



FEDERAL TRADE COMMISSION

16 CFR Part 432

Trade Regulation Rule Relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products

AGENCY: Federal Trade Commission.

ACTION: Advance notice of proposed rulemaking; request for public comment.

SUMMARY: As part of the Commission’s systematic review of all current FTC rules and guides, the Federal Trade Commission (“FTC” or “Commission”) requests public comment on the overall costs, benefits, necessity, and regulatory and economic impact of the FTC’s Trade Regulation Rule Relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products (the “Amplifier Rule” or “Rule”).

DATES: Comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write “Amplifier Rule Review, 16 CFR part 432, Project No. P974222” on your comment, and file your comment online through <https://www.regulations.gov>. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Suite CC–5610 (Annex A), Washington, DC, 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW, 5th Floor, Suite 5610 (Annex A), Washington, DC 20024

FOR FURTHER INFORMATION CONTACT: Jock Chung (202-326-2984), Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

SUPPLEMENTARY INFORMATION:

I. Background

In response to misleading or confusing power, distortion, and other performance claims, the Commission issued the Amplifier Rule in 1974 to standardize the measurement and disclosure of various amplifier performance characteristics. 39 FR 15387 (May 3, 1974). The Rule establishes uniform test standards and disclosures so consumers can easily compare amplifier characteristics.

Prior to enactment of the Amplifier Rule, manufacturers used at least seven different systems to measure amplifier output, including two incompatible measurement systems with broad industry support, the EIA Standard Methods of Measurement and the IHF Standard.¹ At that time, the same amplifier might have been advertised with different power ratings when incorporated into different products.²

Moreover, prior to enactment of the Rule, some manufacturers advertised the maximum power output of a single channel of a stereo amplifier. The Commission found that this practice deceptively indicated a stereo amplifier powered both stereo channels at that level simultaneously, which was not necessarily true.³ Manufacturers also measured power outputs over short periods of time, which did not account for heat buildup that prevented the amplifiers from being used at the measured output power for longer periods. Additionally, some manufacturers inflated power outputs by measuring

¹ The Electronics Industries Association, an industry group with approximately 240 member companies in 1974, created the EIA Standard Methods of Measurement. The IHF, an industry group with 37 member companies, created the IHF Standard. 39 FR at 15388.

² The Commission found that one amplifier was reported as advertised with 3 power ratings based on continuous power output and 1 percent distortion when included in a component system, and with a peak power rating with 5 percent distortion when included in a console system.

³ The Commission found that “a stereo having, for example, 20-watts per channel, both channels driven, will give less total power output than a single channel 40-watt amplifier.” 39 FR at 15390.

amplifier outputs over limited frequency ranges or with excessive distortion, with unrealistic speaker loads, or when operating on battery power.⁴

To address these issues, the Rule requires uniform measurements and disclosures for home entertainment amplifiers. Specifically, it requires manufacturers to fully drive all associated channels when measuring the power output of sound amplification equipment designed to amplify two or more channels simultaneously. The Rule further sets requirements for measuring and disclosing frequency ranges, distortion levels, and speaker loads; requires manufacturers to conduct measurements in still air at a specified temperature to prevent the use of fans or cooling equipment; and requires manufacturers to use outlet power to test amplifiers that can run on either batteries or outlet power.

In 2000, in response to improvements in amplifier design that enabled manufacturers to make inexpensive amplifiers with inaudible levels of harmonic distortion, the Commission exempted certain advertising from the Rule's Total Harmonic Distortion (THD) disclosure requirement. 65 FR 81232 (Dec. 22, 2000). Additionally, to address the development of self-powered subwoofer-satellite combination speaker systems, the Commission clarified the manner in which the Rule's testing procedures apply to those systems.

II. Regulatory Review Program

The Commission reviews its rules and guides periodically to seek information about their costs and benefits, regulatory and economic impact, and general effectiveness in protecting consumers and helping industry avoid deceptive claims or unfair practices. These reviews assist the Commission in identifying rules and guides that warrant modification or rescission.

With the present document, the Commission initiates a review of its Amplifier

⁴ Amplifiers running on batteries might have less distortion than the same amplifier running on power from an electric outlet, so tests driving the amplifier to a rated distortion level under battery power might measure a higher power output than measurements for the same amplifier driven to the same distortion level under outlet power. 39 FR at 15393.

Rule. The Commission solicits comments on, among other things, the economic impact of, and the continuing need for, the Rule; the Rule's benefits to consumers; and the burdens it places on industry members subject to the requirements, including small businesses.

III. Issues for Comments

To aid commenters in submitting information, the Commission has prepared the following questions related to the Amplifier Rule. The Commission seeks comments on these and any other issues related to the Rule's current requirements. In their replies, commenters should provide any available evidence, including empirical analysis, that supports their position.

(1) *Need*: Is there a continuing need for the Rule? Why or why not?

(2) *Benefits and Costs to Consumers*: What benefits has the Rule provided to consumers, and does the Rule impose any significant costs on consumers? Please quantify these benefits and costs wherever possible.

(3) *Benefits and Costs to Industry Members*: What benefits, if any, has the Rule provided to businesses, and does the Rule impose any significant costs, including costs of compliance, on businesses, including small businesses? Please quantify these benefits and costs wherever possible.

(4) *Recommended Changes*: What modifications, if any, should the Commission make to the Rule to increase its benefits or reduce its costs? How would these modifications affect the costs and benefits of the Rule for consumers? How would these modifications affect the costs and benefits of the Rule for businesses, particularly small businesses?

(5) *Impact on Information*: What impact has the Rule had on the flow of truthful information to consumers and on the flow of deceptive information to consumers?

(6) *Compliance*: Provide any evidence concerning the degree of industry compliance with the Rule. Does this evidence indicate that the Rule should be modified? If so, why, and how? If not, why not?

(7) *Unnecessary Provisions*: Provide any evidence concerning whether any of the Rule's provisions are no longer necessary. Explain why these provisions are unnecessary.

(8) *Additional Unfair or Deceptive Practices*: What potentially unfair or deceptive practices, not covered by the Rule, related to amplifiers utilized in home entertainment products are occurring in the marketplace? Are such practices prevalent in the market? If so, please describe such practices, including their impact on consumers. Provide any evidence, such as empirical data, consumer perception studies, or consumer complaints, that demonstrates the extent of such practices. Provide any evidence that demonstrates whether such practices cause consumer injury, and quantify or estimate that injury if possible. With reference to such practices, should the Rule be modified? If so, why, and how? If not, why not?

(9) *Product Coverage*: Should the Commission broaden the Rule to include products not currently covered? Provide any evidence that supports your position. What potentially unfair or deceptive practices related to products not covered by the Rule are occurring in the marketplace? Are such practices prevalent in the market? If so, please describe such practices, including their impact on consumers. Provide any evidence, such as empirical data, consumer perception studies, or consumer complaints, that demonstrates the extent of such practices. Provide any evidence that demonstrates whether such practices cause consumer injury, and quantify or estimate that injury if possible.

(10) *Technological or Economic Changes*: What modifications, if any, should be made to the Rule to account for current or impending changes in technology or economic

conditions? How would these modifications affect the costs and benefits of the Rule for consumers and businesses, particularly small businesses?

(11) *Conflicts With Other Requirements*: Does the Rule overlap or conflict with other federal, state, or local laws or regulations? If so, how? Provide any evidence that supports your position. With reference to the asserted conflicts, should the Rule be modified? If so, why, and how? If not, why not? Are there any Rule changes necessary to help state law enforcement agencies combat deceptive practices in the market for amplifiers utilized in home entertainment products? Provide any evidence concerning whether the Rule has assisted in promoting national consistency with respect to the advertising of amplifiers utilized in home entertainment products.

IV. Comment Submissions

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. Include “Amplifier Rule Review, 16 CFR part 432, Project No. P974222” on your comment. Your comment, including your name and your state, will be placed on the public record of this proceeding, including, to the extent practicable, on the <https://www.regulations.gov> website.

Because of the public health emergency in response to the COVID-19 outbreak and the agency’s heightened security screening, postal mail addressed to the Commission will be subject to delay. We strongly encourage you to submit your comment online through the <https://www.regulations.gov> website. To ensure the Commission considers your online comment, please follow the instructions on the web-based form.

If you file your comment on paper, write “Amplifier Rule Review, 16 CFR part 432, Project No. P974222” on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW, Suite CC-5610 (Annex A), Washington, DC 20580, or

deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW, 5th Floor, Suite 5610, Washington, DC 20024. If possible, please submit your paper comment to the Commission by courier or overnight service.

Because your comment will be placed on the publicly accessible website, <https://www.regulations.gov>, you are solely responsible for making sure that your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information such as your or anyone's Social Security number, date of birth, driver's license number or other state identification number or foreign country equivalent, passport number, financial account number, or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any "[t]rade secret or any commercial or financial information which . . . is privileged or confidential" – as provided in section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2) – including in particular competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with FTC Rule 4.9(c). In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. *See* FTC Rule 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted publicly at www.regulations.gov – as legally required by

FTC Rule 4.9(b) – we cannot redact or remove your comment, unless you submit a confidentiality request that meets the requirements for such treatment under FTC Rule 4.9(c), and the General Counsel grants that request.

Visit the FTC website to read this request for comment and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. For information on the Commission’s privacy policy, including routine uses permitted by the Privacy Act, see <https://www.ftc.gov/site-information/privacy-policy>.

By direction of the Commission.

April J. Tabor,
Acting Secretary.

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