



CCMI

CASHMERE AND CAMEL HAIR
MANUFACTURERS INSTITUTE

3 Post Office Square

8th Floor

Boston, MA 02110 USA

Telephone: +1 617 542 7481

E-mail: jlomas@cashmere.org

Viale Sarca, 223

20126 Milano, Italy

Telephone: +39 02 66107387

Fax: +39 02 93664058

E-mail: amanferrari@cashmere.org

3-17-18-501 Jiyugaoka Meguro

Tokyo 152-0035 Japan

Telephone/Fax: +81 (0) 3 3723 9629

Mobile: +81 (0) 90 3489 7201

E-mail: kshimizu@cashmere.org

Web Site: www.cashmere.org

November 19, 2013

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

Dear Sir or Madam:

Wool Rules, 16 CFR Part 300, Project No. P124201

These comments are submitted on behalf of the Cashmere and Camel Hair Manufacturers Institute ("CCMI"), the International Wool Textile Organisation ("IWTO"), and the National Council of Textile Organizations ("NCTO") in response to the notice in the *Federal Register* September 20, 2012, (78 FR 57808) *Rules and Regulations Under the Wool Products Labeling Act of 1939; Notice of proposed rulemaking*. CCMI is a New York not-for-profit corporation with offices in Boston, Milan, and Tokyo. CCMI's mission is to promote the use of genuine cashmere, camel hair, and superfine wool products and protect the interests of manufacturers, retailers and consumers of these products. IWTO, based in Brussels and established in 1927, is custodian of the rules and regulations of the global wool textile industry. The organization's advisers and technical committees established the Super S Code of Practice, hereby referred to, in the year 2006 - a key element of its work is quality assurance and standardization for the worsted industry. NCTO is a unique association representing the entire spectrum of the textile industry in the United States. From fibers to finished products, machinery manufacturers to power suppliers, NCTO is the voice of the U.S. textile industry.

When the 2012 review of the Wool Rules was announced, CCMI drafted comments that were submitted March 26, 2012, jointly by the American Manufacturing Trade Action Coalition, American Sheep Industry Association, Cashmere and Camel Hair Manufacturers Institute, the National Council of Textile Organizations, and the National Textile Association. We are pleased to see that the Proposed Rule incorporates some of our recommendations in whole or in part.

We are pleased that the Commission has agreed that there is a continuing need for the Wool Rules, that the Rules need to be updated to implement the Wool Suit Fabric Labeling Fairness and International Standards Conforming Act and modified to reflect some changes in business practices.

We agree with the Commission's clarification that hair of a cashmere goat that does not meet the Act's definition of cashmere is to be labeled "wool."

We are pleased that in the case of the "Super" numbers correlating to the fiber diameter of very fine wools the Commission accepted our recommendation that no deviations or tolerances be established.

Regarding the Commission's questions 2(A) through (C), relating to the "Super" numbers, we submit --

(A) To what extent do labels use "Super" or "S" numbers to describe wool products containing very fine wool?

As we stated in our earlier comments, we found, from 2004, when we first began monitoring the U.S. market for suits, through 2006, widespread use of the "Super" numbers, nearly all of which were out of compliance with the Conforming Act of 2006. We found widespread mislabeling continuing in 2007 and 2008 as well. But by 2009 the trade had been educated as to the substantial penalty for fraudulent misstating of wool fiber diameter. We continued, in 2009 and 2010, to purchase garments in stores and through catalogs and found that "Super" claims were made less frequently and that when they are made they could largely be relied on. In 2012 CCMI staff walked through various stores in Atlanta, Boston, Charlotte, and New York areas and found that labels, generally, do not use the "Super" numbers. Terms found on the labels were "100% wool," "worsted wool," "fine worsted wool," "fine Italian wool," and "Superfine 100% wool." In the U.S. mislabeling still exists in smaller stores, but is largely absent from reputable chains and department stores. This trend, in the case of in-store purchases, has continued in 2013. Note, however, the mislabeling is widespread and flagrant on the Internet, a new focus for CCMI's efforts. Starting in 2013 CCMI has begun to purchase garments through online retailers, in addition to in-store and catalog purchases. Although the accuracy of the "Super" numbers is now better than it was prior to the 2006 Conforming Act, we nevertheless did find 20% of garments tested to be mislabeled as to wool fiber diameter. Mislabeling of online purchases is particularly egregious, including 100% man-made fiber garments labeled "Super 150's wool."

(B) How do consumers interpret "Super" or "S" numbers?

We know how the wool industry, internationally -- fiber, yarn, fabric, and apparel -- interprets the "Super" numbers because the table of correspondence between "Super" number and fiber diameter was developed by the International Wool Textile Organisation, the world-wide wool industry organization. We urge the Commission to undertake a consumer study to ascertain how consumers interpret the numbers.

(C) Should the Commission amend the Rule to address labeling using the "Super" and "S" numbers to describe wool products containing very fine wool? If so, why and how?

We support the Commission's proposal to add a new Section 300.20a "Labeling of very fine wool." However the proposed section merely inserts the text of the Conforming Act without addressing some questions regarding the use of the "Super" numbers.

Earlier we raised the question of a wool article with warp yarns of one fiber diameter and filler yarns of another. We suggested that in such a case the numbers be averaged. We know that this is what many in the wool trade believes is the correct method. Absent guidance from the Commission we lack assurance that an article so labeled is in compliance with the Rules. Therefore we again ask the Commission to address this question in the Rules. We are happy to arrange for knowledgeable industry personnel to be surveyed or interviewed on this topic by the Commission. Consumer interpretation would best be garnered from the consumer survey we suggested above.

We also request the Commission address an abuse of the "Super" numbers. Suits containing no wool, but rather 100% man-made fiber, should not be permitted to be labeled "Super 120s" and the like. We believe this a violation of the Conforming Act, which should be addressed in the Rules. We understand that the Commission cannot accept our earlier suggestion that "Super" numbers be restricted to the wool of sheep or lambs because the Wool Act itself has a broader definition of "wool." But in our review of the Commission's responses we do not see clearly addressed the abuse of the "Super" numbers in the case of articles with no wool. As we stated in our earlier submission, the "Super" numbers were developed to describe the fiber diameter of wool, fibers other than wool (silk, cotton, other vegetable fibers, or man-made fibers) of the same diameter as wool will have very different performance characteristics. A "Super" number on a garment is a representation that the garment contains wool of the corresponding fiber diameter, therefore, such a misuse of the "Super" number is a violation of the Wool Product Labeling Act.

Thank you for your consideration of these comments.

Sincerely yours,

Karl Spilhaus
President
Cashmere and Camel Hair Manufacturers Institute
3 Post Office Square, 8th Floor, Boston, MA 02110