UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
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Bureau of Consumer Protection
Division of Enforcement

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In some instances when a product is last substantially transformed in the USA but contains more than de minimis imported content, a marketer may be able to make a qualified claim that conveys truthful information about U.S. processes or content without implying the product is "all or virtually all" made in the United States. A marketer may make any qualified claim that is truthful and substantiated, including one that generally alerts consumers to the existence of foreign content in the product (e.g., "Made in USA of Imported Parts"), one that identifies the particular countries from which the parts came ("Made in USA from French and Korean Parts"), or one that specifies the proportion of the product that comes from the U.S. (e.g., "60% U.S. Content").[3]

Alternatively, a marketer may advertise a product as "Assembled in USA" provided the product is last substantially transformed in the USA, its principal assembly takes place in the USA, and United States assembly operations are substantial.[4] In most cases, marketers need not qualify "Assembled in USA" claims with information about the origin of the parts or materials the product contains. The FTC reminds marketers that when a product is last substantially transformed abroad and thus required by Customs and Border Protection ("CBP") to be marked with a foreign country of origin, "it would be inappropriate, and confusing," to make a U.S. origin claim.[5]

Marketers should remain aware that different analyses or considerations may apply to products covered by specific labeling laws or rules. During our inquiry, LSI disclosed it sells a small number of wholly imported textile products on its website. These products include t-shirts and sweatshirts incorporating Company logos and insignias and are designed to promote the LSI brand.

Apparel products are generally covered by the Textile Fiber Products Identification Act, 15 U.S.C. §§ 70-70k (the "Textile Act") and implementing Rules (the "Textile Rules"). Although U.S.-origin claims are optional for most products, products covered by the Textile Act and Rules are subject to mandatory country-of-origin labeling requirements, including requirements to disclose use of imported fabric.[6] Moreover, the Textile Rules set forth specific factors for marketers to apply in deciding whether to mark a product as of U.S. origin, which differ from the "all or virtually all" analysis applied to claims for products in other categories.[7] Finally, the Textile Act and Rules require marketers to disclose product origin in "mail order

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violation.

[3] Id. at 63769.

[4] Id. at 63770.

[5] Id.

[6] See 16 C.F.R. §§ 303.15(b); 303.16 (requiring a "conspicuous and readily accessible [country of origin] label or labels on the inside or outside of the product"). Disclosure requirements apply regardless of whether products originated in the USA or abroad.

[7] Specifically, 16 C.F.R. § 303.33 states that marketers need only consider the origin of materials that are one step removed from the particular manufacturing process. See FTC, Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts, https://www.ftc.gov/tips-advice/business-center/guidance/threading-your-way-through-labeling-requirements-under-textile.