

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## FEDERAL TRADE COMMISSION

### 16 CFR Part 432

#### Request for Comments Concerning Rule Relating To Power Output Claims for Amplifiers Utilized in Home Entertainment Products

**AGENCY:** Federal Trade Commission.

**ACTION:** Request for public comments.

**SUMMARY:** The Federal Trade Commission ("Commission") is requesting public comments on its Rule relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products ("Amplifier Rule" or "Rule"). The Commission, as a part of its systematic review of all current Commission regulations and guides, is requesting comments about the overall costs and benefits of the Rule and its overall regulatory and economic impact. The Commission further seeks information about whether certain requirements of the Rule should be modified in light of technological and other changed circumstances. Lastly, the Commission requests information about issues involving amplified sound systems such as powered speakers for home computers and other home sound systems and sound amplifiers utilized in automobile entertainment products.

**DATES:** Written comments will be accepted until June 6, 1997.

**ADDRESSES:** Comments should be directed to: Secretary, Federal Trade Commission, Room H-159, Sixth and Pennsylvania Ave., NW., Washington, DC 20580. Comments about the Amplifier Rule should be identified "16 CFR Part 432—Comments."

**FOR FURTHER INFORMATION CONTACT:** Robert E. Easton, Esq., Special Assistant, Division of Enforcement, Bureau of Consumer Protection, (202) 326-3029 or Dennis Murphy, Economist, Division of Consumer Protection, Bureau of Economics, Federal Trade Commission, Washington, DC 20580, (202) 326-3524.

**SUPPLEMENTARY INFORMATION:** The Commission has determined, as part of

its oversight responsibilities, to review its rules and guides periodically. These reviews seek information about the costs and benefits of the Commission's rules and guides and their regulatory and economic impact. The reviews also seek information on whether technological developments impact upon the rules. The information obtained assists the Commission in identifying rules and guides that warrant modification or rescission.

#### A. Background

The Amplifier Rule was promulgated on May 3, 1974 (39 FR 15387), to assist consumers in purchasing power amplification equipment for home entertainment purposes by standardizing the measurement and disclosure of various performance characteristics of the equipment. Prior to the Rule, sellers were making power, distortion and other performance claims based on many different technical test procedures, or on no recognized test procedures. The Rule establishes uniform test standards and disclosures so that consumers can make more meaningful comparisons of performance attributes.

The products within the scope of the Rule are defined as:

Sound power amplification equipment manufactured or sold for home entertainment purposes, such as for example, radios, record and tape players, radio-phonograph and/or tape combinations, component audio amplifiers and the like.<sup>1</sup>

The Rule makes it an unfair method of competition and an unfair or deceptive act or practice for manufacturers and sellers of sound power amplification equipment for home entertainment purposes to fail to disclose certain performance information in connection with direct or indirect representations of power output, power band, frequency or distortion characteristics.<sup>2</sup>

These disclosures must be made clearly, conspicuously and more prominently than any other representation or disclosures.<sup>3</sup> The Rule also sets out standard test conditions for performing the measurements that

support the required performance disclosures.<sup>4</sup> Further, the Rule prohibits representations of performance characteristics if they are not obtainable when the equipment is operated by the consumer in the usual and ordinary manner without the use of extraneous aids,<sup>5</sup> e.g., cooling fans.

When the Rule was promulgated in 1974, there were very few self-amplified (powered) speakers for use with home computers or home entertainment systems or external amplifiers for home computers used for home entertainment purposes. In 1997, however, there are numerous and sophisticated systems of this nature. The Commission has tentatively determined that while such systems are not specifically mentioned in the Rule, such amplified (powered) speakers and other similar sound amplification equipment when used for home entertainment purposes are within the scope and purpose of the Rule. The Commission has further tentatively determined that such equipment falls within the definition used in the Rule and is sufficiently similar to the examples given in the Rule as to alert manufacturers and sellers of the coverage. The Commission, however, seeks additional information concerning its tentative determinations, and addresses several questions below to these issues.

In 1974, amplified sound systems for automotive use were also in the formative stages of development. By 1997, such automotive amplified sound systems achieved a stage of technical sophistication on a par with many home entertainment sound amplification systems. Advertising for automotive sound amplification systems in recent years has often referred to the claimed power output (in watts) of the system using a variety of terms, including "Peak Power," "Total Power," and "RMS." Because the Commission wishes to learn whether the non-uniform disclosure of power output is resulting in consumer deception, confusion, and inability to make informed decisions, the Commission addresses several questions below to this issue.

<sup>1</sup> 16 CFR 432.1.

<sup>2</sup> Id. at 432.2. The required disclosures relate to: Minimum sine wave continuous average power output; load impedance in Ohms; rated power band or frequency response; and rated percentage of maximum total harmonic distortion.

<sup>3</sup> Id.

<sup>4</sup> Id. at 432.3.

<sup>5</sup> Id. at 432.5.



By Direction of the Commission.

**Donald S. Clark,**  
Secretary.

[FR Doc. 97-8795 Filed 4-4-97; 8:45 am]

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## DEPARTMENT OF THE TREASURY

### Bureau of Alcohol, Tobacco and Firearms

#### 27 CFR Part 9

[Notice No. 848]

RIN 1512-AA07

#### Mendocino Ridge Viticultural Area

**AGENCY:** Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

**ACTION:** Notice of Proposed Rulemaking.

**SUMMARY:** The Bureau of Alcohol, Tobacco and Firearms (ATF), is considering the establishment of a viticultural area located within the boundaries of Mendocino County, California to be known as "Mendocino Ridge," under 27 CFR part 9. This proposal is the result of a petition submitted by Mr. Steve Alden on behalf of the Mendocino Ridge Quality Alliance. The entire proposed area consists of about 262,400 acres or approximately 410 square miles with the actual proposed "Mendocino Ridge" viticultural area starting at the 1200 feet elevation line, and encompassing all areas at or above 1200 feet in elevation. Because of the 1200 foot elevation, this proposed area is unique from other coastal viticultural areas. Of the total 262,400 acres, the petitioner estimates that less than one-third, or 87,466 acres, lies above 1200 feet elevation. Of these 87,466 acres, the petitioner asserts that approximately 1500 to 2000 acres or 2% of the narrow timber covered ridge-tops are suitable for grape production. According to the petitioner, there are approximately 75 acres of grapes currently growing within the boundaries of the proposed viticultural area. This 75 acres of grapes is divided among six wineries.

**DATES:** Written comments must be received by May 22, 1997.

**ADDRESSES:** Send written comments to: Chief, Wine, Beer, and Spirits Regulations Branch, Bureau of Alcohol, Tobacco and Firearms, P.O. Box 50221, Washington, DC 20091-0221 (Attn: Notice No. 848). Copies of the petition, the proposed regulations, the appropriate maps, and written comments will be available for public inspection during normal business hours at: ATF Public Reading Room,

Office of Public Affairs and Disclosure, Room 6480, 650 Massachusetts Avenue, NW, Washington, DC.

**FOR FURTHER INFORMATION CONTACT:** David W. Brokaw, Wine, Beer and Spirits Regulations Branch, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW, Washington, DC 20226, (202) 927-8230.

#### SUPPLEMENTARY INFORMATION:

##### Background

On August 23, 1978, ATF published Treasury Decision ATF-53 (43 FR 37672, 54624) revising regulations in 27 CFR part 4. These regulations allow the establishment of definitive viticultural areas. The regulations allow the name of an approved viticultural area to be used as an appellation of origin on wine labels and in wine advertisements. On October 2, 1979, ATF published Treasury Decision ATF-60 (44 FR 56692) which added a new part 9 to 27 CFR, providing for the listing of approved American viticultural areas, the names of which may be used as appellations of origin.

Section 4.25a(e)(1), Title 27, CFR, defines an American viticultural area as a delimited grape-growing region distinguishable by geographic features, the boundaries of which have been delineated in subpart C of part 9.

Section 4.25a(e)(2), Title 27, CFR, outlines the procedure for proposing an American viticultural area. Any interested person may petition ATF to establish a grape-growing region as a viticultural area. The petition should include:

(a) Evidence that the name of the proposed viticultural area is locally and/or nationally known as referring to the area specified in the petition;

(b) Historical or current evidence that the boundaries of the viticultural area are as specified in the petition;

(c) Evidence relating to the geographical characteristics (climate, soil, elevation, physical features, etc.) which distinguish the viticultural features of the proposed area from surrounding areas;

(d) A description of the specific boundaries of the viticultural area, based on features which can be found on United States Geological Survey (U.S.G.S.) maps of the largest applicable scale, and;

(e) A copy (or copies) of the appropriate U.S.G.S. map(s) with the proposed boundaries prominently marked.

##### Petition

Mr. Steve Alden of Alden Ranch Vineyards has petitioned ATF on behalf

of the Mendocino Ridge Quality Alliance to propose the establishment of a new viticultural area located within the boundaries of Mendocino County, California, to be known as "Mendocino Ridge." There are currently six producing vineyards in the proposed "Mendocino Ridge" viticultural area.

The evidence submitted by the petitioner is discussed in detail below. Given the unusual nature of the proposed area, ATF is requesting public comment on specific questions regarding the supporting evidence. It should be noted that the proposed viticultural area would include only the land above a certain elevation within the boundaries described. Thus, ATF wishes to solicit public comment on the following questions about the geographic distinctiveness of the non-contiguous areas in the petition:

1. Do the non-contiguous sites in the proposed viticultural area have such similar climate, soil, and other characteristics that they can be considered as a single or common grape growing region?

2. Is the actual land included within the proposed viticultural area at the 1200 feet (and above) elevation line reasonably distinguishable from the adjacent land that is not included?

3. Does the totality of the geographic evidence regarding the proposed viticultural area support the application of a reasonable proximity rule to exclude widely scattered but otherwise similar locations from being included within the proposed grape-growing region?

##### Evidence That the Name of the Area is Locally or Nationally Known

The petitioner asserts that, the name Mendocino Ridge has been chosen as the name of the proposed viticultural area because the region has been known as producing some of the best and most distinctive Zinfandel wine in the world. In this regard, the petitioner asserts that many books and magazines have historically referred to the proposed viticultural area as the Mendocino Ridge. For example, in 1988 the winery, Kendall-Jackson, wrote: "\* \* \* the vines in the Mariah vineyard are subject to the same complicated climatic variables that have caused wine experts to hail the *Mendocino Coastal Ridge* as one of the world's greatest Zinfandel regions." More recently, in an article published in the February 1994 issue of *Gourmet Magazine*, wine writer Gerald Asher wrote:

In Mendocino there's an equally wide divide between the tense and concentrated Zinfandels produced from old vines planted by turn-of-the-century Italian immigrants