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16 CFR Ch. I (1-1-11 Edition)

(4) At the time of making the introductory offer promotion, the packagers or labeler intends in good faith to offer the commodity, alone, at the anticipated ordinary and customary price for a reasonably substantial period of time following the duration of the introductory offer promotion.

(c) The package or label of a consumer commodity shall not have imprinted thereon by a packager or labeler an introductory offer in the form of a “cents-off” representation unless, in addition to the requirements in paragraph (b) of this section:

(1) The packager or labeler clearly and conspicuously and in immediate conjunction with the phrase “Introductory Offer” imprints the phrase “_____ cents-off the after introductory offer price”.

(2) The packager or labeler sells the commodity so labeled (either to the trade in the event such commodity is not sold at retail by the packager or labeler, or to the public in the event such commodity is sold at retail by the packager or labeler) at a reduction from his anticipated ordinary customary price, which reduction is at least equal to the amount of the reduction from the after introductory offer price representation on the commodity package or label.

(d) A packager or labeler will not make an introductory offer with a “cents-off” representation available in any circumstance where he knows or should have reason to know that it will be used as an instrumentality for deception or for frustration of value comparison, e.g., where the retailer charges a price which does not fully pass on to consumers the represented price reduction. Nothing in this rule, however, should be construed to authorize or condone the illegal setting or policing of retail prices by a packager or labeler.

(e) A packager or labeler who sponsors an introductory offer shall prepare and maintain invoices or other records showing compliance with this section. The invoices or other records required by this section shall be open to inspection by duly authorized representatives of this Commission and shall be retained for a period of 1 year subsequent to the period of the introductory offer.

§ 502.102 “Economy size.”

(a) The term *economy size* means any printed matter consisting of the words “economy size,” “economy pack,” “budget pack,” “bargain size,” “value size,” or words of similar import placed upon any package containing any consumer commodity or placed upon any label affixed to such commodity, stating or representing directly or by implication that a retail sale price advantage is accorded the purchaser thereof by reason of the size of that package or the quantity of its contents.

(b) The package or label of a consumer commodity may not have imprinted thereon an “economy size” representation unless:

(1) The packager or labeler at the same time offers the same brand of that commodity in at least one other packaged size or labeled form.

(2) The packager or labeler offers only one packaged or labeled form of that brand of commodity labeled with an “economy size” representation.

(3) The packager or labeler sells the commodity labeled with an “economy size” representation (either to the trade in the event such commodity is not sold at retail by the packager or labeler, or to the public in the event such commodity is sold at retail by the packager or labeler), at a price per unit of weight, volume, measure, or count which is substantially reduced (i.e., at least 5 percent) from the actual price of all other packaged or labeled units of the same brand of that commodity offered simultaneously.

(c) A packager or labeler will not make an “economy size” package available in any circumstances where he knows that it will be used as an instrumentality for deception, e.g., where the retailer charges a price which does not pass on to the consumer the substantial reduction in cost per unit initially granted by the packager or labeler. Nothing in this rule, however, should be construed to authorize or condone the illegal setting or policing of retail prices by a packager or labeler.

(d) A packager or labeler who sponsors an “economy size” package shall prepare and maintain invoices or other records showing compliance with paragraph (b) of this section. The invoices

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or other records required by this section shall be open to inspection by duly authorized representatives of this Commission and shall be retained for one year.

COMMON NAME AND INGREDIENT LISTING
§§ 502.200–502.299 [Reserved]

NONFUNCTIONAL-SLACK-FILL

§§ 502.300–502.399 [Reserved]

PART 503—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

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- 503.1 Interpretations.
- 503.2 Status of specific items under the Fair Packaging and Labeling Act.
- 503.3 Name and place of business of manufacturer, packer, or distributor.
- 503.4 Net quantity of contents, numerical count.
- 503.5 Interpretation of the definition of “consumer commodity” as contained in section 10(a) of the Fair Packaging and Labeling Act.
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AUTHORITY: Secs. 4, 6, 10, 80 Stat. 1297, 1999, 1300, 1301; 15 U.S.C. 1453, 1455, 1456.

§ 503.1 Interpretations.

The regulations in parts 500, 501, and 502 of this chapter are necessarily general in application and requests for formal rulings, statements of policy or interpretations shall be addressed to the Secretary of the Commission for consideration. Statements of policy or interpretations binding on the Commission will be published in the FEDERAL REGISTER. However, technical questions not involving policy consideration may be answered by the staff.

[36 FR 23058, Dec. 3, 1971]

§ 503.2 Status of specific items under the Fair Packaging and Labeling Act.

Recent questions submitted to the Commission concerning whether certain articles, products or commodities are included under the definition of the term *consumer commodity*, as contained in section 10(a) of the Fair Packaging and Labeling Act, have been considered

in the light of the Commission’s interpretation of that term as set forth in § 503.5 of this part as follows:

(a) The Commission is of the opinion that the following commodities or classes of commodities are not “consumer commodities” within the meaning of the Act.

- Antifreeze.
- Artificial flowers and parts.
- Automotive accessories.
- Automotive chemical products.
- Automotive replacement parts.
- Bicycle tires and tubes.
- Books.
- Brushes (bristle, nylon, etc.).
- Brooms and mops.
- Cameras.
- Chinaware.
- Christmas light sets.
- Cigarette lighters.
- Clothespins (wooden, plastic).
- Compacts and mirrors.
- Diaries and calendars.
- Flower seeds.
- Footwear.
- Garden tools.
- Gift ties and tapes.
- Glasses and glassware.
- Gloves (work type).
- Greeting cards.
- Hand tools.
- Handicraft and sewing thread.
- Hardware.
- Household cooking utensils.
- Inks.
- Jewelry.
- Luggage.
- Magnetic recording tape.
- Metal pails.
- Motor oil (automobile).
- Mouse and rat traps.
- Musical instruments.
- Paintings and wall plaques.
- Photo albums.
- Pictures.
- Plastic table cloths, plastic placement and plastic shelf paper.
- Rubber gloves (household).
- Safety flares.
- Safety pins.
- School supplies.
- Sewing accessories.
- Silverware, stainless steelware and pewterware.
- Small arms ammunition.
- Smoking pipes.
- Souvenirs.
- Sporting goods.
- Toys.
- Typewriter ribbons.
- Woodenware.

(b) The Commission is of the opinion that the following commodities or