FTC Issues Revised "Green Guides"

On October 1, 2012, the Federal Trade Commission issued revised "Green Guides" that are designed to help marketers ensure that the claims they make about the environmental attributes of their products are truthful and non-deceptive.

In revising the Green Guides, the FTC modified and clarified sections of the previous Guides and provided new guidance on environmental claims that were not common when the Guides were last reviewed. The revisions to the FTC's Green Guides reflect a wide range of public input, including hundreds of consumer and industry comments on previously proposed revisions. They include updates to the existing Guides, as well as new sections. The guidance they provide includes:

- general principles that apply to all environmental marketing claims;
- how consumers are likely to interpret particular claims, and how marketers can substantiate these claims; and
- how marketers can qualify their claims to avoid deceiving consumers.

Revisions to Previous Guidance. Among other modifications, the Guides caution marketers not to make broad, unqualified claims that a product is "environmentally friendly" or "eco-friendly" because the FTC's consumer perception study confirms that such claims are likely to suggest that the product has specific and far-reaching environmental benefits. Very few products, if any, have all the attributes consumers seem to perceive from such claims, making these claims nearly impossible to substantiate.

The Guides also:

- advise marketers not to make an unqualified degradable claim for a solid waste product unless they can
 prove that the entire product or package will completely break down and return to nature within one year
 after customary disposal;
- caution that items destined for landfills, incinerators, or recycling facilities will not degrade within a year, so marketers should not make unqualified degradable claims for these items; and
- clarify guidance on compostable, ozone, recyclable, recycled content, and source reduction claims.

New Sections. The Guides contain new sections on: 1) certifications and seals of approval; 2) carbon offsets, 3) free-of claims, 4) non-toxic claims, 5) made with renewable energy claims, and 6) made with renewable materials claims.

The Green Guides are not agency rules or regulations. Instead, they describe the types of environmental claims the FTC may or may not find deceptive under Section 5 of the FTC Act. Under Section 5, the agency can take enforcement action against deceptive claims, which ultimately can lead to Commission orders prohibiting deceptive advertising and marketing and fines if those orders are later violated.

The FTC has brought several actions in recent years related to deceptive recyclability, biodegradable, bamboo, and environmental certification claims as part of its overall effort to ensure that environmental marketing is truthful and substantiated.

For More information, please see:

16 C.F.R. Part 260: Guides For the Use of Environmental Marketing Claims: Adoption of Revised Guides FTC File No. P954501

Text of the Federal Register Notice

- Statement of Basis and Purpose
- Environmental Claims: Summary of the Green Guides
- Text of the Green Guides, As Amended