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July 8, 2013

Secretary Donald S. Clark
Federal Trade Commission
Office of the Secretary
Room H-113
600 Pennsylvania Avenue, NW
Washington, DC 20580

RE: Notice of Proposed Rulemaking: Rules and Regulations Under the Textile Fiber Products Identification Act (16 CFR Part 303, Project No. P948404) (Federal Register Vol. 78, No. 97 May 20, 2013).

Dear Secretary Clark,

On behalf of the American Apparel & Footwear Association (AAFA), I am submitting the following comments in response to the notice of proposed rulemaking and request for public comment in regards to the Federal Trade Commission's (FTC) *Rules and Regulations Under the Textile Fiber Products Identification Act* (16 CFR Part 303), as posted in the *Federal Register* May 20, 2013.

AAFA is the national trade association representing apparel, footwear, and other sewn products companies, and their suppliers, which compete in the global market. Our membership consists of 427 American companies which represent one of the largest consumer segments in the United States. The apparel and footwear industry overall represents \$360 billion in annual domestic sales and sustains more than four million American jobs.

AAFA's mission is to promote and enhance our members' competitiveness, productivity and profitability in the global market by minimizing regulatory, legal, commercial, political, and trade restraints. Our member companies manufacture all types of apparel and footwear and are located in virtually every state in the US. They source and distribute products worldwide. For this reason, we understand the importance of correctly labeling and marketing products for consumers and have a strong interest in the rules being discussed now within the Commission.

As stated in the comments we submitted on February 2, 2012 in response to the Advanced Notice of Proposed Rulemaking, we believe the use of labels on textiles and apparel is beneficial to consumers, manufacturers, and business in general as it allows for the necessary flow of information along the commodity chain. Proper identification of the fiber content of an item may help in a consumer's decision to purchase the item. In addition, it allows manufacturers to clearly and honestly display information relating to the quality of the product they are making and selling.

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AAFA values the partnership we have had with the Commission in the past and have supported efforts to clarify regulations including the publication of *Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts*. We applaud the Commission for examining these regulations and appreciate the opportunity to voice the concerns of our members and of our industry.

Below, please find AAFA's comments of a few specific points of the proposed rules:

The Updated ISO Standard for Man-Made Fiber Names

We are extremely pleased to see the Commission has made the decision to amend section 303.7 to incorporate the revised ISO standard: ISO 2076:2010(E), "Textiles – Man-made fibres – Generic names." Adopting the updated standard allows American companies to remain at the forefront of global trade. Additionally, the universal standardization of generic fiber names removes the threat of miscommunication among manufacturers and thus between manufacturers and consumers. Of course, as the current standard will inevitably be replaced by newer versions in years to come, we encourage the Commission to continuously look at updating the requirements under section 303.7 to keep up with the times.

Trimmings and Ornamentation

In our previous comments, we acknowledged the confusion many companies have faced in regards to defining exemptions for trimmings and ornamentation. The *Threading Your Way... Guide* states "There is some overlap between the definitions of "ornamentation" and "trimmings." There also appears to be overlap in the treatment of ornamentation or decoration. We are pleased the Commission staff responded to our recommendation to provide continued advice and educational materials on how to properly label products with decorative trim and ornamentation. AAFA would look forward to working with the Commission on this project should the opportunity arise.

Disclosure Requirements Applicable to Hang-Tags and Advertisements

We also welcome the Commission's decision to amend section 303.17(b) allowing manufacturers to attach hang-tags to a product without the need to include full fiber content information on the hang-tag, provided all information included on the hang-tag is truthful and non-deceptive and provided the product has a label with full fiber content information as required by the *Textile Fiber Products Identification Act*. As the Commission noted, this amendment could lower compliance costs, and remove redundancy, while still providing ample information to consumers.

Prescribed Forms for Continuing Guaranties

While we agree with the Commission's desire to provide consumers with reliable information, we strongly disagree with the proposal to require continuing guaranties be renewed annually. The Commission is correct in stating the form is relatively simple to fill out. However, filling out the form is actually a minor part of the problem companies have faced in relation to continuing guaranties. The process of filing the continuing guaranty and exchanging the continuing guaranty from each vendor to the Commission then to the buyers and the retailers is often a very difficult process lacking communication.

Not only are vendors faced with the clerical nightmare of keeping up with the guaranties which have been filed, but buyers struggle with obtaining the guaranties from the Commission. Some AAFA member companies have received a continuing guaranty within one week of requesting it, while others have waited three months. In one instance, a company called AAFA for assistance in getting a copy of the continuing guaranty it had filed less than one year prior. It took two weeks' worth of phone calls to numerous

Commission staff members to finally find the correct person to aid in retrieving a copy of the guaranty. While the Commission staff was exceptionally courteous, it was a frustrating experience.

The Commission claims requiring continuing guaranty certifications to be renewed annually will impose minimal additional costs on businesses. We believe these costs will actually be extensive considering the time and effort needed to complete the task. One AAFA member company estimates spending 5-8 hours on each continuing guaranty it files. Most companies file dozens of continuing guaranties, with many filing hundreds. Requiring annual renewals may become unmanageable for companies who need to file continuing guaranties for a large number of products.

In addition to these comments, AAFA, once again, joined with several other associations whose combined membership comprises the entire supply and retail chain for the products covered by the *Rules and Regulations Under the Textile Fiber Products Identification Act*. For more information on the specific questions posed by the Commission in the May 20, 2013 *Federal Register* Notice, please see these joint comments.

Thank you for your time and consideration on this important matter. If you need any additional information, please feel free to contact me or Marie D'Avignon at mdavignon@wewear.org or 703-797-9038.

Sincerely,

Kevin Burke
President & CEO
American Apparel & Footwear Association