

Center for Auto Safety

1223 Dupont Circle Building Washington, D.C. 20036 (202) 659-1126

STATEMENT OF THE CENTER FOR AUTO SAFETY

in

FEDERAL TRADE COMMISSION
TRADE REGULATION RULEMAKING PROCEEDING

pertaining to
ADVERTISING OF AUTOMOBILE FUEL ECONOMY

December 4, 1974

Ladies and Gentlemen:

My name is David Morganstein and I represent the Center for Auto Safety, a non-profit public interest, research and advocacy organization. The Center strongly urges the Federal Trade Commission to establish a trade regulation rule governing the advertising and promotion of automobile fuel economy. The Center supports consumers in demanding that accurate information be readily available on basic questions of safety and economy in the automotive industry. Only an informed public can make informed decisions regarding national priorities.

If the American public is given a realistic assessment it may be able to force the automotive industry to do something it obviously has been unwilling to do voluntarily: provide a more efficient car. The average car owner can not afford the skyrocketing costs of vehicle operation. The public can not economize if it does not know how to be economical. By establishing reasonable and effective trade regulations governing automotive fuel economy advertising the Federal Trade Commission will permit an informed evaluation by the consumer.

The issue of fuel economy advertising has become too important to ignore. The Center feels that certain positive action must be taken to halt the proliferation of testing procedures and economy runs. In this maze of numbers almost every car is an economy winner somewhere. False and misleading advertising claims hinder rather than help the promotion of energy-conserving vehicles. A uniform testing procedure must be adopted which is performed by some organization outside of, and not funded by, the industry being tested. The results of these tests must be widely disseminated, included in all advertising and at point of sale, so as to provide the public with digestible information.

Uniform Testing Procedure Performed Outside The Industry

Because of the wide range of variables impinging on gas consumption, as discussed in the Federal Trade Commission report, it is difficult to inform the potential buyer of an exact economy figure. This is not necessary however, if the purpose of the regulation is to provide unbiased, comparative information. What is required is a controlled, supervised experiment which accurately submits all vehicles to the same conditions. A reliable ranking of vehicles with their available engine/drive-train combinations provides a reasonable and informed basis upon which to choose for economy. While the Center does not have the extensive expertise necessary to evaluate various testing procedures, it does seem more likely to us that a laboratory test would provide for greater control of many

factors such as weather and "road surface" conditions and thus might be preferable to track or highway testing. The crucial point, though, is that the test procedure be performed by an unbiased source concerned only with accuracy and not by the industry being tested.

Regarding the design of a testing experiment to obtain the detailed information needed, it is probably not necessary to test all combinations of models and optional equipment to arrive at the penalties incurred by them. Since much of the equipment, such as air conditioning, is used across several models, a good estimate can be determined from its effect on just a few vehicles. A prudently designed experiment can sample a relatively small number of automobiles and still arrive at representative figures of the kind we recommend. It is not the Center's purpose to present a suggested testing procedure. We leave that to those more skilled in the art but we do wish to indicate the nature of the information and a method by which we feel it should be made available.

What Information is Needed and How to Disseminate It

Once automobiles have been tested, the paramount issue is how to best make the results available to the consumer. The two obvious methods are the dealer showroom and the advertising media. The Center urges that the necessary findings be displayed to the prospective buyer in both cases.

Obviously, no single procedure will guarantee that the testing results reach the consumers hands upon entering the showroom. The Center recommends that several

formats be adopted: first, that the new car sticker contain not only the comparative mileage figure, but the engine and drive-train configuration employed to obtain that figure; second, that a concise listing of all vehicles tested, arranged in descending order of mileage results, be displayed prominently in every dealer showroom; and, third, that a compendium of all results arranged by manufacturer, crossed with various engine/drive-train configurations and including mileage penalties expected for various optional equipment be readily available in every dealer showroom. The first suggestion prevents the manufacturer from providing the unsuspecting consumer with some "typical" mileage estimate which may not be relevant to the equipment selection of his choice. The two listings should be supplied to the dealers in multiple copies; however, penalties should be imposed for dealers failing to comply with the display requirements. Probably market forces will result in automotive advertising space displaying the position of highest ranked vehicles, as was the case with the Environmental Protection Agency's results. This, of course, is exactly the kind of competition which is required if more efficient automobiles are to be encouraged.

Advertising

The Center recommends that the FTC require display of the results of a federally adopted mileage test in all new car advertising. Since gas consumption is a random process, it is difficult to designate a uniquely accurate

description of an automobile's gas consumption. If the results of a uniform, unbiased test were included in all advertising campaigns, the public could make judicious use of its buying power. The need to reduce national consumption of petroleum products has become so important that the Center feels that the gas economy of advertised automobiles must be communicated to the prospective buyer.

Advertising claims must not be allowed to muddy the important issue of fuel consumption characteristics. To simplify the presentation of the essential results would best serve both the individual consumer and the Nation. The Center asks that the FTC limit fuel economy statements to only those of the "official" standardized test. At a minimum, no manufacturer should be permitted to state his own private results without giving equal weight to the federally designated findings. These results must be displayed in equal size type in close proximity to the manufacturer's own test results and not in microscopic print at the bottom of a page. If privately obtained results are permitted, they must be accompanied by a description of the full test conditions, such as vehicle weight, equipment, driving cycle, etc..

The Center is deeply disturbed by recent allegations of some automobile manufacturers that poor automotive fuel economy is caused, not by the design and performance of their vehicles, but by federal standards promulgated to clean the air and reduce highway casualties. These intimations are no more accurate than most gas mileage advertising

claims. Let us keep one thing clear; the manufacturer's choice of design to meet the standards is his own. If he is unable or unwilling to find efficient solutions to pollution control and casualty reduction he must bear some of the responsibility rather than denigrating the essential premise. We can not be willing to save fuel by wasting lives.