



FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Proposed Collection; Comment Request;

Extension

AGENCY: Federal Trade Commission.

ACTION: Notice.

SUMMARY: The Federal Trade Commission (“FTC” or “Commission”) is seeking public comments on its proposal to extend for an additional three years the current Paperwork Reduction Act (“PRA”) clearance for information collection requirements contained in the rules and regulations under the Fur Products Labeling Act (“Fur Rules” or “Rules”). That clearance expires on October 31, 2024.

DATES: Comments must be filed by **[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 “Fur Rules; PRA Comment: FTC File No. P072108” on your comment, and file your comment online at <https://www.regulations.gov> by following the instructions on the web-based form. 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, N.W., Suite CC-5610 (Annex J), Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: Jock K. Chung, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Mail Code CC-9528, 600 Pennsylvania Avenue, N.W., Washington, DC 20580, (202) 326-2984.

SUPPLEMENTARY INFORMATION:

Title of Collection: Rules and Regulations under the Fur Products Labeling Act, 16 CFR part 301.

OMB Control Number: 3084–0099.

Type of Review: Extension without change of currently approved collection.

Abstract: The Fur Products Labeling Act (“Fur Act”)¹ prohibits the misbranding and false advertising of fur products. The Fur Rules establish disclosure requirements that assist consumers in making informed purchasing decisions, and recordkeeping requirements that assist the Commission in enforcing the Rules. The Rules also provide a procedure for exemption from certain disclosure provisions under the Fur Act.

Likely Respondents: Retailers, manufacturers, processors, and importers of furs and fur products.

Frequency of Response: Third party disclosure; recordkeeping requirement.

Estimated Annual Burden Hours: 180,639 hours (45,720 hours for recordkeeping + 134,919 hours for disclosure).

Recordkeeping: 45,720 hours [500 retailers incur an average recordkeeping burden of about 18 hours per year (9,000 hours total); 137 manufacturers incur an average recordkeeping burden of about 60 hours per year (8,220 hours total); and 950 importers of furs and fur products incur an average recordkeeping burden of 30 hours per year (28,500 hours total)].

Disclosure: 134,919 hours [(114,886 hours for labeling + 33 hours for invoices + 20,000 hours for advertising)].

Estimated Annual Cost Burden: \$3,555,329 (rounded to the nearest whole dollar amount).

As required by section 3506(c)(2)(A) of the PRA, 44 U.S.C. 3506(c)(2)(A), the FTC is providing this opportunity for public comment before requesting that OMB extend the existing clearance for the information collection requirements contained in the Commission’s Fur Rules.

Burden Statement

FTC staff’s burden estimates are based on data from the Department of Labor’s Bureau of Labor Statistics (BLS) and data or other input from the Fur Industry Council of America. The

¹ 15 U.S.C. 69 *et seq.*

relevant information collection requirements in these Rules and FTC staff's corresponding burden estimates follow. The estimates address the number of hours needed and the labor costs incurred to comply with the requirements.

The Fur Act² prohibits the misbranding and false advertising of fur products. The Fur Rules establish disclosure requirements that assist consumers in making informed purchasing decisions, and recordkeeping requirements that assist the Commission in enforcing the Rules. The Rules also provide a procedure for exemption from certain disclosure provisions under the Fur Act.

Estimated Annual Hours Burden: 180,639 hours (45,720 hours for recordkeeping + 134,919 hours for disclosure).

Recordkeeping: The Fur Rules require that retailers, manufacturers, processors, and importers of furs and fur products keep certain records in addition to those they may keep in the ordinary course of business. FTC staff estimates that: (1) 500 retailers incur an average recordkeeping burden of about 18 hours per year (9,000 hours total); (2) 137 manufacturers incur an average recordkeeping burden of about 60 hours per year (8,220 hours total); and (3) 950 importers of furs and fur products incur an average recordkeeping burden of 30 hours per year (28,500 hours total). The combined recordkeeping burden for the industry is approximately 45,720 hours annually.

Disclosure: FTC staff estimates that 637 respondents (137 manufacturers + 500 retail sellers of fur garments) each require an average of 30 hours per year to determine label content (19,110 hours total), and an average of 30 hours per year to draft and order labels (19,110 hours total). FTC staff estimates that the total number of garments subject to the fur labeling requirements annually is approximately 1,840,000.³ FTC staff estimates that for approximately

² *Id.*

³ This estimate is half the prior estimate. FTC staff bases this estimate on an assessment that the overall market for fur products appears to have halved. For example, the number of fur retailers has declined from 950 to 500. The total number of imported fur garments, fur-trimmed garments, and fur accessories is 3,562,242 annually based on U.S. government import statistics for Harmonized Tariff Schedule (HTS) Number 4303. However, this figure

50 percent of these garments (920,000) labels are attached manually, requiring approximately four minutes per garment for a total of 61,333 hours annually. For the remaining 920,000, the process of attaching labels is semi-automated and requires an average of approximately one minute per item, for a total of 15,333 hours. Thus, the total burden for attaching labels is 76,666 hours, and the total burden for labeling garments is 38,220 hours per year (19,110 hours to determine label content + 19,110 hours to draft and order labels).

FTC staff estimates that the incremental burden associated with the Fur Rules' invoice disclosure requirement, beyond the time that would be devoted to preparing invoices in the absence of the Rules, is approximately one minute per invoice for pelts.⁴ The invoice disclosure requirement applies to fur pelts, which are generally sold in groups of at least 1100, on average. Based on information from the Fur Industry Council of America, staff estimates total sales of 2,156,491 pelts annually. Thus, the invoice disclosure requirement entails an estimated total burden of 33 hours (1,960 total invoices × one minute).

FTC staff estimates that the Fur Rules' advertising disclosure requirements impose an average burden of 40 hours per year for each of the approximately 500 domestic fur retailers, or a total of 20,000 hours.

Thus, FTC staff estimates the total disclosure burden to be approximately 134,919 hours.

Estimated Annual Cost Burden: \$3,555,329 (rounded to the nearest whole dollar amount). The chart below summarizes the total estimated costs.

Task	Hourly Rate	Burden Hours	Labor Costs
Determine label content	\$31.49 ⁵	19,110	\$601,773.90
Draft and	\$20.46 ⁶	19,110	\$390,990.60

includes many products that contain fur but are not covered by the Fur Act and Rules, such as rabbit feet, or purses with fur. Estimated domestic production totals 90,000.

⁴ The invoice disclosure burden for PRA purposes excludes the time that respondents would spend for invoicing, apart from the Fur Rules, in the ordinary course of business. See 5 CFR 1320.3(b)(2).

⁵ The wage rate for supervisors of office and administrative support workers is based on data through May 2022 from the Bureau of Labor Statistics Occupational Employment Statistics Survey at <https://www.bls.gov/news.release/ocwage.htm> (released on April 25, 2023).

⁶ The wage rate for correspondence clerks is based on recent data from the Bureau of Labor Statistics Occupational Employment Statistics Survey at <https://www.bls.gov/news.release/ocwage.htm>.

order labels			
Attach labels	\$13.00 ⁷	76,666	\$996,658.00
Invoice disclosures	\$20.46 ⁸	33	\$675.18
Prepare advertising disclosures	\$31.49 ⁹	20,000	\$629,800.00
Recordkeeping	\$20.46 ¹⁰	45,720	\$935,431.20
Total			\$3,555,328.88

FTC staff believes that there are no current start-up costs or other capital costs associated with the Fur Rules. Because the labeling of fur products has been an integral part of the manufacturing process for decades, manufacturers have in place the capital equipment necessary to comply with the Rules' labeling requirements. Industry sources indicate that much of the information required by the Fur Act and Rules would be included on the product label even absent the Rules. Similarly, invoicing, recordkeeping, and advertising disclosures are tasks performed in the ordinary course of business so that covered firms would incur no additional capital or other non-labor costs as a result of the Act or the Rules.

Request for Comment:

Pursuant to section 3506(c)(2)(A) of the PRA, the FTC invites comments on: (1) whether the disclosure and recordkeeping requirements are necessary, including whether the information will be practically useful; (2) the accuracy of our burden estimates, including whether the methodology and assumptions used are valid; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information.

⁷ Per industry sources, most fur labeling is done in the United States. This rate is reflective of an average domestic hourly wage for such tasks performed in the United States, which is derived from recent BLS statistics.

⁸ See *supra* note 6.

⁹ See *supra* note 5.

¹⁰ See *supra* note 6.

For the FTC to consider a comment, we must receive it on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**. Your comment, including your name and your state, will be placed on the public record of this proceeding, including the <https://www.regulations.gov> website.

You can file a comment online or on paper. Due to heightened security screening, postal mail addressed to the Commission will be subject to delay. We encourage you to submit your comments online through the <https://www.regulations.gov> website.

If you file your comment on paper, write “Fur Rules; PRA Comment: FTC File No. P072108” on your comment and on the envelope, and mail it to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, N.W., Suite CC-5610 (Annex J), Washington, DC 20580.

Because your comment will become publicly available at <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 else’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 “trade secret or any commercial or financial information which . . . is privileged or confidential”—as provided by 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 (1) be filed in paper form, (2) be clearly labeled “Confidential,” and (3) 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*, 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.

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>.

Josephine Liu,

Assistant General Counsel for Legal Counsel.

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