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July 22, 2013

By Electronic Filing

Federal Trade Commission Office of the Secretary Room H-113 (Annex O) 600 Pennsylvania Avenue, N.W. Washington, DC 20580

Re: Fur Rules Review, 16 C.F.R. § 301, Matter No. P074201

Dear Sir or Madam:

Enclosed are the comments of Fur Information Council of America's ("FICA") in response to the Federal Trade Commission's request for comments on the topic of the Fur Rules Review Matter No. P074201.

We appreciate the work the Commission is doing and its attention to this matter.

Sincerely,

L'aurence J. Laso

Christie G. Thompson

Counsel

Fur Information Council of America

Comments of the Fur Information Council of America in Response to the Federal Trade Commission Request for Comments on Fur Rules Review Matter, 16 C.F.R. § 301, No. P074201

The Fur Information Council of America ("FICA") is pleased to provide these comments for the record in response to the Federal Trade Commission's ("FTC" or "Commission") request for public comment on the Fur Rules Review Matter No. P074201.¹

FICA was founded in 1987 and is the largest fur industry trade association representing fur retailers and manufacturers across the U.S. FICA members collectively account for over 80% of U.S. retail fur sales. FICA's 35 member board of directors includes the CEOs of the nation's largest fur retailers, manufacturers, and auction houses, as well as wildlife management and agricultural experts. FICA provides the public with information on the fur industry, wildlife conservation and responsible animal care to which the fur industry is committed.

FICA and its member companies support the Commission's efforts to harmonize the requirements of the Textile Fiber Products Identification Act ("Textile Act") and the Fur Products Labeling Act. In particular, FICA agrees with the elimination of the "penalty of perjury" language on the continuing guaranty forms and the implementation of certification language. FICA also appreciates the Commission's acknowledgement that electronic signatures are valid and with the addition of the printed name and address language to meet the signature requirements relative to the guarantees. FICA also applauds the Commission's recognition of the incongruity between the statute's requirement that the guaranty be provided by persons residing in the U.S. and the use of global suppliers with the release of the updated enforcement policy in January 2013.

FICA is opposed to the Commission's proposed annual renewal requirement for continuing guarantees. The Commission suggests that annual renewal will not add to the administrative burden of the parties involved but does not provide any substantiation for this calculation. In contrast, annual renewal of the guaranty would increase compliance burdens throughout the supply chain with regard to administering the requirement and filing the documentation with the FTC. Further, annual renewal of the continuing guaranty for fur, textiles, and presumably wool is inconsistent with other guarantees that commonly incorporated into vendor agreements and terms and conditions of sale with retailers, such as those found in the Federal Hazardous Substances Act, the Flammable Fabrics Act, the Food Drug and Cosmetic Act, which do not require annual renewal. One side effect of this proposed change could be that retailers and vendors would have to change their vendor agreements or terms and conditions language to provide for annual renewal, thereby increasing the administrative burdens and cost.

Annual renewal would also increase the administrative burden on the FTC staff. The current process for obtaining information regarding whether a continuing guaranty has been filed is cumbersome insofar as there is no publicly-available, searchable database of filed guarantees and response time for requests for information and documentation varies considerably. Annual renewal would only compound this burden as well as the costs for all involved parties.

Federal Trade Commission, Fur Products Labeling Act; Supplemental Notice of Proposed Rulemaking Request for Comment, 78 Federal Register 36693 (June 19, 2013).

The Commission also asserts that annual renewal is necessary to provide the needed assurances of reliability in the absence of a sworn statement. The certification still requires parties to certify to steps not yet taken, however. The change simply removes the criminal element from the equation, which the Commission acknowledges was legally problematic. In sum, annual renewal would provide no greater protection than is already provided through the current process.

* * *

FICA appreciates this opportunity to share its views and stands ready to participate in continued work of the FTC staff.