AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

''Reconditioned,'' ''Rebuilt,'' or ''Remanufactured.'' If the term ''recycled'' is used, it should be used in a manner consistent with the requirements for that term set forth in the Guides for the Use of Environmental Marketing Claims, 16 CFR 260.7(e). On invoices to the trade only, the disclosure may be by use of any number, mark, or other symbol that is clearly understood by industry members as meaning that the part so marked on the invoices is not new.

(c) It is unfair or deceptive to place any means or instrumentality in the hands of others so that they may mislead consumers as to the previous use of industry products.

§ 20.2 Deception as to the identity of a rebuilder, remanufacturer, reconditioner, reliner, or other reworker.

(a) It is unfair or deceptive to misrepresent the identity of the rebuilder, remanufacturer, reconditioner, reliner or other reworker of an industry product.

(b) If the identity of the original manufacturer of an industry product, or the identity of the manufacturer for which the product was originally made, is revealed and the product was rebuilt, remanufactured, reconditioned, relined, or otherwise reworked by someone else, it is unfair or deceptive to fail to disclose such fact wherever the original manufacturer is identified in advertising or promotional literature concerning the industry product, on the container in which the product is packed, and on the product itself, in close conjunction with, and of the same permanency and conspicuousness as, the disclosure that the product is not new. Examples of such disclosures include:

(1) Disclosure of the identity of the rebuilder: ''Rebuilt by John Doe Co.''

(2) Disclosure that the industry product was rebuilt by an independent rebuilder: ''Rebuilt by an Independent Rebuilder.''

(3) Disclosure that the industry product was rebuilt by someone other than the manufacturer identified: ''Rebuilt by other than XYZ Motors.''

(4) Disclosure that the industry product was rebuilt for the identified manufacturer: ''Rebuilt for XYZ Motors.''

§ 20.3 Misrepresentation of the terms "rebuilt," "factory rebuilt," "remanufactured," etc.

(a) It is unfair or deceptive to use the word ''Rebuilt,'' or any word of similar import, to describe an industry product which, since it was last subjected to any use, has not been dismantled and reconstructed as necessary, all of its internal and external parts cleaned and made rust and corrosion free, all impaired, defective or substantially worn parts restored to a sound condition or replaced with new, rebuilt (in accord with the provisions of this paragraph) or unimpaired used parts, all missing parts replaced with new, rebuilt or unimpaired used parts, and such rewinding or machining and other operations performed as are necessary to put the industry product in sound working condition.

(b) It is unfair or deceptive to represent an industry product as ''Remanufactured'' or ''Factory Rebuilt'' unless the product was rebuilt as described in paragraph (a) of this section at a factory generally engaged in the rebuilding of such products.

PART 23—GUIDES FOR THE JEWELRY, PRECIOUS METALS, AND PEWTER INDUSTRIES

Sec.

23.0 Scope and application.
23.1 Deception (general).
23.2 Misuse of the terms ''handmade,'' ''hand-polished,'' etc.
23.3 Misrepresentation as to gold content.
23.4 Misuse of the word ''vermeil.''
23.5 Misrepresentation as to silver content.
23.6 Misuse of the words ''platinum,'' ''iridium,'' ''palladium,'' ''ruthenium,'' ''rhodium,'' and ''osmium.''
23.7 Disclosure of surface-layer application of rhodium.
23.8 Misrepresentation as to products containing more than one precious metal.
23.9 Misrepresentation as to content of pewter.
23.10 Additional guidance for the use of quality marks.
23.11 Misuse of ''corrosion proof,'' ''non-corrosive,'' ''corrosion resistant,'' ''rust proof,'' ''rust resistant,'' etc.
23.12 Definition and misuse of the word ''diamond.''
23.13 Misuse of the words ''flawless,'' ''perfect,'' etc.
23.14 Disclosure of treatments to diamonds.
23.15 Misuse of the term ''blue white.''

23.16 Misuse of the term ''properly cut,'' etc.
23.17 Misuse of the words ''brilliant'' and ''full cut.''
23.18 Misrepresentation of weight and ''total weight.''
23.19 Definitions of various pearls.
23.20 Misuse of the word ''pearl.''
23.21 Misuse of terms such as ''cultured pearl,'' ''seed pearl,'' ''Oriental pearl,'' ''natura,'' ''kultured,'' ''real,'' ''gem,'' ''synthetic,'' and regional designations.
23.22 Misrepresentation as to cultured pearls.
23.23 Disclosure of treatments to pearls and cultured pearls.
23.24 Disclosure of treatments to gemstones.
23.25 Misuse of the words ''ruby,'' ''sapphire,'' ''emerald,'' ''topaz,'' ''stone,'' ''birthstone,'' ''gemstone,'' etc.
23.26 Misrepresentation as to varietal name.
23.27 Misuse of the words ''real,'' ''genuine,'' ''natural,'' ''precious,'' etc.
23.28 Misuse of the words ''flawless,'' ''perfect,'' etc.

APPENDIX TO PART 23—EXEMPTIONS RECOGNIZED IN THE ASSAY FOR QUALITY OF GOLD ALLOY, GOLD FILLED, GOLD OVERLAY, ROLLED GOLD PLATE, SILVER, AND PLATINUM INDUSTRY PRODUCTS

AUTHORITY: 15 U.S.C. 45, 46.

SOURCE: 83 FR 40667, Aug. 16, 2018, unless otherwise noted.

§ 23.0 Scope and application.

(a) The guides in this part apply to jewelry industry products, which include, but are not limited to, the following: Gemstones and their laboratory-created and imitation substitutes; natural and cultured pearls and their imitations; and metallic watch bands not permanently attached to watches. These guides also apply to articles, including optical frames, pens and pencils, flatware, and hollowware, fabricated from precious metals (gold, silver, and platinum group metals), precious metal alloys, and their imitations. These guides also apply to all articles made from pewter. For the purposes of these guides, all articles covered by these guides are defined as ''industry products.''

(b) These guides apply to persons, partnerships, or corporations, at every level of the trade (including but not limited to manufacturers, suppliers, and retailers) engaged in the business of offering for sale, selling, or distributing industry products.

NOTE TO PARAGRAPH (b): To prevent consumer deception, persons, partnerships, or corporations in the business of appraising, identifying, or grading industry products should utilize the terminology and standards set forth in the guides.

(c) These guides apply to claims and representations about industry products included in labeling, advertising, promotional materials, and all other forms of marketing, whether asserted directly or by implication, through words, symbols, emblems, logos, illustrations, depictions, product brand names, or through any other means.

(d) These guides set forth the Federal Trade Commission's current thinking about claims for jewelry and articles made from precious metals and pewter. The guides help marketers and other industry members avoid making claims that are unfair or deceptive under Section 5 of the FTC Act, 15 U.S.C. 45. They do not confer any rights on any person and do not operate to bind the FTC or the public. The Commission, however, may take action under the FTC Act if a marketer or other industry member makes a claim inconsistent with the guides. In any such enforcement action, the Commission must prove that the challenged act or practice is unfair or deceptive in violation of Section 5 of the FTC Act.

(e) The guides consist of general principles, specific guidance on the use of particular claims for industry products, and examples. Claims may raise issues that are addressed by more than one example and in more than one section of the guides. The examples provide the Commission's views on how reasonable consumers likely interpret certain claims. Industry members may use an alternative approach if the approach satisfies the requirements of Section 5 of the FTC Act. Whether a particular claim is deceptive will depend on the net impression of the advertisement, label, or other promotional material at issue. In addition, although many examples present specific claims and options for qualifying claims, the examples do not illustrate all permissible claims or qualifications under Section 5 of the FTC Act.

§ 23.1 Deception (general).

It is unfair or deceptive to misrepresent the type, kind, grade, quality, quantity, metallic content, size, weight, cut, color, character, treatment, substance, durability, serviceability, origin, price, value, preparation, production, manufacture, distribution, or any other material aspect of an industry product.

NOTE 1 TO § 23.1: If, in the sale or offering for sale of an industry product, any representation is made as to the grade assigned the product, the identity of the grading system used should be disclosed.

NOTE 2 TO § 23.1: To prevent deception, any qualifications or disclosures, such as those described in the guides, should be sufficiently clear and prominent. Clarity of language, relative type size and proximity to the claim being qualified, and an absence of contrary claims that could undercut effectiveness, will maximize the likelihood that the qualifications and disclosures are appropriately clear and prominent.

NOTE 3 TO § 23.1: An illustration or depiction of a diamond or other gemstone that portrays it in greater than its actual size may mislead consumers, unless a disclosure is made about the item's true size.

§ 23.2 Misuse of the terms "handmade," "hand-polished," etc.

(a) It is unfair or deceptive to represent, directly or by implication, that any industry product is handmade or hand-wrought unless the entire shaping and forming of such product from raw materials and its finishing and decoration were accomplished by hand labor and manually-controlled methods which permit the maker to control and vary the construction, shape, design, and finish of each part of each individual product.

NOTE TO PARAGRAPH (a): As used herein, ''raw materials'' include bulk sheet, strip, wire, precious metal clays, ingots, casting grain, and similar items that have not been cut, shaped, or formed into jewelry parts, semi-finished parts, or blanks.

(b) It is unfair or deceptive to represent, directly or by implication, that any industry product is hand-forged, hand-engraved, hand-finished, or hand-polished, or has been otherwise hand-processed, unless the operation described was accomplished by hand labor and manually-controlled methods which permit the maker to control and vary the type, amount, and effect of such operation on each part of each individual product.

§ 23.3 Misrepresentation as to gold content.

(a) It is unfair or deceptive to misrepresent the presence of gold or gold alloy in an industry product, or the quantity or karat fineness of gold or gold alloy contained in the product, or the karat fineness, thickness, weight ratio, or manner of application of any gold or gold alloy plating, covering, or coating on any surface of an industry product or part thereof.

(b) The following are examples of markings or descriptions that may be misleading:[24]

(1) Use of the word ''Gold'' or any abbreviation, without qualification, to describe all or part of an industry product, including the surface layer of a coated product, which is not composed throughout of fine (24 karat) gold.

(2) Use of the word ''Gold'' or any abbreviation to describe all or part of an industry product (including the surface layer of a coated product) composed throughout of an alloy of gold (*i.e.*, gold that is less than 24 karats), unless a correct designation of the karat fineness of the alloy immediately precedes the word ''Gold'' or its abbreviation, and such fineness designation is of at least equal conspicuousness.

(3) Use of the word ''Gold'' or any abbreviation to describe all or part of an industry product that is not composed throughout of gold or a gold alloy, but is surface-plated or coated with gold alloy, unless the word ''Gold'' or its abbreviation is adequately qualified to indicate that the product or part is only surface-plated.

(4) Marking, describing, or otherwise representing all or part of an industry product as being plated or coated with gold or gold alloy unless all significant surfaces of the product or part contain a plating or coating of gold or gold alloy that is of reasonable durability.[25]

[24] See paragraph (c) of this section for examples of acceptable markings and descriptions.

[25] For the purpose of this section, ''reasonable durability'' means that all areas of the

Continued

(5) Use of the term ''Gold Plate,'' ''Gold Plated,'' or any abbreviation to describe all or part of an industry product unless such product or part contains a surface-plating of gold alloy, applied by any process, which is of such thickness and extent of surface coverage that reasonable durability[26] is assured, and unless the term is immediately preceded by a correct designation of the karat fineness of the alloy that is of at least equal conspicuousness as the term used.

(6) Use of the terms ''Gold Filled,'' ''Rolled Gold Plate,'' ''Rolled Gold Plated,'' ''Gold Overlay,'' or any abbreviation to describe all or part of an industry product unless such product or part contains a surface-plating of gold alloy applied by a mechanical process and of such thickness and extent of surface coverage that reasonable durability[27] is assured, and unless the term is immediately preceded by a correct designation of the karat fineness of the alloy that is of at least equal conspicuousness as the term used.

(7) Use of the terms ''Gold Plate,'' ''Gold Plated,'' ''Gold Filled,'' ''Rolled Gold Plate,'' ''Rolled Gold Plated,'' ''Gold Overlay,'' or any abbreviation to describe a product in which the layer of gold plating has been covered with a base metal (such as nickel), which is covered with a thin wash of gold, unless there is a disclosure that the primary gold coating is covered with a base metal, which is gold washed.

(8) Use of the term ''Gold Electroplate,'' ''Gold Electroplated,'' or any abbreviation to describe all or part of an industry product unless such product or part is electroplated with gold or a gold alloy and such electroplating is of such karat fineness, thickness, and extent of surface coverage that reasonable durability[28] is assured, and unless the term is immediately preceded by a correct designation of the karat fineness of the alloy that is of at least equal conspicuousness as the term used.

(9) Use of any name, terminology, or other term to misrepresent that an industry product is equal or superior to, or different than, a known and established type of industry product with reference to its gold content or method of manufacture.

(c) The following are examples of markings and descriptions that are consistent with the principles described above:

(1) An industry product or part thereof, composed throughout of an alloy of gold may be marked and described as ''Gold'' when such word ''Gold,'' wherever appearing, is immediately preceded by a correct designation of the karat fineness of the alloy, and such karat designation is of equal conspicuousness as the word ''Gold'' (for example, ''14 Karat Gold,'' ''14 K. Gold,'' ''14 Kt. Gold,'' ''9 Karat Gold,'' or ''9 Kt. Gold''). Such product may also be marked and described by a designation of the karat fineness of the gold alloy unaccompanied by the word ''Gold'' (for example, ''14 Karat,'' ''14Kt.,'' ''14 K.,'' or ''9 K.'').

NOTE TO PARAGRAPH (c)(1): Use of the term ''Gold'' or any abbreviation to describe all or part of a product that is composed throughout of gold alloy, but contains a hollow center or interior, may mislead consumers, unless the fact that the product contains a hollow center is disclosed in immediate proximity to the term ''Gold'' or its abbreviation (for example, ''14 Karat Gold-Hollow Center,'' or ''14 K. Gold Tubing,'' when of a gold alloy tubing of such karat fineness). Such products should not be marked or described as ''solid'' or as being solidly of gold or of a gold alloy. For example, when the composition of such a product is 14 karat gold alloy, it should not be described or marked as either ''14 Kt. Solid Gold'' or as ''Solid 14 Kt. Gold.''

(2) An industry product or part thereof on which there has been affixed on all significant surfaces by soldering, brazing, welding, or other mechanical means a plating of gold alloy of not

plating are sufficiently thick to assure coverage that reasonable consumers would expect from the surface application. Since industry products include items having surfaces and parts of surfaces that are subject to different degrees of wear, the thickness of the surface application for all items or for different areas of the surface of individual items does not necessarily have to be uniform.

[26] See footnote 2.

[27] See footnote 2.

[28] See footnote 2.

less than 10 karat fineness and of reasonable durability[29] may be marked or described as ''Gold Plate,'' ''Gold Plated,'' ''Gold Overlay,'' ''Rolled Gold Plate,'' ''Rolled Gold Plated,'' or an adequate abbreviation, when such plating constitutes at least 1/40th of the weight of the metal in the entire article and when the term is immediately preceded by a designation of the karat fineness of the plating which is of equal conspicuousness as the term used (for example, ''14 Kt. Gold Overlay,'' or ''14K. R.G.P.''). When such plating constitutes at least 1/20th of the weight of the metal in the entire article, the term ''Gold Filled'' may be used. The terms ''Gold Overlay,'' ''Rolled Gold Plate,'' and ''Rolled Gold Plated'' may be used when the karat fineness designation is immediately preceded by a fraction accurately disclosing the portion of the weight of the metal in the entire article accounted for by the plating, and when such fraction is of equal conspicuousness as the term used (for example, ''1/40th 12 Kt. Rolled Gold Plate'' or ''1/40 12 Kt. R.G.P.'').

(3) An industry product or part thereof on which there has been affixed on all significant surfaces by an electrolytic process an electroplating of gold, or of a gold alloy of not less than 10 karat fineness, which is of reasonable durability[30] and has a minimum thickness throughout equivalent to 0.175 microns (approximately 7/1,000,000ths of an inch) of fine gold,[31] may be marked or described as ''Gold Plate,'' ''Gold Plated,'' ''Gold Electroplate'' or ''Gold Electroplated,'' or so abbreviated, if the term is immediately preceded by a designation of the karat fineness of the plating which is of equal conspicuousness as the term used (e.g., ''12 Karat Gold Electroplate'' or ''12K G.E.P.''). When the electroplating is of the minimum fineness specified above and of a minimum thickness throughout equivalent to two and one half (2½) microns (or approximately 100/1,000,000ths of an inch) of fine gold, the marking or description may be ''Heavy Gold Electroplate'' or ''Heavy Gold Electroplated.'' When electroplatings qualify for the term ''Gold Electroplate'' (or ''Gold Electroplated''), or the term ''Heavy Gold Electroplate'' (or ''Heavy Gold Electroplated''), and have been applied by use of a particular kind of electrolytic process, the marking may be accompanied by identification of the process used, as for example, ''Gold Electroplated (X Process)'' or ''Heavy Gold Electroplated (Y Process).''

(d) The provisions of this section relating to markings and descriptions of industry products and parts thereof are subject to the applicable tolerances of the National Stamping Act or any amendment thereof.[32]

NOTE TO PARAGRAPH (d): Exemptions recognized in the assay of karat gold industry products and in the assay of gold filled, gold overlay, and rolled gold plate industry products, and not to be considered in any assay for quality, are listed in the appendix.

§ 23.4 Misuse of the word "vermeil."

(a) It is unfair or deceptive to represent, directly or by implication, that an industry product is ''vermeil'' if such mark or description misrepresents the product's true composition.

(b) An industry product may be described or marked as ''vermeil'' if it consists of a base of sterling silver coated or plated on all significant surfaces with gold, or gold alloy of not less than 10 karat fineness, that is of reasonable durability[33] and a minimum thickness throughout equivalent to two and one half (2½) microns (or approximately 100/1,000,000ths of an inch) of fine gold.

NOTE 1 TO § 23.4: It is unfair or deceptive to use the term ''vermeil'' to describe a product in which the sterling silver has been covered with a base metal (such as nickel) plated with gold unless there is a disclosure that the sterling silver is covered with a base metal that is plated with gold.

NOTE 2 TO § 23.4: Exemptions recognized in the assay of gold filled, gold overlay, and rolled gold plate industry products are listed in the appendix.

[29] See footnote 2.

[30] See footnote 2.

[31] A product containing 1 micron (otherwise known as 1μ) of 12 karat gold is equivalent to one-half micron of 24-karat gold.

[32] Under the National Stamping Act, articles or parts made of gold or of gold alloy that contain no solder have a permissible tolerance of three parts per thousand. If the part tested contains solder, the permissible tolerance is seven parts per thousand. For full text, see 15 U.S.C. 295, *et seq.*

[33] See footnote 2.

§ 23.5 Misrepresentation as to silver content.

(a) It is unfair or deceptive to misrepresent that an industry product contains silver, or to misrepresent an industry product as having a silver content, plating, electroplating, or coating.

(b) The following are examples of markings or descriptions that may be misleading:

(1) Use of the unqualified word ''silver'' to mark, describe, or otherwise represent all or part of an industry product, including the surface layer of a coated product, unless an equally conspicuous, accurate quality fineness designation indicating the pure silver content in parts per thousand immediately precedes the term (e.g., ''750 silver'').

(2) Use of the words ''solid silver,'' ''Sterling Silver,'' ''Sterling,'' or the abbreviation ''Ster.'' to mark, describe, or otherwise represent all or part of an industry product unless it is at least 925/1,000ths pure silver.

(3) Use of the words ''coin'' or ''coin silver'' to mark, describe, or otherwise represent all or part of an industry product unless it is at least 900/1,000ths pure silver.

(4) Use of the word ''silver'' to mark, describe, or otherwise represent all or part of an industry product that is not composed throughout of silver, but has a surface layer or coating of silver, unless the term is adequately qualified to indicate that the product or part is only coated.

(5) Marking, describing, or otherwise representing all or part of an industry product as being plated or coated with silver unless all significant surfaces of the product or part contain a plating or coating of silver that is of reasonable durability.[34]

(c) The provisions of this section relating to markings and descriptions of industry products and parts thereof are subject to the applicable tolerances of the National Stamping Act or any amendment thereof.[35]

NOTE 1 TO § 23.5: The National Stamping Act provides that silver plated articles shall not ''be stamped, branded, engraved or imprinted with the word 'sterling' or the word 'coin,' either alone or in conjunction with other words or marks.'' 15 U.S.C. 297(a).

NOTE 2 TO § 23.5: Exemptions recognized in the assay of silver industry products are listed in the appendix.

§ 23.6 Misuse of the words "platinum," "iridium," "palladium," "ruthenium," "rhodium," and "osmium."

(a) It is unfair or deceptive to use the words ''platinum,'' ''iridium,'' ''palladium,'' ''ruthenium,'' ''rhodium,'' and ''osmium,'' or any abbreviation to mark or describe all or part of an industry product if such marking or description misrepresents the product's true composition. The Platinum Group Metals (PGM) are Platinum, Iridium, Palladium, Ruthenium, Rhodium, and Osmium.

(b) The following are examples of markings or descriptions that may be misleading:[36]

(1) Use of the word ''Platinum'' or any abbreviation to describe all or part of a product that is not composed throughout of platinum, but has a surface layer or coating of platinum, unless the word ''Platinum'' or its abbreviation is adequately qualified to indicate that the product or part is only coated.

(2) Marking, describing, or otherwise representing all or part of an industry product as being plated or coated with platinum unless all significant surfaces of the product or part contain a plating or coating of platinum that is of reasonable durability.[37]

(3) Use of the word ''Platinum'' or any abbreviation, without qualification, to describe all or part of an industry product (including the surface layer of a coated product) that is not composed throughout of 950 parts per thousand pure Platinum.

(4) Use of the word ''Platinum'' or any abbreviation accompanied by a

[34] See footnote 2.

[35] Under the National Stamping Act, sterling silver articles or parts that contain no solder have a permissible tolerance of four parts per thousand. If the part tested contains solder, the permissible tolerance is ten parts per thousand. For full text, see 15 U.S.C. 294, *et seq.*

[36] See paragraph (c) of this section for examples of acceptable markings and descriptions.

[37] See footnote 2.

number indicating the parts per thousand of pure Platinum contained in the product without mention of the number of parts per thousand of other PGM contained in the product, to describe all or part of an industry product that is not composed throughout of at least 850 parts per thousand pure platinum, for example, ''600Plat.''

(5) Use of the word ''Platinum'' or any abbreviation thereof, to mark or describe any product that is not composed throughout of at least 500 parts per thousand pure Platinum.

(6) Use of the word ''Platinum,'' or any abbreviation accompanied by a number or percentage indicating the parts per thousand of pure Platinum contained in the product, to describe all or part of an industry product that contains at least 500 parts per thousand, but less than 850 parts per thousand, pure Platinum, and does not contain at least 950 parts per thousand PGM (for example, ''585 Plat.'') without a clear and conspicuous disclosure, immediately following the name or description of such product:

(i) Of the full composition of the product (by name and not abbreviation) and percentage of each metal; and

(ii) That the product may not have the same attributes or properties as traditional platinum products. *Provided*, *however*, that the marketer need not make disclosure under this paragraph (b)(6)(ii), if the marketer has competent and reliable scientific evidence that such product does not differ materially from any one product containing at least 850 parts per thousand pure Platinum with respect to the following attributes or properties: Durability, luster, density, scratch resistance, tarnish resistance, hypoallergenicity, ability to be resized or repaired, retention of precious metal over time, and any other attribute or property material to consumers.

NOTE TO PARAGRAPH (b)(6): When using percentages to qualify platinum representations, marketers should convert the amount in parts per thousand to a percentage that is accurate to the first decimal place (e.g., ''58.5% Platinum, 41.5% Cobalt'').

(c) The following are examples of markings and descriptions that are not considered unfair or deceptive:

(1) The following abbreviations for each of the PGM may be used for quality marks on articles: ''Plat.'' or ''Pt.'' for Platinum; ''Irid.'' or ''Ir.'' for Iridium; ''Pall.'' or ''Pd.'' for Palladium; ''Ruth.'' or ''Ru.'' for Ruthenium; ''Rhod.'' or ''Rh.'' for Rhodium; and ''Osmi.'' or ''Os.'' for Osmium.

(2) An industry product consisting of at least 950 parts per thousand pure Platinum may be marked or described as ''Platinum.''

(3) An industry product consisting of 850 parts per thousand pure Platinum, 900 parts per thousand pure Platinum, or 950 parts per thousand pure Platinum may be marked ''Platinum,'' provided that the Platinum marking is preceded by a number indicating the amount in parts per thousand of pure Platinum (for industry products consisting of 950 parts per thousand pure Platinum, the marking described in § 23.7(b)(2) above is also appropriate). Thus, the following markings may be used: ''950Pt.,'' ''950Plat.,'' ''900Pt.,'' ''900Plat.,'' ''850Pt.,'' or ''850Plat.''

(4) An industry product consisting of at least 950 parts per thousand PGM, and of at least 500 parts per thousand pure Platinum, may be marked ''Platinum,'' provided that the mark of each PGM constituent is preceded by a number indicating the amount in parts per thousand of each PGM (e.g., ''600Pt.350Ir.,'' ''600Plat.350Irid.,'' ''550Pt.350Pd.50Ir.,'' or ''550Plat.350Pall.50Irid'').

(5) An industry product consisting of at least 500 parts per thousand, but less than 850 parts per thousand, pure Platinum, and not consisting of at least 950 parts per thousand PGM, may be marked or stamped accurately, with a quality marking on the article, using parts per thousand and standard chemical abbreviations (e.g., ''585 Pt., 415 Co.'').

NOTE TO § 23.6: Exemptions recognized in the assay of platinum industry products are listed in the appendix.

§ 23.7 Disclosure of surface-layer application of rhodium.

It is unfair or deceptive to fail to disclose a surface-layer application of rhodium on products marked or described as precious metal.

§ 23.8 Misrepresentation as to products containing more than one precious metal.

(a) It is unfair or deceptive to misrepresent the relative quantity of each precious metal in a product that contains more than than one precious metal. Marketers should list precious metals in the order of their relative weight in the product from greatest to least (*i.e.*, leading with the predominant metal). Listing precious metals in order of relative weight is not necessary where it is clear to reasonable consumers from context that the metal listed first is not predominant.

(b) The following are examples of markings or descriptions that may be misleading:

(1) Use of the terms ''Platinum + Silver'' to describe a product that contains more silver than platinum by weight.

(2) Use of the terms ''14K/Sterling'' to describe a product that contains more silver than gold by weight.

(c) The following are examples of markings and descriptions that are not considered unfair or deceptive:

(1) For a product comprised primarily of silver with a surface-layer application of platinum, ''900 platinum over silver.''

(2) For a product comprised primarily of silver with visually distinguishable parts of gold, ''14k gold-accented silver.''

(3) For a product comprised primarily of gold with visually distinguishable parts of platinum, ''850 Platinum inset, 14K gold ring.''

§ 23.9 Misrepresentation as to content of pewter.

(a) It is unfair or deceptive to mark, describe, or otherwise represent all or part of an industry product as ''Pewter'' or any abbreviation if such mark or description misrepresents the product's true composition.

(b) An industry product or part thereof may be described or marked as ''Pewter'' or any abbreviation if it consists of at least 900 parts per 1,000 Grade A Tin, with the remainder composed of metals appropriate for use in pewter.

§ 23.10 Additional guidance for the use of quality marks.

As used in these guides, the term *quality mark* means any letter, figure, numeral, symbol, sign, word, or term, or any combination thereof, that has been stamped, embossed, inscribed, or otherwise placed on any industry product and which indicates or suggests that any such product is composed throughout of any precious metal or any precious metal alloy or has a surface or surfaces on which there has been plated or deposited any precious metal or precious metal alloy. Included are the words ''gold,'' ''karat,'' ''carat,'' ''silver,'' ''sterling,'' ''vermeil,'' ''platinum,'' ''iridium,'' ''palladium,'' ''ruthenium,'' ''rhodium,'' or ''osmium,'' or any abbreviations thereof, whether used alone or in conjunction with the words ''filled,'' ''plated,'' ''overlay,'' or ''electroplated,'' or any abbreviations thereof. Quality markings include those in which the words or terms ''gold,'' ''karat,'' ''silver,'' ''vermeil,'' ''platinum'' (or platinum group metals), or their abbreviations are included, either separately or as suffixes, prefixes, or syllables.

(a) *Deception as to applicability of marks.* (1) If a quality mark on an industry product is applicable to only part of the product, the part of the product to which it is applicable (or inapplicable) should be disclosed when, absent such disclosure, the location of the mark misrepresents the product or part's true composition.

(2) If a quality mark is applicable to only part of an industry product, but not another part which is of similar surface appearance, each quality mark should be closely accompanied by an identification of the part or parts to which the mark is applicable.

(b) *Deception by reason of difference in the size of letters or words in a marking or markings.* It is unfair or deceptive to place a quality mark on a product in which the words or letters appear in greater size than other words or letters of the mark, or when different markings placed on the product have different applications and are in different sizes, when the net impression of any such marking would be misleading as to the metallic composition of all or

part of the product. (An example of improper marking would be the marking of a gold electroplated product with the word ''electroplate'' in small type and the word ''gold'' in larger type, with the result that purchasers and prospective purchasers of the product might only observe the word ''gold.'')

NOTE 1 TO § 23.10: Legibility of markings. If a quality mark is engraved or stamped on an industry product, or is printed on a tag or label attached to the product, the quality mark should be of sufficient size type as to be legible to persons of normal vision, should be so placed as likely to be observed by purchasers, and should be so attached as to remain thereon until consumer purchase.

NOTE 2 TO § 23.10: Disclosure of identity of manufacturers, processors, or distributors. The National Stamping Act provides that any person, firm, corporation, or association, being a manufacturer or dealer subject to section 294 of the Act, who applies or causes to be applied a quality mark, or imports any article bearing a quality mark ''which indicates or purports to indicate that such article is made in whole or in part of gold or silver or of an alloy of either metal'' shall apply to the article the trademark or name of such person. 15 U.S.C. 297.

§ 23.11 Misuse of "corrosion proof," "noncorrosive," "corrosion resistant," "rust proof," "rust resistant," etc.

(a) It is unfair or deceptive to:

(1) Use the terms ''corrosion proof,'' ''noncorrosive,'' ''rust proof,'' or any other term of similar meaning to describe an industry product unless all parts of the product will be immune from rust and other forms of corrosion during the life expectancy of the product; or

(2) Use the terms ''corrosion resistant,'' ''rust resistant,'' or any other term of similar meaning to describe an industry product unless all parts of the product are of such composition as to not be subject to material damage by corrosion or rust during the major portion of the life expectancy of the product under normal conditions of use.

(b) Among the metals that may be considered as corrosion (and rust) resistant are: Pure nickel; gold alloys of not less than 10 Kt. fineness; and austenitic stainless steels.

§ 23.12 Definition and misuse of the word "diamond."

(a) A diamond is a mineral consisting essentially of pure carbon crystallized in the isometric system. It is found in many colors. Its hardness is 10; its specific gravity is approximately 3.52; and it has a refractive index of 2.42.

(b) It is unfair or deceptive to use the unqualified word ''diamond'' to describe or identify any object or product not meeting the requirements specified in the definition of diamond provided above, or which, though meeting such requirements, has not been symmetrically fashioned with at least seventeen (17) polished facets.

NOTE TO PARAGRAPH (b): It is unfair or deceptive to represent, directly or by implication, that industrial grade diamonds or other non-jewelry quality diamonds are of jewelry quality.

(c) The following are examples of descriptions that are not considered unfair or deceptive:

(1) The use of the words ''rough diamond'' to describe or designate uncut or unfaceted objects or products satisfying the definition of diamond provided above; or

(2) The use of the word ''diamond'' to describe or designate objects or products satisfying the definition of diamond but which have not been symmetrically fashioned with at least seventeen (17) polished facets when, in immediate conjunction with the word ''diamond,'' there is either a disclosure of the number of facets and shape of the diamond or the name of a type of diamond that denotes shape and that usually has less than seventeen (17) facets (e.g., ''rose diamond'').

(3) The use of the word ''cultured'' to describe laboratory-created diamonds that have essentially the same optical, physical, and chemical properties as mined diamonds if the term is qualified by a clear and conspicuous disclosure (for example, the words ''laboratory-created,'' ''laboratory-grown,'' ''[manufacturer name]-created,'' or some other word or phrase of like meaning) conveying that the product is not a mined stone.

NOTE TO PARAGRAPH (c): Additional guidance about imitation and laboratory-created diamond representations and misuse of the

words ''real,'' ''genuine,'' ''natural,'' ''precious,'' ''semi-precious,'' and similar terms is set forth in §§ 23.25 and 23.27.

§ 23.13 Misuse of the words "flawless," "perfect," etc.

(a) It is unfair or deceptive to use the word ''flawless'' to describe any diamond that discloses flaws, cracks, inclusions, carbon spots, clouds, internal lasering, or other blemishes or imperfections of any sort when examined under a corrected magnifier at 10-power, with adequate illumination, by a person skilled in diamond grading.

(b) It is unfair or deceptive to use the word ''perfect,'' or any representation of similar meaning, to describe any diamond unless the diamond meets the definition of ''flawless'' and is not of inferior color or make.

(c) It is unfair or deceptive to use the words ''flawless'' or ''perfect'' to describe a ring or other article of jewelry having a ''flawless'' or ''perfect'' principal diamond or diamonds, and supplementary stones that are not of such quality, unless there is a disclosure that the description applies only to the principal diamond or diamonds.

§ 23.14 Disclosure of treatments to diamonds.

A diamond is a gemstone product. Treatments to diamonds should be disclosed in the manner prescribed in § 23.24 of these guides (Disclosure of treatments to gemstones).

§ 23.15 Misuse of the term "blue white."

It is unfair or deceptive to use the term ''blue white'' or any representation of similar meaning to describe any diamond that under normal, north daylight or its equivalent shows any color or any trace of any color other than blue or bluish.

§ 23.16 Misuse of the term "properly cut," etc.

It is unfair or deceptive to use the terms ''properly cut,'' ''proper cut,'' ''modern cut,'' or any representation of similar meaning to describe any diamond that is lopsided, or is so thick or so thin in depth as to detract materially from the brilliance of the stone.

NOTE TO § 23.16: Stones that are commonly called ''fisheye'' or ''old mine'' should not be described as ''properly cut,'' ''modern cut,'' etc.

§ 23.17 Misuse of the words "brilliant" and "full cut."

It is unfair or deceptive to use the unqualified expressions ''brilliant,'' ''brilliant cut,'' or ''full cut'' to describe, identify, or refer to any diamond except a round diamond that has at least thirty-two (32) facets plus the table above the girdle and at least twenty-four (24) facets below.

NOTE TO § 23.17: Such terms should not be applied to single or rose-cut diamonds. They may be applied to emerald-(rectangular) cut, pear-shaped, heart-shaped, oval-shaped, and marquise-(pointed oval) cut diamonds meeting the above-stated facet requirements when, in immediate conjunction with the term used, the form of the diamond is disclosed.

§ 23.18 Misrepresentation of weight and "total weight."

(a) It is unfair or deceptive to misrepresent the weight of a diamond.

(b) It is unfair or deceptive to use the word ''point'' or any abbreviation in any representation, advertising, marking, or labeling to describe the weight of a diamond, unless the weight is also stated as decimal parts of a carat (e.g., 25 points or .25 carat).

NOTE TO PARAGRAPH (b): A carat is a standard unit of weight for a diamond and is equivalent to 200 milligrams (⅕ gram). A point is one one-hundredth (1/100) of a carat.

(c) If diamond weight is stated as decimal parts of a carat (e.g., .47 carat), the stated figure should be accurate to the last decimal place. If diamond weight is stated to only one decimal place (e.g., .5 carat), the stated figure should be accurate to the second decimal place (e.g., ''.5 carat'' could represent a diamond weight between .495–.504).

(d) If diamond weight is stated as fractional parts of a carat, a conspicuous disclosure of the fact that the diamond weight is not exact should be made in close proximity to the fractional representation and a disclosure of a reasonable range of weight for each fraction (or the weight tolerance being used) should also be made.

NOTE TO PARAGRAPH (d): When fractional representations of diamond weight are made, as described in paragraph (d) of this section, in catalogs or other printed materials, the disclosure of the fact that the actual diamond weight is within a specified range should be made conspicuously on every page where a fractional representation is made. Such disclosure may refer to a chart or other detailed explanation of the actual ranges used. For example, ''Diamond weights are not exact; see chart on p. X for ranges.''

§ 23.19 Definitions of various pearls.

As used in these guides, the terms set forth below have the following meanings:

(a) *Pearl:* A calcareous concretion consisting essentially of alternating concentric layers of carbonate of lime and organic material formed within the body of certain mollusks, the result of an abnormal secretory process caused by an irritation of the mantle of the mollusk following the intrusion of some foreign body inside the shell of the mollusk, or due to some abnormal physiological condition in the mollusk, neither of which has in any way been caused or induced by humans.

(b) *Cultured pearl:* The composite product created when a nucleus (usually a sphere of calcareous mollusk shell) planted by humans inside the shell or in the mantle of a mollusk is coated with nacre by the mollusk.

(c) *Imitation pearl:* A manufactured product composed of any material or materials that simulate in appearance a pearl or cultured pearl.

(d) *Seed pearl:* A small pearl, as defined in paragraph (a), that measures approximately two millimeters or less.

§ 23.20 Misuse of the word "pearl."

(a) It is unfair or deceptive to use the unqualified word ''pearl'' or any other word or phrase of like meaning to describe, identify, or refer to any object or product that is not in fact a pearl, as defined in § 23.19(a).

(b) It is unfair or deceptive to use the word ''pearl'' to describe, identify, or refer to a cultured pearl unless it is immediately preceded, with equal conspicuousness, by the word ''cultured'' or ''cultivated,'' or by some other word or phrase of like meaning, so as to indicate definitely and clearly that the product is not a pearl.

(c) It is unfair or deceptive to use the word ''pearl'' to describe, identify, or refer to an imitation pearl unless it is immediately preceded, with equal conspicuousness, by the word ''artificial,'' ''imitation,'' or ''simulated,'' or by some other word or phrase of like meaning, so as to indicate definitely and clearly that the product is not a pearl.

(d) It is unfair or deceptive to use the terms ''faux pearl,'' ''fashion pearl,'' ''Mother of Pearl,'' or any other such term to describe or qualify an imitation pearl product unless it is immediately preceded, with equal conspicuousness, by the word ''artificial,'' ''imitation,'' or ''simulated,'' or by some other word or phrase of like meaning, so as to indicate definitely and clearly that the product is not a pearl.

§ 23.21 Misuse of terms such as "cultured pearl," "seed pearl," "Oriental pearl," "natura," "kultured," "real," "synthetic," and regional designations.

(a) It is unfair or deceptive to use the term ''cultured pearl,'' ''cultivated pearl,'' or any other word, term, or phrase of like meaning to describe, identify, or refer to any imitation pearl.

(b) It is unfair or deceptive to use the term ''seed pearl'' or any word, term, or phrase of like meaning to describe, identify, or refer to a cultured or an imitation pearl, without using the appropriate qualifying term ''cultured'' (e.g., ''cultured seed pearl'') or ''simulated,'' ''artificial,'' or ''imitation'' (e.g., ''imitation seed pearl'').

(c) It is unfair or deceptive to use the term ''Oriental pearl'' or any word, term, or phrase of like meaning to describe, identify, or refer to any industry product other than a pearl taken from a salt water mollusk and of the distinctive appearance and type of pearls obtained from mollusks inhabiting the Persian Gulf and recognized in the jewelry trade as Oriental pearls.

(d) It is unfair or deceptive to use the word ''Oriental'' to describe, identify, or refer to any cultured or imitation pearl.

(e) It is unfair or deceptive to use the word ''natura,'' ''natural,'' ''nature's,'' or any word, term, or phrase of like

meaning to describe, identify, or refer to a cultured or imitation pearl. It is unfair or deceptive to use the term ''organic'' to describe, identify, or refer to an imitation pearl, unless the term is qualified in such a way as to make clear that the product is not a natural or cultured pearl.

(f) It is unfair or deceptive to use the term ''kultured,'' ''semi-cultured pearl,'' ''cultured-like,'' ''part-cultured,'' ''premature cultured pearl,'' or any word, term, or phrase of like meaning to describe, identify, or refer to an imitation pearl.

(g) It is unfair or deceptive to use the term ''South Sea pearl'' unless it describes, identifies, or refers to a pearl that is taken from a salt water mollusk of the Pacific Ocean South Sea Islands, Australia, or Southeast Asia. It is unfair or deceptive to use the term ''South Sea cultured pearl'' unless it describes, identifies, or refers to a cultured pearl formed in a salt water mollusk of the Pacific Ocean South Sea Islands, Australia, or Southeast Asia.

(h) It is unfair or deceptive to use the term ''Biwa cultured pearl'' unless it describes, identifies, or refers to cultured pearls grown in fresh water mollusks in the lakes and rivers of Japan.

(i) It is unfair or deceptive to use the word ''real,'' ''genuine,'' ''precious,'' or any word, term, or phrase of like meaning to describe, identify, or refer to any imitation pearl.

(j) It is unfair or deceptive to use the word ''synthetic'' or similar terms to describe cultured or imitation pearls.

(k) It is unfair or deceptive to use the terms ''Japanese Pearls,'' ''Chinese Pearls,'' ''Mallorca Pearls,'' or any regional designation to describe, identify, or refer to any cultured or imitation pearl, unless the term is immediately preceded, with equal conspicuousness, by the word ''cultured,'' ''artificial,'' ''imitation,'' or ''simulated,'' or by some other word or phrase of like meaning, so as to indicate definitely and clearly that the product is a cultured or imitation pearl.

§ 23.22 Misrepresentation as to cultured pearls.

It is unfair or deceptive to misrepresent the manner in which cultured pearls are produced, the size of the nucleus artificially inserted in the mollusk and included in cultured pearls, the length of time that such products remained in the mollusk, the thickness of the nacre coating, the value and quality of cultured pearls as compared with the value and quality of pearls and imitation pearls, or any other material matter relating to the formation, structure, properties, characteristics, and qualities of cultured pearls.

§ 23.23 Disclosure of treatments to pearls and cultured pearls.

It is unfair or deceptive to fail to disclose that a pearl or cultured pearl has been treated if:

(a) The treatment is not permanent. The seller should disclose that the pearl or cultured pearl has been treated and that the treatment is or may not be permanent;

(b) The treatment creates special care requirements for the pearl or cultured pearl. The seller should disclose that the pearl or cultured pearl has been treated and has special care requirements. It is also recommended that the seller disclose the special care requirements to the purchaser; or

(c) The treatment has a significant effect on the product's value. The seller should disclose that the pearl or cultured pearl has been treated.

NOTE TO § 23.23: The disclosures outlined in this section are applicable to sellers at every level of trade, as defined in § 23.0(b) of these guides, and they may be made at the point of sale prior to sale, except that where a product can be purchased without personally viewing the product (e.g., direct mail catalogs, online services, televised shopping programs), disclosure should be made in the solicitation for, or description of, the product.

§ 23.24 Disclosure of treatments to gemstones.

It is unfair or deceptive to fail to disclose that a gemstone has been treated if:

(a) The treatment is not permanent. The seller should disclose that the gemstone has been treated and that the treatment is or may not be permanent;

(b) The treatment creates special care requirements for the gemstone. The seller should disclose that the gemstone has been treated and has special care requirements. It is also recommended that the seller disclose the

special care requirements to the purchaser; or

(c) The treatment has a significant effect on the stone's value. The seller should disclose that the gemstone has been treated.

NOTE TO § 23.24: The disclosures outlined in this section are applicable to sellers at every level of trade, as defined in § 23.0(b) of these guides, and they may be made at the point of sale prior to sale, except that where a product can be purchased without personally viewing the product (e.g., direct mail catalogs, online services, televised shopping programs), disclosure should be made in the solicitation for, or description of, the product.

§ 23.25 Misuse of the words "ruby," "sapphire," "emerald," "topaz," "stone," "birthstone," "gem," "gemstone," etc.

(a) It is unfair or deceptive to use the unqualified words ''ruby,'' ''sapphire,'' ''emerald,'' ''topaz,'' or the name of any other precious or semi-precious stone to describe any product that is not in fact a mined stone of the type described.

(b) It is unfair or deceptive to use the word ''ruby,'' ''sapphire,'' ''emerald,'' ''topaz,'' or the name of any other precious or semi-precious stone, or the word ''stone,'' ''birthstone,'' ''gem,'' ''gemstone,'' or similar term to describe a laboratory-grown, laboratory-created, [manufacturer name]-created, synthetic, imitation, or simulated stone, unless such word or name is immediately preceded with equal conspicuousness by the word ''laboratory-grown,'' ''laboratory-created,'' ''[manufacturer name]-created,'' or some other word or phrase of like meaning, or by the word ''imitation'' or ''simulated,'' so as to disclose clearly the nature of the product and the fact it is not a mined gemstone.

NOTE 1 TO PARAGRAPH (b): The use of the word ''faux'' to describe a laboratory-created or imitation stone is not an adequate disclosure that the stone is not a mined stone.

NOTE 2 TO PARAGRAPH (b): Marketers may use the word ''cultured'' to describe laboratory-created gemstone products that have essentially the same optical, physical, and chemical properties as the named stone if the term (e.g., ''cultured ruby'') is qualified by a clear and conspicuous disclosure (for example, the words ''laboratory-created,'' ''laboratory-grown,'' ''[manufacturer name]-created,'' or some other word or phrase of like meaning) conveying that the product is not a mined stone. Additional guidance regarding the use of ''cultured'' to describe a laboratory-created diamond is set forth in § 23.12(c)(3).

(c) It is unfair or deceptive to use the word ''laboratory-grown,'' ''laboratory-created,'' ''[manufacturer name]-created,'' ''synthetic,'' or other word or phrase of like meaning with the name of any natural stone to describe any industry product unless such product has essentially the same optical, physical, and chemical properties as the stone named.

(d) It is unfair or deceptive to describe products made with gemstone material and any amount of filler or binder, such as lead glass, in the following way:

(1) With the unqualified word ''ruby,'' ''sapphire,'' ''emerald,'' ''topaz,'' or name of any other precious or semi-precious stone;

(2) As a ''treated ruby,'' ''treated sapphire,'' ''treated emerald,'' ''treated topaz,'' or ''treated [gemstone name]'';

(3) As a ''laboratory-grown [gemstone name],'' ''laboratory-created [gemstone name],'' ''[manufacturer name]-created [gemstone name],'' ''or ''synthetic [gemstone name];'' or

(4) As a ''composite [gemstone name],'' ''hybrid [gemstone name],'' or ''manufactured [gemstone name],'' unless the term is qualified to disclose clearly and conspicuously that the product: (A) Does not have the same characteristics as the named stone; and (B) requires special care. It is further recommended that the seller disclose the special care requirements to the purchaser.

§ 23.26 Misrepresentation as to varietal name.

(a) It is unfair or deceptive to mark or describe an industry product with the incorrect varietal name.

(b) The following are examples of markings or descriptions that may be misleading:

(1) Use of the term ''yellow emerald'' to describe golden beryl or heliodor.

(2) Use of the term ''green amethyst'' to describe prasiolite.

NOTE TO § 23.26: A varietal name is given for a division of gem species or genus based on a color, type of optical phenomenon, or

other distinguishing characteristic of appearance.

§ 23.27 Misuse of the words "real," "genuine," "natural," "precious," etc.

It is unfair or deceptive to use the word ''real,'' ''genuine,'' ''natural,'' ''precious,'' ''semi-precious,'' or similar terms to describe any industry product that is manufactured or produced artificially.

§ 23.28 Misuse of the words "flawless," "perfect," etc.

(a) It is unfair or deceptive to use the word ''flawless'' as a quality description of any gemstone that discloses blemishes, inclusions, or clarity faults of any sort when examined under a corrected magnifier at 10-power, with adequate illumination, by a person skilled in gemstone grading.

(b) It is unfair or deceptive to use the word ''perfect'' or any representation of similar meaning to describe any gemstone unless the gemstone meets the definition of ''flawless'' and is not of inferior color or make.

(c) It is unfair or deceptive to use the word ''flawless,'' ''perfect,'' or any representation of similar meaning to describe any imitation gemstone.

APPENDIX TO PART 23—EXEMPTIONS RECOGNIZED IN THE ASSAY FOR QUALITY OF GOLD ALLOY, GOLD FILLED, GOLD OVERLAY, ROLLED GOLD PLATE, SILVER, AND PLATINUM INDUSTRY PRODUCTS

(a) Exemptions recognized in the industry and not to be considered in any assay for quality of a karat gold industry product include springs, posts, and separable backs of lapel buttons, posts and nuts for attaching interchangeable ornaments, bracelet and necklace snap tongues, metallic parts completely and permanently encased in a nonmetallic covering, field pieces and bezels for lockets,[38] and wire pegs or rivets used for applying mountings and other ornaments, which mountings or ornaments shall be of the quality marked.

NOTE TO PARAGRAPH (a): Exemptions recognized in the industry and not to be considered in any assay for quality of a karat gold optical product include: the hinge assembly (barrel or other special types such as are customarily used in plastic frames); washers, bushings, and nuts of screw assemblies; dowels; springs for spring shoe straps; metal parts permanently encased in a non-metallic covering; and for oxfords,[39] coil and joint springs.

(b) Exemptions recognized in the industry and not to be considered in any assay for quality of a gold filled, gold overlay and rolled gold plate industry product, other than watchcases, include joints, catches, screws, pin stems, pins of scarf pins, hat pins, etc., field pieces and bezels for lockets, posts and separate backs of lapel buttons, bracelet and necklace snap tongues, springs, and metallic parts completely and permanently encased in a nonmetallic covering.

NOTE TO PARAGRAPH (b): Exemptions recognized in the industry and not to be considered in any assay for quality of a gold filled, gold overlay and rolled gold plate optical product include: Screws; the hinge assembly (barrel or other special types such as are customarily used in plastic frames); washers, bushings, tubes and nuts of screw assemblies; dowels; pad inserts; springs for spring shoe straps, cores and/or inner windings of comfort cable temples; metal parts permanently encased in a nonmetallic covering; and for oxfords, the handle and catch.

(c) Exemptions recognized in the industry and not to be considered in any assay for quality of a silver industry product include screws, rivets, springs, spring pins for wrist watch straps; posts and separable backs of lapel buttons; wire pegs, posts, and nuts used for applying mountings or other ornaments, which mountings or ornaments shall be of the quality marked; pin stems (e.g., of badges, brooches, emblem pins, hat pins, and scarf pins, etc.); levers for belt buckles; blades and skeletons of pocket knives; field pieces and bezels for lockets; bracelet and necklace snap tongues; any other joints, catches, or screws; and metallic parts completely and permanently encased in a nonmetallic covering.

(d) Exemptions recognized in the industry and not to be considered in any assay for quality of an industry product of silver in combination with gold include joints, catches, screws, pin stems, pins of scarf pins, hat pins, etc., posts and separable backs of lapel buttons, springs, bracelet and necklace snap tongues, and metallic parts completely

[38] Field pieces of lockets are those inner portions used as frames between the inside edges of the locket and the spaces for holding pictures. Bezels are the separable inner metal rings to hold the pictures in place.

[39] Oxfords are a form of eyeglasses where a flat spring joins the two eye rims and the tension it exerts on the nose serves to hold the unit in place. Oxfords are also referred to as pince nez.

and permanently encased in a nonmetallic covering.

(e) Exemptions recognized in the industry and not to be considered in any assay for quality of a platinum industry product include springs, winding bars, sleeves, crown cores, mechanical joint pins, screws, rivets, dust bands, detachable movement rims, hat pin stems, and bracelet and necklace snap tongues.

PART 24—GUIDES FOR SELECT LEATHER AND IMITATION LEATHER PRODUCTS

Sec.

24.0 Scope and purpose of guides.
24.1 Deception (general).
24.2 Deception as to composition.
24.3 Misuse of the terms ''waterproof,'' ''dustproof,'' ''warpproof,'' ''scuffproof,'' ''scratchproof,'' ''scuff resistant,'' or ''scratch resistant.''

AUTHORITY: 15 U.S.C. 45, 46.

SOURCE: 61 FR 51583, Oct. 3, 1996, unless otherwise noted.

§ 24.0 Scope and purpose of guides.

(a) The Guides in this part apply to the manufacture, sale, distribution, marketing, or advertising of all kinds or types of leather or simulated-leather trunks, suitcases, traveling bags, sample cases, instrument cases, brief cases, ring binders, billfolds, wallets, key cases, coin purses, card cases, French purses, dressing cases, stud boxes, tie cases, jewel boxes, travel kits, gadget bags, camera bags, ladies' handbags, shoulder bags, purses, pocketbooks, footwear, belts (when not sold as part of a garment) and similar articles (hereinafter, ''industry products'').

(b) These Guides represent administrative interpretations of laws administered by the Federal Trade Commission for the guidance of the public in conducting its affairs in conformity with legal requirements. These Guides specifically address the application of section 5 of the FTC Act (15 U.S.C. 45) to the manufacture, sale, distribution, marketing, and advertising of industry products listed in paragraph (a) of this section. They provide the basis for voluntary compliance with such laws by members of industry. Conduct inconsistent with the positions articulated in these Guides may result in corrective action by the Commission under section 5 if, after investigation, the Commission has reason to believe that the behavior falls within the scope of conduct declared unlawful by the statute.

§ 24.1 Deception (general).

It is unfair or deceptive to misrepresent, directly or by implication, the kind, grade, quality, quantity, material content, thickness, finish, serviceability, durability, price, origin, size, weight, ease of cleaning, construction, manufacture, processing, distribution, or any other material aspect of an industry product.

§ 24.2 Deception as to composition.

It is unfair or deceptive to misrepresent, directly or by implication, the composition of any industry product or part thereof. It is unfair or deceptive to use the unqualified term ''leather'' or other unqualified terms suggestive of leather to describe industry products unless the industry product so described is composed in all substantial parts of leather.[1] This section includes, but is not limited to, the following:

(a) *Imitation or simulated leather.* If all or part of an industry product is made of non-leather material that appears to be leather, the fact that the material is not leather, or the general nature of the material as something other than leather, should be disclosed. For example: Not leather; Imitation leather; Simulated leather; Vinyl; Vinyl coated fabric; or Plastic.

(b) *Embossed or processed leather.* The kind and type of leather from which an industry product is made should be disclosed when all or part of the product has been embossed, dyed, or otherwise processed so as to simulate the appearance of a different kind or type of leather. For example:

[1] For purposes of these Guides, footwear is composed of three parts: the upper, the lining and sock, and the outersole. These three parts are defined as follows: (1) The upper is the outer face of the structural element which is attached to the outersole; (2) the lining and sock are the lining of the upper and the insole, constituting the inside of the footwear article; and (3) the outersole is the bottom part of the footwear article subjected to abrasive wear and attached to the upper.