

Federal Trade Commission

§ 503.4

classes of commodities are "consumer commodities" within the meaning of the Act:

Adhesives and sealants.
Aluminum foil cooking utensils.
Aluminum wrap.
Camera supplies.
Candles.
Christmas decorations.
Cordage.
Disposable diapers.
Dry cell batteries.
Light bulbs.
Liquified petroleum gas for other than heating and cooking.
Lubricants for home use.
Photographic chemicals.
Pressure sensitive tapes, excluding gift tapes.
Solder.
Solvents and cleaning fluids for home use.
Sponges and chamois.
Waxes for home use.

[35 FR 6185, Apr. 16, 1970]

§ 503.3 Name and place of business of manufacturer, packer, or distributor.

To clarify the identity of a manufacturer, packer, or distributor for the purpose of § 500.5 of this chapter, the following represents the opinions of the Commission.

(a) A manufacturer of a bulk product who supplies the product to a contract packager and permits his bulk product to be packaged by the contract packager remains the manufacturer of the commodity, if the contract packager does not perform any act other than package filling and labeling.

(b)(1) A manufacturer of a bulk product who supplies the bulk to a contract packager but permits the packager to modify the bulk commodity by the addition of any substance which changes the identity of the bulk, ceases to be the manufacturer of the consumer commodity. At that point, if the manufacturer of the bulk elects to use his name on the label of the consumer commodity, his name should be qualified to show "Distributed by _____", or "Manufactured for _____".

(2) The identity of a bulk substance received by a contract packager is changed if the packager, for example, adds a propellant as in the case of an aerosol, or adds a solvent as in the case of a paint, or blends two or more com-

ponents, or changes the physical state as in the case of a liquid being changed to a gel or a semisolid being changed to a solid.

(c) A person or firm who supplies a formula and/or specifications to a contract packager but who takes no part in the actual production of the consumer commodity is not the manufacturer of the consumer commodity for the purpose of § 500.5(a) of this chapter. This is true whether the person or firm who supplies the formula or specifications, or both, also supplies the raw materials which are to be reacted, mixed, or otherwise modified to produce the consumer commodity.

(d) A corporation which wholly owns a manufacturing subsidiary which retains its separate corporate identity, is not the manufacturer of the consumer commodities manufactured by the wholly owned subsidiary, but must qualify its name if it elects to use its name on the label. Such qualification may be "Manufactured for _____", "Distributed by _____", or "Manufactured by _____ (XYZ, Inc., City, State, Zip Code, a subsidiary of ABC, Inc.)".

[34 FR 4956, Mar. 7, 1969, as amended at 34 FR 11199, July 3, 1969]

§ 503.4 Net quantity of contents, numerical count.

To clarify the requirement for declaration of net quantity in terms of count for the purpose of §§ 500.6 and 500.7 of this chapter, the following interpretation is rendered.

(a) When a consumer commodity is properly measured in terms of count only, or in terms of count and weight, volume, area, or dimension, the regulations are interpreted not to require the declaration of the net content as "one", provided the statement of identity clearly expresses the fact that only one unit is contained in the package. Thus the unit synthetic sponge, the unit light bulb, and the unit dry cell battery do not require a net quantity statement of "one sponge," "one light bulb," or "one dry cell battery." However, there still exists the necessity to provide a net quantity statement to specify weight, volume, area, or dimensions when such are required. For example, the synthetic sponge