

Federal Trade Commission

§ 245.1

or otherwise, that any product conforms to any applicable standard or specification. [Guide 12]

§ 243.13 Deception as to origin.

(a) Industry members should not make any direct or indirect representation which is false or likely to mislead prospective purchasers concerning the origin of either domestic or foreign industry products, or any substantial parts thereof.

(b) Industry members should clearly and conspicuously disclose that industry products, or any substantial parts thereof, were produced or manufactured in an identified foreign country when the failure to make such disclosure has the capacity and tendency or effect of deceiving prospective purchasers. Such disclosures should be in the form of a legible mark, stamp or label on the product, and any samples thereof, and should be of such size, conspicuousness and permanency as to remain noticeable and legible upon casual inspection until consumer purchase. [Guide 13]

§ 243.14 Other parts in this title 16 applicable to this industry.

The Commission has adopted Guides Against Deceptive Pricing, part 233, Guides Against Deceptive Advertising of Guarantees, part 239, and Guides Against Bait Advertising, part 238, all of which have general application and furnish additional guidance for members of the Decorative Wall Paneling Industry. Members of this industry should comply with those parts.

PART 245—GUIDES FOR THE WATCH INDUSTRY

Sec.

245.1 Definitions.

245.2 Misrepresentation in general.

245.3 Misrepresentation of metallic composition of watchcases and certain watch bands.

245.4 Misrepresentation as to durability or suitability.

245.5 Misrepresentation of protective features.

245.6 Deception as to jewels.

245.7 Misrepresentation of accessories.

245.8 Deceptive selling of used, rebuilt, or secondhand products.

245.9 Deceptive imitation, obliteration, or concealment of trade names, trademarks, and marks.

245.10 Disclosure of foreign origin of watch movements, movement parts, and related parts.

245.11 Deceptive pricing.

245.12 Commercial bribery.

245.13 Coercing purchase of one product as a prerequisite to the purchase of other products.

245.14 Misrepresentation of the character and size of business, extent of testing, etc.

245.15 Guarantees, warranties, etc.

245.16 Use of the word "free".

APPENDIX TO PART 245

AUTHORITY: Secs. 5, 6, 38 Stat. 719, as amended, 721; 15 U.S.C. 45, 46.

SOURCE: 33 FR 10332, July 19, 1968, unless otherwise noted.

§ 245.1 Definitions.

For the purpose of this part the following definitions shall apply:

(a) The term *watch* means a time-piece or time-keeping device for measuring or indicating time which is designed to be worn on or about the person.

(b) The term *watchcase* or *case* means any metal case, covering, or housing of any quality or description for a watch as defined above and shall include the back, center, lugs, bezel, pendant, crown, bow, cap, and other parts thereof, including a watch band which has been permanently affixed thereto; and unless otherwise stated, either term as used in this part applies to the case whether marketed separately or together with the movement or works.

(c) The term *accessories* means products, other than watch bands, which are affixed to and sold in combination with watchcases or watches, such as, for example, bracelets, pins, pendants, brooches, or ornaments. (NOTE: Metallic watch bands of the detachable type are subject to the provisions of the Trade Practice Rules for the Metallic Watch Band Industry, promulgated June 30, 1962, and amended June 16, 1964.)

(d) The term *mark* means any letter, figure, numeral, symbol, sign, word, or term, or any combination thereof,

which has been stamped, embossed, inscribed, or otherwise placed, on any industry product for the purpose of disclosing its metallic composition or any other material information.

(e) The term *plate* or *plated* means that a sheet or shell of metal has been applied by soldering, brazing, welding, or other mechanical means to the outer surfaces of foundation metal stock.

(f) The term *electroplate* or *electroplated* means that a coating of metal has been applied by the electrolytic method to the outer surfaces of foundation metal stock.

(g) The term *industry product* means a watch, watchcase, accessory or a part thereof.

(h) The term *industry member* means a person, firm, corporation, or organization engaged in the importation, manufacture, sale, or distribution of any industry product. [Guide 1]

§ 245.2 Misrepresentation in general.

Industry members should not use, or cause or promote the use of any promotional materials, advertising, labels, tags, marks, insignia, brand or trade names, depictions or packaging which bear, contain, or constitute representations which have the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers:

(a) With respect to the grade, quality, estimated life, appearance, substance, size, construction, novelty, composition, accuracy, dependability, imperviousness, repairability, conformance to standards, or methods of manufacture, of industry products; or

(b) With respect to the country of origin of industry products or parts thereof; or

(c) In any other material respect. [Guide 2]

§ 245.3 Misrepresentation of metallic composition of watchcases and certain watch bands.

Industry members should not directly or indirectly, in advertising, marking, labeling, in a brand or trade name, or otherwise, misrepresent the metallic composition of a watchcase. With respect to cases having an exposed surface or surfaces which are, or

have the appearance of being, metal, the metallic composition of the cases should be clearly and conspicuously disclosed in accordance with the methods and terminology set forth below:

(a) *Exclusions.* In determining the metallic composition of watchcases, parts which are necessarily required to be of steel or some other base metal may be excluded, namely, the springs, hinge pins for jointed cases, spring pins for straps or bands, separate inside movement holding rings, and crown cores.

(b) *Gold.* Watchcases which are not composed entirely of fine (24 karat)¹ gold should not be marked with the unqualified word “gold” or an abbreviation thereof.

(c) *Gold alloy.* Watchcases composed entirely of an alloy of gold of not less than 10 karat fineness¹ should be marked as “gold” or by an abbreviation thereof, and such word or abbreviation should be immediately preceded with a correct designation of the karat fineness¹ of the alloy, for example, “10 Karat Gold,” “14 Kt Gold,” “10 Kt.”

(d) *Gold filled.* Watchcases which have been plated by mechanical means with gold, or with an alloy of gold of not less than 10 karat fineness,¹ and the plating is of a thickness throughout of not less than three one-thousandths² of an inch after completion of all finishing operations, should be marked “Gold Filled”, or by an abbreviation thereof, and such term or abbreviation should be immediately preceded by a correct designation of the karat fineness¹ of the gold alloy of which the plating is composed, as, for example, “12 Karat Gold Filled”, “12 K.G.F.”

(e) *Rolled gold plate.* Watchcases which have been plated by mechanical means with gold, or with an alloy of gold of not less than 10 karat fineness,¹ and the plating is of a thickness throughout of not less than one and one-half one thousandths² of an inch upon completion of all finishing operations, should be marked “gold plate”

¹Subject to the tolerances applicable thereto under the National Stamping Act (15 U.S.C., section 294, et seq.).

²See footnote on previous page.

²Subject to permissible tolerances set forth in paragraph 1 of the appendix.