

Bureau of Consumer Protection Division of Enforcement

> Julia Solomon Ensor Attorney

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December 7, 2022

VIA EMAIL

Luke Alverson, Esq. Senior VP, General Counsel & Secretary CSW Industrials, Inc. 5420 Lyndon B. Johnson Freeway, Suite 500 Dallas, Texas 75240

Dear Mr. Alverson:

We received your submissions on behalf of CSW Industrials, Inc., d/b/a Smoke Guard, Inc. ("Smoke Guard" or the "Company"). During our review, we discussed concerns that marketing materials may have overstated the extent to which Smoke Guard's fire and smoke protection products are made in the United States. Specifically, among other things, certain Smoke Guard products incorporate significant imported materials.

As discussed, unqualified U.S.-origin claims in marketing materials – including claims that products are "Made" or "Built" in the USA – likely suggest to consumers that the products advertised in those materials are "all or virtually all" made in the United States.¹ The Commission may analyze a number of different factors to determine whether a product is "all or virtually all" made in the United States, including the proportion of the product's total manufacturing costs attributable to U.S. parts and processing, how far removed any foreign content is from the finished product, and the importance of the foreign content or processing to the overall function of the product. The "all or virtually all" standard is codified in

For a product that is substantially transformed in the United States, but not "all or

was no violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. The Commission reserves the right to take such further action as the public interest may require. If you have any questions, please feel free to call.

Sincerely,

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Julia Solomon Ensor, Staff Attorney

Lashanda Freeman, Senior Investigator