the watchcase was immersed should be tested for the presence of metal by making it slightly alkaline with ammonium hydroxide and by adding a solution of ammonium or sodium sulfide. The formation of a black precipitate indicates that the coating has been attacked.

3. *Test for shock resistance.* A watch should be tested for shock resistance in a room having a temperature between 18° and 25 °C. which does not vary by more than 2° during the test. A wrist watch which does not have a permanently affixed band should be tested without the band or strap.

The test should be conducted as follows:

a. One hour after the watch has been fully wound, its daily rate in each of the following three positions should be determined by observing it for 2 minutes in each position:

(1) Position HB (horizontal with the dial facing down);

(2) Position VC (vertical with 3 o'clock to the watch's left);

(3) Position VB (vertical with 3 o'clock pointed downwards).

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b. Shocks equal to that which the watch would receive if it were dropped from a height of 3 feet onto a horizontal hardwood surface should be applied as follows:

(1) The first shock should be applied to the middle of the watch at a position directly opposite the crown and in a direction which is parallel to the plane of the watch;

(2) The second shock should be applied to the crystal, and in a direction which is perpendicular to the plane of the watch.

c. Five minutes after the last shock, the daily rate of the watch in each of the three positions described in a. above should be determined by observing it for 2 minutes in each position. The differences in daily rate before and after the shock should be determined for each position. The residual effect of the shocks will be equal to the greatest of these differences.

A watch will be considered to have passed the foregoing test, if after application of the shocks, it does not stop; the residual effect does not exceed 60 seconds per day; and an examination of the watch does not disclose any physical damage which would affect its operation or appearance, e.g., hands bent or out of position, cracked crystal, or automatic or calendar devices inoperable or out of alignment.

4. *Test for water resistance.* A watch should be tested for water resistance by immersing it completely for at least 5 minutes in water under atmospheric pressure of 15 pounds per square inch and for at least another 5 minutes in water under an additional pressure of at least 35 pounds per square inch (total pressure of 50 pounds per square inch). If the watch does not admit any water or moisture it will be considered to have passed the test.

5. *Test for antimagnetic qualities.* A watch should be tested for its resistance to magnetism by placing it in a demagnetized condition in an electrical field of not less than 60 Gauss for at least 5 seconds in a vertical position and for at least 5 seconds in a horizontal position. If the daily rate of the watch has not been changed by more than 15 seconds as a result of the foregoing exposure, it shall be considered to have passed the test.

PART 250—GUIDES FOR THE HOUSEHOLD FURNITURE INDUSTRY

Sec.

250.0 Definitions.

250.1 Avoiding deception and making disclosures.

250.2 Describing wood and wood imitations.

250.3 Identity of woods.

250.4 Leather and leather imitations.

250.5 Outer coverings.

250.6 Stuffing (including filling, padding, etc.).

250.7 Origin and style of furniture.

250.8 Deception as to being "new".

250.9 Misuse of the terms "floor sample", "discontinued model", etc.

250.10 Passing off through imitation or simulation of trademarks, trade names, etc.

250.11 Misrepresentation as to character of business.

250.12 Commercial bribery.

250.13 Other parts in this title 16 applicable to this industry.

AUTHORITY: 38 Stat. 717, as amended (15 U.S.C. 41-58).

SOURCE: 38 FR 34992, Dec. 21, 1973, unless otherwise noted.

§250.0 Definitions.

(a) *Industry member.* Any person, firm, corporation or organization engaged in the manufacture, offering for sale, sale or distribution of industry products as such products are hereinafter defined.

(b) *Industry products.* Articles of utility, convenience or decoration which are suitable for use as furniture in a house, apartment, or other dwelling place. Such articles include, but are not limited to, all kinds and types of chairs, tables, cabinets, desks, sofas, bedsteads, chests and mirror frames. The following products, covered by sets of trade practice rules heretofore promulgated, are not to be considered as coming within the purview of this definition: bed mattresses, bedsprings, metal cots, cedar chests, mirror glass, musical instruments, radio and television receiving sets and venetian blinds. Also excluded from the purview of this part are pictures, lamps, clocks, rugs, draperies as well as appliances and fixtures such as refrigerators and air conditioners.

(c) *Exposed surfaces.* Those parts and surfaces exposed to view when furniture is placed in the generally accepted position for use. Included in this definition are visible backs of such items of furniture as open bookcases, hutches, etc.

§250.1 Avoiding deception and making disclosures.

(a) *In general.* Industry members should not sell, offer for sale, or distribute any industry product under any representation or circumstance, including failure to disclose material