

§5.64

distilled spirits (other than cordials, liqueurs, and specialties) produced by blending or rectification, if neutral spirits have been used in the production thereof, there shall be stated the percentage of neutral spirits so used and the name of the commodity from which such neutral spirits have been distilled. The statement of percentage and the name of the commodity shall be made in substantially the following form: “___% neutral spirits distilled from _____ (insert grain, cane products, or fruit, as appropriate)”; or “___% neutral spirits (vodka) distilled from _____ (insert grain, cane product, or fruit, as appropriate)”; or “___% grain (cane products), (fruit) neutral spirits”; or “___% grain spirits”.

(2) In the case of neutral spirits or of gin produced by a process of continuous distillation, there shall be stated the name of the commodity from which such neutral spirits or gin has been distilled. The statement of the name of the commodity shall be made in substantially the following form: “Distilled from grain”, or “Distilled from cane products”, or “Distilled from fruit.”

(e) *Exception.* (1) If an advertisement refers to a general distilled spirits line or all of the distilled spirits products of one company, whether by the company name or by the brand name common to all the distilled spirits in the line, the only mandatory information necessary is the name and address of the responsible advertiser. This exception does not apply where only one type of distilled spirits is marketed under the specific brand name advertised.

(2) On consumer specialty items, the only information necessary is the company name or brand name of the product.

[T.D. 7020, 34 FR 20337, Dec. 30, 1969, as amended by T.D. ATF-180, 49 FR 31674, Aug. 8, 1984; T.D. ATF-237, 51 FR 36394, Oct. 10, 1986]

§5.64 Legibility of mandatory information.

(a) Statements required under §§5.61 through 5.66 of this part to appear in any written, printed, or graphic advertisement shall be in lettering or type

27 CFR Ch. I (4-1-01 Edition)

size sufficient to be conspicuous and readily legible.

(b) In the case of signs, billboards, and displays the name and address of the permittee responsible for the advertisement may appear in type size of lettering smaller than the other mandatory information, provided such information can be ascertained upon closer examination of the sign or billboard.

(c) Mandatory information shall be so stated as to be clearly a part of the advertisement and shall not be separated in any manner from the remainder of the advertisement.

(d) Mandatory information for two or more products shall not be stated unless clearly separated.

(e) Mandatory information shall be so stated in both the print and audiovisual media that it will be readily apparent to the persons viewing the advertisement.

[T.D. ATF-180, 49 FR 31674, Aug. 8, 1984]

§5.65 Prohibited practices.

(a) *Restrictions.* An advertisement of distilled spirits shall not contain:

(1) Any statement that is false or untrue in any material particular, or that, irrespective of falsity, directly, or by ambiguity, omission, or inference, or by the addition of irrelevant, scientific or technical matter tends to create a misleading impression.

(2) Any statement that is disparaging of a competitor's product.

(3) Any statement, design, device, or representation which is obscene or indecent.

(4) Any statement, design, device, or representation of or relating to analyses, standards or tests, irrespective of falsity, which the appropriate ATF officer finds to be likely to mislead the consumer.

(5) Any statement, design, device, or representation of or relating to any guarantee, irrespective of falsity, which the appropriate ATF officer finds to be likely to mislead the consumer. Money-back guarantees are not prohibited.

(6) Any statement that the distilled spirits are distilled, blended, made, bottled, or sold under or in accordance with any municipal, State, Federal, or

foreign authorization, law, or regulation, unless such statement appears in the manner authorized by § 5.42 for labels of distilled spirits. If a municipal, State or Federal permit number is stated, such permit number shall not be accompanied by any additional statement relating thereto.

(7) The words “bond”, “bonded”, “bottled in bond”, “aged in bond”, or phrases containing these or synonymous terms, unless such words or phrases appear, pursuant to § 5.42, on labels of the distilled spirits advertised, and are stated in the advertisement in the manner and form in which they are permitted to appear on the label.

(8) The word “pure” unless:

(i) It refers to a particular ingredient used in the production of the distilled spirits, and is a truthful representation about the ingredient; or

(ii) It is part of the bona fide name of a permittee or retailer from whom the distilled spirits are bottled; or

(iii) It is part of the bona fide name of the permittee who bottled the distilled spirits.

(9) The words “double distilled” or “triple distilled” or any similar terms unless it is a truthful statement of fact; except that “double distilled” or “triple distilled” shall not be permitted in advertisements of distilled spirits produced by the redistillation method when a second or third distillation step is a necessary distillation process for the production of the product.

(b) *Statements inconsistent with labeling.* (1) Advertisements shall not contain any statement concerning a brand or lot of distilled spirits that is inconsistent with any statement on the labeling thereof.

(2) Any label depicted on a bottle in an advertisement shall be a reproduction of an approved label.

(c) *Statement of age.* The advertisement shall not contain any statement, design, or device directly or by implication concerning age or maturity of any brand or lot of distilled spirits unless a statement of age appears on the label of the advertised product. When any such statement, design, or device concerning age or maturity is contained in any advertisement, it shall

include (in direct conjunction therewith and with substantially equal conspicuousness) all parts of the statement, if any, concerning age and percentages required to be made on the label under the provisions of §§ 5.31 through 5.42. An advertisement for any whisky or brandy (except immature brandies) which is not required to bear a statement of age on the label or an advertisement for any rum or Tequila, which has been aged for not less than 4 years may, however, contain inconspicuous, general representation as to age, maturity or other similar representations even though a specific age statement does not appear on the label of the advertised product and in the advertisement itself.

(d) *Curative and therapeutic claims.* Advertisements shall not contain any statement, design, representation, pictorial representation, or device representing that the use of distilled spirits has curative or therapeutic effects if such statement is untrue in any particular or tends to create a misleading impression.

(e) *Place of origin.* The advertisement shall not represent that the distilled spirits were manufactured in or imported from a place or country other than that of their actual origin, or were produced or processed by one who was not in fact the actual producer or processor.

(f) *Confusion of brands.* Two or more different brands or lots of distilled spirits shall not be advertised in one advertisement (or in two or more advertisements in one issue of a periodical or newspaper, or in one piece of other written, printed, or graphic matter) if the advertisement tends to create the impression that representations made as to one brand or lot apply to the other or others, and if as to such latter the representations contravene any provisions of this subpart or are in any respect untrue.

(g) *Flags, seals, coats of arms, crests, and other insignia.* An advertisement shall not contain any statement, design, device, or pictorial representation which the appropriate ATF officer finds relates to, or is capable of being construed as relating to the armed forces of the United States, or the

§5.66

American flag, or any emblem, seal, insignia, or decoration associated with such flag or armed forces; nor shall any advertisement contain any statement, design, device, or pictorial representation of or concerning any flag, seal, coat of arms, crest, or other insignia, likely to mislead the consumer to believe that the product has been endorsed, made, or used by, or produced for, or under the supervision of, or in accordance with the specifications of the government, organization, family, or individual with whom such flag, seal, coat of arms, crest, or insignia is associated.

(h) *Deceptive advertising techniques.* Subliminal or similar techniques are prohibited. "Subliminal or similar techniques," as used in this part, refers to any device or technique that is used to convey, or attempts to convey, a message to a person by means of images or sounds of a very brief nature that cannot be perceived at a normal level of awareness.

[T.D. 7020, 34 FR 20337, Dec. 30, 1969, as amended by T.D. ATF-180, 49 FR 31674, Aug. 8, 1984]

§5.66 Comparative advertising.

(a) *General.* Comparative advertising shall not be disparaging of a competitor's product.

(b) *Taste tests.* (1) Taste test results may be used in advertisements comparing competitors' products unless they are disparaging, deceptive, or likely to mislead the consumer.

(2) The taste test procedure used shall meet scientifically accepted procedures. An example of a scientifically accepted procedure is outlined in the *Manual on Sensory Testing Methods*, ASTM Special Technical Publication 434, published by the American Society for Testing and Materials, 1916 Race Street, Philadelphia, Pennsylvania 19103, ASTM, 1968, Library of Congress Catalog Card Number 68-15545.

(3) A statement shall appear in the advertisement providing the name and address of the testing administrator.

[T.D. ATF-180, 49 FR 31674, Aug. 8, 1984]

27 CFR Ch. I (4-1-01 Edition)

PART 6—"TIED-HOUSE"

Subpart A—Scope of Regulations

- Sec.
- 6.1 General.
- 6.2 Territorial extent.
- 6.3 Application.
- 6.4 Jurisdictional limits.
- 6.5 Delegations of the Director.
- 6.6 Administrative provisions.

Subpart B—Definitions

- 6.11 Meaning of terms.

Subpart C—Unlawful Inducements

GENERAL

- 6.21 Application.
- INTEREST IN RETAIL LICENSE**
- 6.25 General.
- 6.26 Indirect interest.
- 6.27 Proprietary interest.

INTEREST IN RETAIL PROPERTY

- 6.31 General.
- 6.32 Indirect interest.
- 6.33 Proprietary interest.
- 6.34 Mortgages.
- 6.35 Renting display space.

FURNISHING THINGS OF VALUE

- 6.41 General.
- 6.42 Indirect inducement through third party arrangements.
- 6.43 Sale of equipment.
- 6.44 Free warehousing.
- 6.45 Assistance in acquiring license.
- 6.46-6.47 [Reserved]

PAYING FOR ADVERTISING, DISPLAY OR DISTRIBUTION SERVICE

- 6.51 General.
- 6.52 Cooperative advertising.
- 6.53 Advertising in ballparks, racetracks, and stadiums.
- 6.54 Advertising in retailer publications.
- 6.55 Display service.
- 6.56 Renting display space.

GUARANTEEING LOANS

- 6.61 Guaranteeing loans.

EXTENSION OF CREDIT

- 6.65 General.
- 6.66 Calculation of period.
- 6.67 Sales to retailer whose account is in arrears.

QUOTA SALES

- 6.71 Quota sales.