

Product Responsibility Best Practices	SUBJECT FTC Green Guides	LAST UPDATE July 2018
	APPLIES TO • Suppliers • Decorators • Distributors	FOCUS ON Understanding the FTC Green Guides and considerations for the promotional products industry.
	QUICK LINKS PPAI Environmental Responsibility: www.ppai.org/corporate-responsibility/social-responsibility/ UL Responsible Sourcing: industries.ul.com/responsible-sourcing Environmental Protection Agency (EPA): https://www3.epa.gov	

Intended for beginner compliance programs

Italic grey text indicates a hyperlink listed in the Online Resources section of this document.

Summary of the Green Guides

The FTC works for consumers to prevent fraudulent, deceptive and unfair business practices and to provide information to help spot, stop and avoid them. The Green Guides aid marketers in presenting products in a way that protects consumers, clients and companies. In 2010, the FTC proposed revisions to its existing “Green Guides” and the revisions were formalized in October 2012.

Green Environmental Benefit

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.

Qualifications should be clear and prominent, and should limit the claim to a specific benefit.

Recommendation: Avoid the use of labeling or describing a product as “eco-friendly,” and instead describe attributes of the product (e.g. “Made from 25% post-consumer recycled paper”).

Certifications and Seals of Approval

Because an unqualified certification/seal (one that does not state the basis for certification) likely conveys a general environmental benefit claim, marketers should use clear and prominent language limiting the claim to particular attribute(s) for which they have substantiation.

Third-party certification does not eliminate a marketer’s obligation to have substantiation for all conveyed claims.

In the retail market, you might see seals like “Energy Star” for appliances. In the promotional products industry the following certifications are prevalent:

USDA Organic: Organic is a labeling term that indicates that the food or other agricultural product has been produced through approved methods that integrate cultural, biological and mechanical practices that foster recycling of resources, promote ecological balance and conserve biodiversity. Synthetic fertilizers, sewage sludge, irradiation and genetic engineering may not be used.

FSC: Forest Stewardship Council (FSC) certification is a voluntary, market-based tool that supports responsible forest management worldwide. FSC certified forest products are verified from the forest of origin through the supply chain. The FSC label ensures that the forest products used are from responsibly harvested and verified sources.

SFI: The Sustainable Forestry Initiative (SFI) 2010-2014 standard promotes sustainable forest management in North America through 14 core principles that promote sustainable forest management, including measures to protect water quality, biodiversity, wildlife habitat, species at risk and forests with exceptional conservation value.

GOTS: The Global Organic Textile Standard (GOTS) is the worldwide leading textile processing standard for organic fibers, including ecological and social criteria, backed up by independent certification of the entire textile supply chain.

Recommendation: If you have a certification for your product, be clear about which feature is certified (e.g. a padfolio contains a writing tablet made from FSC certified paper, but the padfolio itself is made of vinyl. It would need to be stated clearly that only the writing pad is FSC certified, not the entire product).

Degradable

The Guides 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**. The Guides also:

- 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.

Note: some states have additional regulations regarding biodegradability and disposal of items.

Compostable

A marketer claiming that an item is compostable should have competent and reliable scientific evidence that all the materials in the item will break down into, or otherwise become part of, usable compost (e.g., soil-conditioning material, mulch) in approximately the same time as the materials with which it is composted, in an appropriate composting facility, or in a home compost pile or device.

Unless you have testing to certify the compostability of a product, it's probably not a good idea to market as compostable

Ozone

It is deceptive to misrepresent, directly or by implication, that a product, package, or service is safe for, or friendly to, the ozone layer or the atmosphere.

Recyclable

The guides highlight the three-tiered analysis for disclosing the limited availability of recycling programs.

1. “Substantial majority” of consumers/communities have access to recycling facilities — Marketer can make an unqualified recyclable claim (e.g., aluminum or PET plastics).
2. “Significant percentage” of consumers/communities have access to recycling facilities—marketer should qualify recyclable claim (e.g., package may not be recyclable in your area).
3. Less than a “significant percentage” of consumers/

communities have access to recycling facilities—marketer should qualify recyclable claim (e.g., product is recyclable only in the few communities that have recycling programs).

Free-of/Non-Toxic

Avoid overstating product benefits that would imply a product and its manufacturing process cause no harm to the environment. A substantiated claim that makes comparisons between an alternative and standard process, such as shirts that are “bleached with a process that releases 50% less of harmful byproducts associated with chlorine bleaching,” would not be deceptive.

Be clear and detailed about the processes used if you are going to make a claim about your product.

Made with Renewable Materials

Research suggests that reasonable consumers may interpret renewable materials claims differently than marketers may intend. Unless marketers have substantiation for all their express and reasonably implied claims, they should clearly and prominently qualify their renewable materials claims. For example, marketers may minimize the risk of unintended implied claims by identifying the material used and explaining why the material is renewable.

Marketers should also qualify any “made with renewable materials” claim unless the product or package (excluding minor, incidental components) is made entirely with renewable materials.

Made with Renewable Energy

A marketer should not make unqualified renewable energy claims, directly or by implication, if fossil fuel or electricity derived from fossil fuel is used to manufacture any part of the advertised item or is used to power any part of the advertised service, unless the marketer has matched such non-renewable energy use with renewable energy certificates.

Carbon Offsets

Given the complexities of carbon offsets, sellers should employ competent and reliable scientific and accounting methods to properly quantify claimed emission reductions and to ensure that they do not sell the same reduction more than one time.

It is deceptive to misrepresent, directly or by implication, that a carbon offset represents emission reductions that have already occurred or will occur in the immediate future. To avoid deception, marketers should clearly and prominently disclose if the carbon offset represents emission reductions that will not occur for two years or longer.

It is deceptive to claim, directly or by implication, that a carbon offset represents an emission reduction if the reduction, or the activity that caused the reduction, was required by law.

There is no perfect answer. No product can be 100% green, but we can do our best to make good choices and educate our clients (and suppliers).

Online Resources:

Guides For The Use Of Environmental Marketing Claims: www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/green-guides

FTC's Green Guides: www.ftc.gov/opa/2012/10/greenguides.shtm

PPAI Environmental Responsibility Education Webinar:

www.ppai.org/corporate-responsibility/environmental-responsibility/environmental-responsibility-education/

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