

UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION

COMMISSIONERS: Lina M. Khan, Chair
Rebecca Kelly Slaughter
Alvaro M. Bedoya

In the Matter of

CHAUCER ACCESSORIES, INC., a
corporation, also d/b/a CHAUCER
LEATHER CORP.;

BATES ACCESSORIES, INC., a corporation;
also d/b/a THOMAS BATES, TB PHELPS,
DAVID SPENCER SHOES, and CUSTOM
BRAND FOOTWEAR;

BATES RETAIL GROUP, INC., a corporation;
and

THOMAS P. BATES, individually and as an
officer of CHAUCER ACCESSORIES,
INC.; BATES ACCESSORIES, INC.; and
BATES RETAIL GROUP, INC.

DOCKET NO.

corporation with its principal office or place of business at

12. For example, Respondents' websites, including chaucerleather.com, thomasbates.com, and davidspencershoes.com, have featured banners with the claims "Made in USA" or "Hand Crafted in the USA." These claims were visible on every page of the sites.

13. Respondents also marketed their products as "Made in the USA" in catalogs and third-party online marketplaces, including amazon.com.

14. In fact, in numerous instances, Respondents' shoes, belts, and other products were wholly imported or contained significant imported content.

15. In numerous instances, Respondents represented to third-party trade customers that their private-labeled belts and accessories were made in the United States and provided those trade customers with labeling and promotional materials featuring U.S.-origin claims for use in the marketing and sale of such products.

16. In fact, in numerous instances, these products contained significant imported content.

17. Therefore, Respondents' express or implied representations that their products are all or virtually all made in the United States deceive consumers.

18. Additionally, in numerous instances, Respondents imported belt straps from Taiwan, affixed buckles to the straps in the United States, and labeled the finished belts as "Made in TTT0 ant6 (ed)-4 (b)-

24. At all times relevant to this Complaint, Respondent Bates had direct knowledge of the Corporate Respondents' overseas purchases and importation practices.

25. Respondent Bates has served as the Corporate Respondents' primary contact with CBP regarding appropriate country-of-origin labeling for imported products including, but not limited to, the belt straps described in Paragraph 18.

Count I
False or Misleading Made in USA Advertising Claims

26. In numerous instances, in connection with the advertising, promotion, offering for sale, sale, or distribution of belts, shoes, and other products, Respondents have represented, directly or indirectly, expressly or by implication, that their products are all or virtually all made in the United States.

27. In fact, in numerous instances in which Respondents have made the representations set forth in Paragraph 26, Respondents' products were not all or virtually all made in the United States. Indeed, in numerous instances they were wholly imported or incorporated significant imported components.

28. Therefore, Respondents' representations as set forth in Paragraph 26 are false or misleading, or were not substantiated at the time the representations were made.

Count II
False or Misleading Made in USA from Global Materials Advertising Claims

29. In numerous instances, in connection with the advertising, promotion, offering for sale, sale, or distribution of seven styles of belts, Respondents have represented, directly or indirectly, expressly or by implication, that those belts are "Made in USA from Global Materials."

30. In fact, in numerous instances in which Respondents have made the representations set forth in Paragraph 29, Respondents' products were not "Made in USA from Global Materials." Indeed, in numerous instances they were wholly imported with *de minimis* finishing in the United States.

31. Therefore, Respondents' representations as set forth in Paragraph 29 are false or misleading, or were not substantiated at the time the representations were made.

Count III
Means and Instrumentalities

32. Respondents have distributed the promotional materials described in Paragraph 26 to trade customers for use in the marketing and sale of Respondents' products, including private-labeled products. In so doing, Respondents have provided the means and instrumentalities to these trade customers for the commission of deceptive acts or practices.

Violation of Section 5

33. The acts and practices of Respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this _____ day of _____, 20__, has issued this Complaint against Respondents.

By the Commission.

[April J. Tabor]
Secretary

SEAL: