1	FEDERAL TRADE COMMISSION
2	
3	
4	
5	
6	
7	HEARING: FUR NAME GUIDE REVIEW
8	
9	DECEMBER 6, 2011
10	
11	
12	
13	
14	
15	Federal Trade Commission
16	601 New Jersey Avenue, N. W., Conference Center
17	Washington, DC
18	
19	
20	
21	
22	
23	
24	
25	

1	FEDERAL TRADE COMMISSIC	N
2	<u>I N D E X</u>	
3		
4	Agenda Item	<u>Page</u>
5	Introductory Remarks	3
6	Issue 1	8
7	Issue 2	35
8	Issue 3	86
9	Issue 4	108
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

## INTRODUCTORY REMARKS

MR. WILSHIRE: Okay, we're ready to get started. Good morning, everybody. I think I've introduced myself to most of you, but just in case I haven't, my name is Matt Wilshire. I'm a staff attorney at the Federal Trade Commission. And this is the public hearing on the Fur Names Guide Review.

A couple -- I want to just give you a couple -- run through a couple preliminary things, and then as you can see on the agenda, we're going to get into the substance in about 10 minutes.

First off, because this is a public hearing, we have a court reporter, so it's important that everybody speak clearly and into the microphone, as you see me doing somewhat awkwardly. Get as close as you can. It will be much better for the court reporter. We want to make sure we get an accurate recording of everything that's going on. Also, we are audio recording this hearing, so, again, it's important that people speak into the microphone so everything gets taken down clearly.

Let's see, second thing, as you can see in the agenda, we're trying to devote enough time to discuss all of the issues that were -- all of the major issues raised in the comments regarding the Guide, so it's really -- to make sure we have time to fully discuss every issue, it's

really critical that we start on time and end on time for each session.

You'll see we built in a break, a 10-minute break at 9:50. I know sometimes 10-minute breaks turn into 15-minute breaks, 20-minute breaks. That's not how we run things here, and so I just want to assure that we will start without you if you're not back. It's not the end of the world if you don't come from the break, we won't lock the doors, but we're going to start right back on issue -- right back on issue three at 11:00. Okay? So, and I think I said 9:50 for the break, that was actually 10:50. I apologize.

Let's see. We are also welcoming questions and comments from the audience. We'll have time for that at the end of each session. If you'd like to -- if you have a question or a comment, please just raise your hand, we'll have somebody bring a microphone to you. I think one of our paralegals will be in the room shortly to do that. And that will also be part of the record.

If you're an audience member, I'd really appreciate it if you could spell your name before your comment or question for the benefit of the court reporter and identify anything else about yourself if you're representing an organization or a group.

Let's see. Most important, the restrooms,

everybody probably wants to know, if you go out of the conference center and then towards the quards' desk and then just to the left of the guards' desk but not near the -- but don't try to go through the gated area. You'll see there's a place for ID badges, that won't But there's a hallway between that and the quards' desk, and there's a little sign that says "restrooms this way." Just follow those signs and you'll find the restrooms, men's and women's. You already know about the water outside.

And then, finally, I have to give you a security briefing. This is important stuff just in case an emergency or something like that happens. So, first off, anyone that goes outside the building without an FTC badge, which is basically all of us, will be required to go through the magnetometer, an x-ray machine, prior to reentering the conference center.

Two, in the event of fire or evacuation of the building, please leave the building in an orderly fashion. Once outside the building, you need to orient yourself to New Jersey Avenue. Across from the FTC is Georgetown Law Center. Look to the right, front sidewalk. That's our rallying point. Everyone will rally by floors. You need to check in with the person accounting for everyone, that'll be me, in the conference

1	center. In the event that it is safer to remain inside,
2	you will be told where to go inside the building.
3	Four, if you spot suspicious activity, please
4	alert security. And, finally, this event is open to the
5	public and may be photographed or videotaped, webcast or
6	otherwise recorded. By participating in this event, you
7	are agreeing that your image and anything you say or
8	submit may be posted indefinitely at ftc.gov or one of
9	the Commission's publicly available social media sites.
LO	Okay? So, with that out of the way, what I'd
L1	like to do before we get started is to have everybody at
L2	the table go around and introduce themselves and tell us
L3	where you're from and who you're representing.
L4	MS. GRYMES: Christie Grymes from Kelley, Drye,
L5	on behalf of the Fur Information Council of America.
L6	MS. BERNSTEIN: Jodie Bernstein of Kelley, Drye
L7	with the same organization.
L8	MR. ROSS: Charlie Ross from Finnish Fur Sales
L9	and Fur Information Council of America.
20	MR. LASOFF: Larry Lasoff from Kelley, Drye,
21	and I'm counsel to the Fur Information Council of
22	America.
23	DR. GARDNER: Alfred Gardner, USGS. I'm
24	curator of North American Mammals at the National Museum,

25

Smithsonian.

Τ	MS. LYNN: Snaron Lynn With the U.S. Fish and
2	Wildlife Service Office of Law Enforcement.
3	MR. WILSHIRE: Once again, I'm Matthew Wilshire
4	from the Federal Trade Commission.
5	MS. KIM: Laura Kim, also with the Federal
6	Trade Commission.
7	DR. BUTLER: Tracye Butler with United States
8	Department of Agriculture, Animal/Plant Health Inspection
9	Service.
LO	MR. AUTOR: Eric Autor, International Trade
L1	Council of the National Retail Federation.
L2	MR. HENRY: Ralph Henry, Sr., Attorney with the
L3	Humane Society of the United States.
L4	MR. GRZYBOWSKI: Pierre Grzybowski. I'm the
L5	Research and Enforcement Manager for the Humane Society
L6	of the United States.
L7	MR. WILSHIRE: Thank you. Now, before we
L8	begin, I also wanted to let you know how we're going to
L9	proceed. We'll start with a topic that's listed out in
20	the agenda, and we'll ask for views on these questions,
21	and we'll start we'll alternate as to who goes first.
22	We'll go around the table the first time, getting
23	people's views. If you don't it's okay if you don't
24	have anything to contribute. You can just decline to
25	state anything at that time.

1	Afterwards, we'll have questions for people,
2	and if somebody else we'll probably direct those
3	questions to a specific person, but if somebody else has
4	a view they want to contribute, please let us know. The
5	easy way to do this, most of you have these name these
6	very, very fancy and well-put-together name plates. Just
7	turn them right side up like I'm doing, and that'll
8	indicate that you have something to say.

Dr. Gardner, if you just want to raise your hand, that's fine, if you have a comment or a question you'd like to add.

And, finally, I think I mentioned this already, but again, I want to reiterate, there will be time at each session for comments and questions from the audience.

ISSUE 1 16

9

10

11

12

13

14

15

17

18

19

20

21

22

23

24

25

All right, let's get started. MR. WILSHIRE: The first issue we have is the appropriateness of using the integrated taxonomic information system, otherwise known as ITIS, to determine an animal's true English And I wanted to start with the Humane Society on this one. Your comment supported using ITIS as a method of determination -- determining an animal's true English Could you please explain why you think that's appropriate.

MR. HENRY: Sure, this is Ralph Henry. The integrated taxonomic identification system is a result of a partnership of Federal Government agencies formed to satisfy the need for scientifically credible taxonomic information. The primary purpose of the Fur Products Labeling Act is to provide a uniform and accurate labeling system for fur products so that consumers are presented with consistent and accurate representations about the source of the fur included in these products. Accuracy and uniformity should thus be paramount, and using ITIS would satisfy this goal.

Among the Government agencies formed as partners in the ITIS system include organizations that are represented here today: the Fish and Wildlife Service, Smithsonian Institution, United States Geological Survey, among others. ITIS partners are neutral on the issue of how a particular industry, including the fur industry, identifies its products. They have no specific interest in the use of any particular common or scientific name. Their only interest is accuracy and uniformity.

Clearly, updating the Name Guide once every 50 years is insufficient. Several of the entries in the Name Guide are no longer the accepted common name, appear never to have been accepted common names, appear to be

trade names, and would not properly inform consumers.

So, ITIS forms a great jumping off point for the agency to review and update the Name Guide on a more regular basis than once every half-century.

By using ITIS as a basis for its Name Guide, there would be much less burden on the Federal Trade Commission in updating the Name Guide. An ITIS website is a good resource for fur retailers, manufacturers, designers, and the consuming public to get accurate information about what fur products contain.

Lastly, this whole exercise, this hearing, these written comments, are exactly what the FPLA seeks to avoid; that is, names being chosen based on special interests, interests of the fur industry or anyone else, rather than the interest of providing accurate information to consumers. The FPLA requires that the true English name of each species be used and, again, that the paramount concern of consumer information be met. ITIS meets these two requirements. Thank you.

MR. WILSHIRE: I'd like to ask a follow-up question before we move to any other commenters. In terms of assisting consumers with their purchasing decisions, how would using the ITIS names assist them in understanding what they're purchasing and helping them make those decisions?

MR. HENRY: Sure. In the initial hearings leading up to the legislation, passing of FPLA, and in the hearings leading up to the passage of the first Name Guide, it was clear that the fur industry was using all kinds of various made-up, fictitious names to up sell its products to the industry. Consumers need one place to go to find the names that they need to reference, but if that place is the Name Guide only and it's stagnant and it's buried in the Code of Federal Regulations, it can be difficult for consumers to access that information and trust that it is updated and accurate.

The ITIS website is regularly accessible to consumers across the country, is easily accessed, is updated on a regular basis. And, so, this is something where consumers, if they learn about a particular species of animal through a fur advertisement, by visiting a zoological institution, through educational textbooks or government websites, can go to this website and see what the name of that particular species would be for purposes of fur products purchasing.

MR. WILSHIRE: Okay, thank you. And for the record, FPLA, you're referring to Fur Products Labeling Act.

MR. HENRY: Yes. Excuse me.

MR. WILSHIRE: That's all right.

1	Okay, I'd like to move to the National Retail
2	Federation, if they have any comments or views?
3	MR. AUTOR: Well, I think any comments that I
4	have on this would probably more appropriately fall under
5	issue two, but
6	MR. WILSHIRE: Okay, well, why don't we hold
7	those until then, if that's okay.
8	MR. AUTOR: Okay.
9	MR. WILSHIRE: Dr. Butler, do you have any
10	views on this issue about the appropriateness of using
11	the ITIS system for the purpose of fur labeling?
12	DR. BUTLER: I feel I think that with regard
13	to USDA, if there is a particular animal species that is
14	being requested to be imported, I work with
15	import/export, if there is one place where a person can
16	find the actual scientific name of the species, then it
17	avoids confusion that we might have, so that's about the
18	only comment I have.
19	MR. WILSHIRE: Okay, thank you.
20	Let's see, Ms. Lynn, I wanted to ask you the
21	same question we asked Dr. Butler about if you have views
22	on the appropriateness of using ITIS as a mechanism for
23	fur product names.
24	MS. LYNN: Well, the Fish and Wildlife Services
25	views ITIS as a good resource; however, it is has no

Τ.	regar binding for regulation, so, those scientific names
2	are put in regulation and statute, and that's what we
3	would go by, not a common name. When animals or products
4	are imported and exported, they are required to give us a
5	scientific name, not a common name.
6	MR. WILSHIRE: Let me ask a follow-up question,
7	then. Does ITIS reflect, in your view, a scientific
8	consensus about common names for a specific species?
9	MS. LYNN: From my experience, no. Also, ITIS
LO	does not agree with other like the Convention on
L1	International Trade of Endangered Species, they don't
L2	have they're not matched up. And then also the names
L3	under the Endangered Species Act are different. And if
L4	there is a time where ITIS gets or whatever they
L5	decide to do to match up the names, the next Convention
L6	on the International Trade of Endangered Species, the
L7	conference of parties for that, if they change
L8	nomenclature, then that changes it again. So, there's
L9	always going to be some disconnect with the names.
20	MR. WILSHIRE: Okay, thank you.
21	Dr. Gardner, do you have any views on that
22	topic?
23	DR. GARDNER: As a supposed expert on ITIS,
24	since I have been consulted about many of the names, I'd
25	like to point out that when scientists are consulted

1	about their names, their primary focus is on the
2	scientific name, not on the common name.
3	MR. WILSHIRE: Okay.
4	DR. GARDNER: And their use of common names
5	outside of wildlife, the wildlife management field, is
6	not very consistent.
7	MR. WILSHIRE: Okay, thank you very much.
8	Move over to the Fur representatives of the
9	Fur Information Council and Finnish Fur.
10	MR. LASOFF: I'll speak.
11	MR. WILSHIRE: Sure, okay.
12	MR. LASOFF: Larry Lasoff from Kelley, Drye. I
13	think it's important to put into the record the
14	disclaimer that's written, you know, under the ITIS
15	website, the ITIS taxonomy is based on the latest
16	scientific consensus available
17	MR. WILSHIRE: I'm sorry, Mr. Lasoff, could you
18	speak just a little bit closer to the microphone.
19	Also, can people in the back hear? Good, okay.
20	Thank you very much.
21	MR. LASOFF: ITIS taxonomy okay, as I said,
22	there is a disclaimer that's set forth in the ITIS
23	website: ITIS taxonomy is based on the latest scientific
24	consensus available and provided as a general reference
25	source for interested party; however, it is not a legal

authority for statutory or regulatory purposes. That's already been said. While every effort has been made to provide the most reliable and up-to-date information available, ultimate legal requirements with respect to species that are contained in provisions of treaties of which the United States is a party, wildlife statutes, regulations, and any applicable notices that have been published in the Federal Register.

government by scientists involved in wildlife regulatory issue. It is not intended to regulate the sale of fur in the retail marketplace, as is required by the Fur Products Labeling Act. Moreover, if the use of a term can cause confusion, as has the term that is being really the source of the hearing today, this is the obligation of the FTC to evaluate this under the context of its own statute and what is deceptive, what is not deceptive, how the product is being marketed.

The bottom line is regardless what certain scientists say is a common name, and we've heard, you know, already from representatives who serve on these committees, that there is often very little -- there is not consensus on what constitutes a common name. And it's really the role of the FTC to evaluate what is to be said in the marketplace and what term best serves the

7	
1	consumer.
	COHBUILET

MR. WILSHIRE: Let me ask a follow-up question.

Regardless of what the intent of ITIS is, would it

nonetheless assist consumers in its purchasing decisions

or would at least some of the names provided in ITIS

assist consumers in those purchasing decision?

MR. LASOFF: It may occur in some of these names. I guess certainly the name that's been at issue in the hearing today and as a focal point, it would not assist consumers because the terminology that is being proposed today by the Humane Society is terminology that certainly the industry believe is deceptive in the marketplace; that is, influences the marketplace, and it could have adverse effects on the marketplace, and it could confuse consumers, as well.

But I was, again, most struck by the comments by those who participate in this process that, yes, it is -- you know, it is -- serves well the purposes of coming up with scientific consensus. We're concerned that if this process and reliance on scientists alone to determine common name, the implications of that, I think, are very significant, because it suggests that any manufacturer of a consumer product essentially has to get scientific confirmation on how to market that product.

And I don't think our consumer marketplace

1	would be governed essentially by what scientists alone
2	say should be the common name. I think, obviously, the
3	market, the manner of market are much more important
4	than, you know, with all due respect to the
5	representatives who serve on the ITIS, in terms of what
6	should be utilized in the marketplace.
7	MR. WILSHIRE: Okay, thank you very much.
8	I wanted to direct a question to
9	MR. LASOFF: Can Mr. Ross make one comment?
10	MR. WILSHIRE: Certainly.
11	MR. ROSS: I would just say that in the luxury
12	market the consumer buying this product, I don't think
13	they are or would be familiar with ITIS, so it would
14	create confusion to the consumer. The consumer would and
15	possibly go to a website such as the Federal Trade
16	Commission to research the name.
17	MR. WILSHIRE: Okay, thank you very much.
18	I'd like to direct a question to the Humane
19	Society representatives. Would using the ITIS names
20	require information on a label that's too detailed to be
21	helpful to consumers? One example I saw is chipmunk,
22	which is currently required, versus, say, Hopi chipmunk,
23	or there are several derivations there, but is it the
24	Humane Society's view that it would be helpful to

consumers to have this additional information?

25

MR. HENRY: It is our view that it would be helpful for consumers to have the most accurate information and uniform information. One thing is clear, I think we all can agree that we need some form of confirmation. I just heard the fur industry say that we do need some form of confirmation, but unfortunately, fur industry sources do not arrive at uniform confirmation easily. In fact, we have even a conflict here in the written comments that were submitted on this rule with respect to the existing name for one species primarily at issue here, raccoon dog, within the Name Guide.

Fur industry interests from various parts of the globe don't agree on what name should be used because they each want to sell their product under a different name. So, we clearly need some form of confirmation.

With respect to your question about the complexity of the ITIS system, you'll notice that I mentioned before that ITIS would be a good jumping off point for the Federal Trade Commission. I don't think that the Name Guide should be adopted wholesale as the new Name Guide for a products Name Guide; rather, the FTC needs to update this Name Guide more often than every 50 years. It's clearly not comprehensive enough. And, so, the FTC needs to use that as a basis, a jumping off point because, you know, we need some uniformity with respect

1	to	what	consumers	can	expect.

So, again, the Fur industry will be guided by the Name Guide primarily, but the FTC could use it as a jumping off point and so could consumers in looking at what those species names mean.

MR. WILSHIRE: Thank you.

Mr. Grzybowski?

MR. GRZYBOWSKI: Yeah, if I could just add something briefly to that. I think it's always a good thing for a consumer to have the most accurate information about a product. And those names that were broken down as an example in our attachment, each of those were distinct species. I think it's important for consumers to know what species they're looking at, because obviously you're going to have different concerns with different species.

Different animals experience different sorts of welfare problems in fur production. And, you know, there's different species that may have a similar name, but the species are going to be different. So, it's important for a consumer that wants to research their product to be able to know exactly which animal it is that they're talking about.

MR. WILSHIRE: Mr. Henry, you have your name card up. Did you have something further to add?

MR. HENRY: It was just to respond to your prior comments, first to just add to what Mr. Grzybowski said, an additional concern of many consumers is the vulnerability of these species with respect to their conservation status. And the Fur Products Name Guide, you know, does not discriminate between those. But when you're looking at the ITIS system, at the species level, you can make those decisions.

And those -- the listing status, whether it's a worldwide listing status or within the United States that these species changes for the species, you know, often on a regular basis. And, so, consumers who do not want to buy products from animals that are imperiled can do so if -- only if very specific information is provided to the consumer.

We saw an example two years ago, maybe less, of a pair of boots being advertised as ocelot, despite the fact that that animal was not permitted to be sold in the United States under other Federal laws. And, so, again, use of the ITIS system will allow discrimination by consumers between products that they wouldn't want to buy for many different reasons.

In response to a few other comments, Ms. Lynn from the Fish and Wildlife Service and others noted that ITIS has no legal basis. But the Fish and Wildlife

Service and other ITIS partners use the same names that are included in the ITIS data base when they make determinations with respect to species covered under their legal mandates. For instance, with respect to raccoon dog, the Fish and Wildlife Service called this animal raccoon dog when adding it to Title 18 and its list of injurious species, which is a legal mandate. And it is referred to as raccoon dog by the Fish and Wildlife Service in that legal capacity.

So, I think the comments that this is a tool frequently used by the Government are on point. This is a tool that the FTC can use in order to inform its decisions under its legal mandates under the Fur Products Labeling Act.

MR. WILSHIRE: Okay, and we're beginning to run short on time, so if there's anything else, could you state it succinctly? We've got a couple of --

MR. HENRY: Sure. I would just note that fur industry historically and even in recent testimony, written comments on this rule, and testimony on various Federal legislation relating to fur products, the Fur Products Labeling Act, has referenced sources such as Wikipedia, the Animal Diversity Web from Michigan State University. There can be no doubt that ITIS is the most thorough and comprehensive reference for species names

1	available, at least more so than any identified by the
2	fur industry to this point.
3	MR. WILSHIRE: Okay, thank you.
4	I'd like to ask Mr. Ross a quick follow-up
5	question. And I know Mr. Autor has been patiently
6	waiting. Sorry, we'll get back to you in one second.
7	Mr. Ross, earlier you stated that the consumer
8	of a luxury fur would have no familiarity with the ITIS
9	names. Why do you say that?
10	MR. ROSS: Because they research their
11	information in not on scientific or government
12	websites. They look on consumer websites; they look in
13	fashion websites. But ITIS would not come within their
14	realm of research.
15	MR. WILSHIRE: And do you have any evidentiary
16	basis for that? Are you familiar with any studies or
17	anything that you could point to in the record?
18	MR. ROSS: Based on my area of expertise, which
19	is retailing. I've worked with consumers for over 20
20	years, and based upon my in-depth knowledge of them, I
21	have a pretty clear indication of where they do their
22	research.
23	MR. WILSHIRE: Okay, thank you.
24	All right, Mr. Autor, you had your name plate
25	up for a while. What would you like to discuss?

1	MR. AUTOR: Illaliks. I just walited to respond
2	to some of the points.
3	MR. WILSHIRE: And, again, if you could do so
4	succinctly.
5	MR. AUTOR: I'm sorry. Clearly, you know, the
6	task here is to identify a term that will best inform the
7	consumer. I think we need to start with recognizing the
8	fact that probably 99.99 percent of the American
9	population would have no idea what this animal is if you
10	showed them a picture of it or if you asked them what a
11	raccoon dog or an Asiatic raccoon is. So, the and we
12	have the additional challenge of trying to identify an
13	animal that really is neither a racoon nor a dog. And,
14	you know, the concern is that we currently have a law on
15	the books that prohibits the trade in dog and cat fur.
16	So, if we have
17	MR. WILSHIRE: Mr. Autor, I'm sorry, I'm going
18	to need to just interrupt here a little bit, because
19	we're running short on time on this session. I think
20	we're going to get into the raccoon dog specifically in
21	the next
22	MR. AUTOR: Well, if this is more appropriate
23	for the next
24	MR. WILSHIRE: I think it is.
25	MR. AUTOR: I just want to make those points.

1	So, we have to those are the challenges, and I think
2	the risk of misinforming the public, given those
3	realities, is fairly high if we if we, I think, choose
4	a name that's going to really lead to misperceptions
5	about what this animal is.
6	MR. WILSHIRE: Certainly, and I'll invite you
7	to discuss that a little more in a little more length
8	in just a few minutes.
9	Right now we're almost we've got about 10
10	minutes left. Sorry, we've got 20 minutes left in this
11	session, and I wanted to make sure we had comments, that
12	people in the audience, if they had comments or
13	questions, that they had an opportunity to ask them or to
14	submit their views. Is there anyone? Feel free to just
15	raise your hand. You don't have to. It's okay.
16	All right, and if something comes to you in the
17	next few minutes, feel free to raise your hand.

All right, and if something comes to you in the next few minutes, feel free to raise your hand.

Otherwise, we'll -- I'm just going to ask, is there anybody here up at the panel who has anything further to say about the ITIS system. But we are going to move on to raccoon dog, I promise, I know that's where the fireworks are. But I wanted to make sure we got a full discussion of the ITIS names.

MR. LASOFF: I would like to make one last comment, and that is we seem to be focusing almost to a

large extent by looking at a system like ITIS and would we benefit -- would the Commission benefit by relying on ITIS as a basis for establishing common names. I mean, to some degree, this whole discussion reflects really the lack of flexibility that has existed in this area, as markets have evolved and even in Mr. Henry's comments, that we're waiting 50 years to address the Name Guide.

And I think it's important moving forward to not only consider and address the issue that's present here, but is this the best mechanism. Now, you've raised some of these issues in your original Federal Register notice, you know, is this the best mechanism to essentially say there is one common name here, we have to use it, it's based here.

As you know, this is a global marketplace.

And, yes, the marketing strategies of some of the players in this industry, if they are, in fact, accurately portraying these products, are different. And I think that there's a concern that we have that is reliance on the Name Guide, particularly with respect to common names, I think we could agree that the species, you know, that's a different story, but with common names, what are the common names, how is the product marketed, you know, how it's listed on an ITIS, you know, how it's referred -- you know, which gets the most hits on Google. These

1	are all issues that I think the Commission needs to
2	address in greater detail going forward.
3	MR. WILSHIRE: Okay, thank you.
4	Dr. Gardner, you had a further comment?
5	DR. GARDNER: The primary function of ITIS is
6	to keep abreast of the changes in scientific names,
7	considering the dynamism in modern taxonomy. And it is
8	not the intent to establish common names. There have
9	been attempts to develop official common names as there
LO	are in birds, but those attempts are still in the early
L1	stages.
L2	MR. WILSHIRE: Thank you.
L3	I wanted to ask Mr. Lasoff a follow-up
L4	question, or anyone representing FICA of Finnish Fur.
L5	Why couldn't the consumer use the ITIS system as I
L6	believe the Humane Society suggested to determine, you
L7	know, what is this species if I see this common name on
L8	the label, I can easily look up the information through
L9	the ITIS system and find out exactly what species they
20	are purchasing, and why wouldn't that inform them, why
21	wouldn't that help them make an informed purchasing
22	decision?
23	MR. LASOFF: A consumer certainly has the right
24	to go into a website and if they're going to research, I

think Mr. Ross would say that this isn't typically how

24

25

they buy the product, but that's -- that's really not the issue here. The issue here is, you know, how to develop a common name for purposes of the Commission's function.

And that is, you know, what is -- you know, what is going to inform the consumer, what is not going to deceive the consumer, what is going to enable the consumer.

And of course there's also the function that these regulations, and Mr. Autor and myself both would look at it this way, what should the retailer do in this situation, as well, because the retailer is the one who is going to be regulated. Yes, the purpose is to inform the consumer, but the retailer, as well, needs to comply with these regulations. And, again, creating these scientific, you know, going to a scientific site, which is, as Dr. Gardner has said, intended to keep up with taxonomy developments, that is not the principal basis upon which the Commission should be regulating and developing this Name Guide.

MR. WILSHIRE: Okay, but if we're not using
ITIS, then what is that principal basis? In other words,
on what should the Commission be basing its determination
of an animal's common name?

MR. LASOFF: I think this is something that -I'm sorry, do you want to address that?

Well, certainly the marketplace and what are

1	the interests of the consumers. What do the consumers
2	need to know about a particular product, what will enable
3	them to know that, you know, what this product is. And
4	that's a common name. And in the instance of what we're
5	talking about here, we've had 60 years, 50 years of a
6	particular product being regulated a particular way. You
7	just can't ignore that and suddenly adopt new terminology
8	that would essentially eliminate the product for a
9	marketplace, because, as Mr. Autor said, the product
10	itself, dog, is illegal. And once you see the name dog
11	in there
12	MR. WILSHIRE: Again, I want to try to table
13	that just for a second.
14	MR. LASOFF: Okay.
15	MR. WILSHIRE: And we're almost there.
16	MR. AUTOR: I have something to add to that
17	point, though.
18	MR. WILSHIRE: Sure. Go ahead.
19	MR. AUTOR: Sorry. It strikes me that how a
20	product is marketed ought to be a critical factor in
21	deciding how what a common name for a product is. And
22	I'll give a good example. The fruit that was formerly
23	known as the Chinese gooseberry became marketed as kiwi
24	fruit, and that is the common popular name by which that
25	fruit is recognized. If you ask people today what is a

Chinese gooseberry, they would have no idea. So, it was the marketing of that product that determined what its common name -- English name currently is. And I think that that's a critical consideration for the FTC in deciding how to deal with this particular issue.

MR. WILSHIRE: Okay, thank you.

Mr. Grzybowski.

MR. GRZYBOWSKI: Yeah, I just -- I was struck by how similar what we're hearing today is to the original FPLA hearings in '48 and '49, '51, and then the Name Guide hearing, as well. Basically, at the time the law was passed, the marketplace was absolutely rife with fake names, everything from electric beaver to all sorts of like three-part names, coney was a big one.

And, in fact, what you just heard, I think, is very similar to the arguments that were being made by the coney industry, the Hudson Bay seal industry, and then also from aspects of the sheep fur industry. And you may wonder what's a coney and what's a Hudson Bay seal.

Well, it's because those aren't real animals. The coney was the rabbit, and the coney industry argued up and down that being forced to change the name after it had been used for so many years would cause confusion in the marketplace and actually hurt the consumer because they wanted to be able to tell their friends that they had

1	coney and not rabbit.
2	So, I think what you're hearing is very similar
3	to that. People who have an interest in the marketing of
4	a name obviously want to keep it that way, but when that
5	name is not the accurate name, and the consumer does not
6	have the ability to make an informed decision based on
7	the best information available in the marketplace, then I
8	think everyone suffers from that.
9	MR. WILSHIRE: Thank you.
10	I think I want to go to Mr. Ross and then Mr.
11	Lasoff and then Mr. Autor.
12	MR. ROSS: It is very hard for me to comment
13	what happened in 1948, but in considering what the
14	marketing name should be, I think we should look at the
15	people who breed this animal. This is a farm-raised
16	animal, and the Finnish fur breeders call it a
17	Finnraccoon. We should look at the people that marketed
18	99 percent of the global market, and that's Finnish Fur
19	Sales, and they call it a Finn raccoon. So, I think, you
20	know, in staying with the proper name, if we're looking
21	for a source to truly identify the name of the article,

MR. WILSHIRE: Okay, thank you.

Mr. Lasoff?

22

23

24

MR. LASOFF: I would just simply add, I would

we should look to the people that produce it.

be wary of a situation where the Commission in advance is essentially predetermining how products are being marketed here. And I think to some degree you're being asked to do that in this particular situation. As has been said, how the product is marketed is critical to making a determination as to what the common name of it should be, but -- and the Commission's function is to make a determination in the marketplace if, in fact, a name is deceptive, we welcome that degree of regulation.

We welcome the Commission to come down on a retailer who attempts, as occurred in 1949, you know, to market a weasel coat as mink and get a premium for that. Yes, I mean, these are what led to this legislation. But I think the situation here is you're being asked now to determine how a product should be marketed on the basis of what you put on that Name Guide.

And in this particular situation, as what we're dealing with today, you're being asked to select a name that would, as I've noted, end the product. So, be very, very wary of being asked in advance, you know, to determine and not take into account how the product is being marketed and, as Mr. Ross says, the folks who breed this product, develop this product, ultimately market it. And, again, if the Commission believes that this is deceptive, you have all the authority in your tools to

1	deal with that.
2	MR. WILSHIRE: Okay, thank you.
3	Let's see, Mr. Autor, I see you took your name
4	plate down. Does that mean you would not okay.
5	All right. I'm going to ask Mr. Henry, does
6	this relate to ITIS or
7	MR. HENRY: Just briefly.
8	MR. WILSHIRE: Okay, sure.
9	MR. HENRY: And with respect to using ITIS in
10	relation to the FPLA, the Commission's duty under the
11	FPLA and the purpose of the Name Guide is to be proactive
12	and to prevent consumer misinformation. It does no good
13	to protect consumers to be responsive to deceptive names
14	in the advertising industry. The fact of the matter is
15	the Finn raccoon has only been a term that's been used in
16	fairly recent history.
17	The HSUS represents a large segment of
18	consumers in this country. We are seeing Finn raccoon
19	being used more and more, despite the fact that it is not
20	the approved name under the current Name Guide, and yet
21	you have not received any request to change that Name
22	Guide name to Finn raccoon until the Truth in Fur

Labeling Act was passed and this hearing was mandated.

So, the fact of the matter is that the ITIS system is a

good way for the FTC to stay ahead of the curve and to

23

24

25

1	present misrepresentation to the consumers in the future.
2	Consumers want to know is this fur going to be from this
3	animal

And if the marketplace continually stays ahead of consumers and changes the name, consumers can't do that. There needs to be a name that's consistent and that -- there needs to be some basis for it, and why we point to these scientific sources like ITIS is because they have a common English name associated with them, but there is some uniformity, some accuracy associated with it, rather than being directed by the whims of the marketplace.

MR. WILSHIRE: Okay, thank you very much.

MR. LASOFF: Make one last closing? Thirty seconds?

MR. WILSHIRE: Well, actually, we've got a few minutes here, and I was going to give the audience maybe one more chance, so go ahead.

MR. LASOFF: Just agin, pointing out the -sort of the structure here and why it's not working
today. It's correct, the Finn raccoon has been a
relatively recent product relative to others, but at the
same time, we came to the Commission and requested
specifically that kind of change. And, you know, we were
told this would require, you know, statutory change or it

would require a full-scale process, which the Commission does not do with respect to its various textile statutes except maybe every five years, but in this case it's been, I think, 10 years since that was done.

We did make a proposal to the Commission. It was accepted by the staff that we take the term Asiatic raccoon as required by the Fur Product Name Guide, and in order to distinguish the Finnish product, under the regulations, we would be permitted to use a geographic indicator, Finnish Asiatic raccoon, in order to comply with the Name Guide. And that was -- that was approved by the Commission staff.

Again, we're not happy with a term that in and of itself has two geographic indicators in it, but I want to respond to the fact that we've ignored this. We have, in fact, come to the Commission on that.

MR. WILSHIRE: Thank you. We understand. And that is one of the topics up for discussion today is appropriateness of a Finn raccoon or how to deal with Asiatic raccoons/raccoon dog from Finland.

Okay, so, we're coming up at the end of the session, and I have no problem ending it a little bit early. I just want to give everybody in the audience or anyone else here at the panel a chance to comment, questions.

1	ISSUE 2
2	MR. WILSHIRE: Okay, I think we're going to
3	move on to issue two, and if we begin that one a little
4	bit early, we might be able to take a slightly longer
5	break, so just giving everybody incentive to be
6	efficient.
7	Issue two is whether the name Asiatic raccoon
8	accurately describes the source, quality, and
9	characteristics of nyctereutes procyonidos. Thank you.
10	I've been assured that's the correct pronunciation. And
11	if not, and this is a second issue, and I think I want to
12	start with views on the first, and we'll come back to
13	that second question, but this is going to be also a very
14	important question, if that's not the right name, then
15	what is the correct alternate name that will help
16	consumers in their purchasing decisions.
17	I'd like to start with the National Retail
18	Federation on this one.
19	MR. AUTOR: Thank you. Again, just to
20	reiterate what I said before, we have the challenge here
21	of accurately identifying an animal that is neither
22	really, strictly speaking, a raccoon or a dog. And the
23	term Asiatic raccoon has been used for a considerable
24	amount of time to identify generically this animal.
25	The concern here with changing the you know,

2	marketing purposes to raccoon dog is, as I mentioned,
3	there is a law on the books currently banning the trade
4	in dog and cat fur. When we're dealing with an animal
5	where the vast majority of the American public has no
6	idea what it is and it is then identified officially as a
7	dog, I think that creates a huge risk of misinformation
8	because the natural assumption that's going to that
9	consumers may have is that, well, if this is a dog, then
10	why is it allowed to be marketed at all.
11	And, so
12	MR. WILSHIRE: I want to interject real fast.
13	MR. AUTOR: Yeah.
14	MR. WILSHIRE: Is there any specific research
15	or other evidence that would show that consumers would
16	make that determination?
17	MR. AUTOR: None that I'm particularly aware
18	of, but it strikes me that that is that is a
19	legitimate question in this context when you look at the

the -- what this animal can be identified with for

of, but it strikes me that that is -- that is a legitimate question in this context when you look at the taxonomy of this animal, it is within the -- it is a type of canid, it's called a basal canid, but it is less closely related to a dog than foxes, jackals, wolves, coyotes, and yet none of those animals are referred to as dogs. So, I think that the risk of confusing the public by changing this name to raccoon dog is really great.

And I would you know, in our comments we
suggested just keeping the name that has been used for
some time now. There are alternative names, and
certainly, you know, animals can go by more than one
name. You know, I think in particular a reindeer and a
caribou are essentially the same animal. So, you know,
the Russian name for this animal is magnut; the Japanese
name is tanuki. You know, when you're dealing with an
animal where the vast majority of people don't know what
this is, those are possibilities to consider.

MR. WILSHIRE: Is there any evidence that American consumers are familiar with either name?

MR. AUTOR: Well, I don't think American consumers are familiar with raccoon dog or Asiatic raccoon or Finnish raccoon for that matter. So, I don't think it really -- that's really a central consideration here.

I think that we do need to have a name that the industry can use. You know, we certainly have -- with respect to the Russian or Japanese names, we certainly have many, many examples of animals in the English language that the names have been adopted from foreign languages. Raccoon itself is an American Indian name. So, those are just some of my basic thoughts on it.

MR. WILSHIRE: Thank you.

1	Dr. Butler, if you have anything to add
2	generally, and also I was curious as to whether you would
3	agree that this species is not particularly closely
4	related to domestic dog.

DR. BUTLER: Well, my division regulates the import of animal products and byproducts in mainly livestock and birds. And, so, we really don't have any dealings with this particular animal. And, quite frankly, I'd like to see a picture of it.

MR. WILSHIRE: Fair enough.

Ms. Lynn, do you have any views, same questions really, just anything generally about this topic and in particular the relationship of *nyctereutes procyonidos* to domestic dog or other animals?

MS. LYNN: Well, our Division of Scientific
Authority would speak better with, you know, whether to
relate it closer to a raccoon than it is a dog, but in
discussing this issue with some of my colleagues
yesterday, the name Asiatic raccoon seems to -- even
though, you know, whether or not you use the word raccoon
or not, I mean, the fact that it's -- as it is listed in
the Name Guide now as an Asiatic raccoon gives you an
idea where the animal originated naturally. It's its
natural -- that's where it was naturally found
originally.

1	MR. WILSHIRE: I'm sorry, what do you mean by
2	naturally?
3	MS. LYNN: That's where they're
4	DR. BUTLER: Native.
5	UNIDENTIFIED SPEAKER: Indigenous.
6	MS. LYNN: the native habitat.
7	MR. WILSHIRE: Thank you.
8	MS. LYNN: And, so, it's been introduced into
9	other areas, as some of the websites I was looking at,
10	you know, in Europe. So, it would appear that the
11	Asiatic the Asiatic name would be a neutral kind of
12	describer of where it originally occurred naturally.
13	And we were talking about the fact that a
14	Siberian tiger is still called a Siberian tiger if
15	even if it's born in the U.S. in a zoo. Or an African
16	lion is still considered an African lion, regardless of
17	where the natal origin is or where it's born. So, we
18	don't change it to an American lion just because it was
19	born in the U.S. So, that was just some of the comments
20	that we had in talking about it yesterday.
21	MR. WILSHIRE: Okay, thank you.
22	Dr. Gardner, do you have any views on this
23	issue?
24	DR. GARDNER: I also asked some of my
25	colleagues what raccoon dog meant to them. A few of them

realized that it was a common name for nyctereutes

procyonidos, but one of them asked, what do you mean?

You have redbone, plott, bluetick. In other words, I thought it was a coondog.

Of all of the names available, if I had a preference it would be tanuki; however, the one that provides the least bias or political correctness issues, carries with it that kind of baggage, is Asiatic raccoon. It points out it's origin, which is Japan and adjacent Eastern Asian mainland, although it's been moved around to all of the world except the U.S. It's considered possibly an injurious species in the U.S.; therefore, live animals are prohibited from being imported.

So, I would consider Asiatic raccoon to be the best of the alternatives. Finn raccoon, perhaps, is a specialized trade name for those animals that are farmed in Finland.

MR. WILSHIRE: Okay, thank you.

I'd like to hear from FICA and Finnish Fur now.

MR. ROSS: First of all, I recently spoke to the leading breeder in Finland about the animal, asking him what it is. And according to his comments, it looks like a raccoon because it has the dark markings around the eyes. But he was adamant in his description that

it's not a dog. And I asked him why. And he said there are two characteristics of the animal that prove that it's not a dog, and one is that this animal does climb a tree, and he didn't know of any other dog that climb trees, and the animal does not bark.

MS. BERNSTEIN: Or waq its tail.

MR. ROSS: Yes. So, you know, from a breeder of it, he sees no identity or no similarity between the dog. As far as the difference between Asiatic raccoon and Finn raccoon, there's a little bit of confusion now according to the labeling requirements that a consumer can buy a product labeled properly in a store "Asiatic raccoon, fur origin Finland." So, it's our contention to eliminate some of the consumer confusion that we separate the species into Asiatic raccoon, fur origin China, and Finn raccoon, fur origin Finland.

MR. WILSHIRE: All right, thank you. And, again, I want to just emphasize that to the extent we can kind of separate the Finn raccoon issue out because we're going to address that more fully later on. I understand that it has to overlap a little bit in this session, but we do want to focus on the Asiatic raccoon, raccoon dog, and other names, tanuki and magnut have been mentioned on those issues in particular in this session.

Mr. Lasoff, were you going to speak?

MR. LASOFF: Again, if you go onto the ITIS website, you will see that the number one leading expert on this species is sitting to my right, so I think there's a great -- on this issue, I would be highly deferential to his expertise on that question.

The common name itself, it's been used for 50 years; it accurately reflects a source, as has been noted, in Asia; and it accurately reflects its characteristics. And, obviously, again, not getting into the taxonomy, but its appearance, which was a function in developing this name, it certainly looks, if you've seen the species, it has the rings around its eyes, it clearly looks like a raccoon. So, it's a consumer -- it's a consumer name, and it was, again, developed by the Commission. The Commission utilized it in and implemented it in 1961, so, you know, we ask at this point why to change it.

I would note that prior to the initiation of this, I guess, initiative by the Humane Society to change this name, and this initiative began five years ago when legislation was introduced that would ban the product because it was alleged to the Congress that this product was, in fact, a dog, and therefore the dog and cat act had to be amended in order to add this product. So, you know, that was the initial element of that. The Congress

1 rejected that.

The second attempt was to change the name to compel the Commission to utilize the term raccoon dog.

Again, Congress rejected that, as well. So, you have no question as to terms of where legislative intent exists with respect to this product, though our principal argument here is what are the implications with respect to the consumer market. By calling it raccoon dog, does that -- does that help the consumer? Does that deceive the consumer?

The Commission's own regulations state on 301.7 that you shouldn't use two breeds of species in the same name. So, to adopt that name, you would be violating your own regulation. So, that's just some comments with respect to, you know, why the Asiatic raccoon name can still -- should still be maintained, and at the same time why it would be disastrous.

To Mr. Ross and others in the industry, this is a battle for, you know, the life of this product, because this product will no longer exist in the marketplace if the Commission makes the decision to select this name.

And I don't believe -- the Commission should be protecting the consumer; I don't believe the Commission should be involved in making product choices in terms of what should be in the marketplace. That's for Congress.

MR. WILSHIRE: Well, I do want to get back -we had a little bit of discussion already, and I would
get back to the discussion about the proposed name of
raccoon dog. But first I'd like to get the Humane
Society's views on this, on just the Asiatic raccoon name
and, in particular, why they think -- what basis they
have for saying that the name Asiatic raccoon misleads
consumers in some way, if they have any kind of evidence
-- that they have that supports that.

MR. HENRY: Sure. I'll respond to that question and some other comments that have been made to the effect that consumers do not know what this animal is. The fact of the matter is that there has not been a campaign by the Humane Society that began five years ago with respect to eliminating this fur. We got onto this issue because this is one of the top three selling types of fur in the world, and it is by far the most misrepresented throughout the industry.

As the Commission knows, we've petitioned the Commission with respect to the false advertising and mislabeling of fur garments a few times over the past several years. There have been garments that were advertised as -- or labeled incorrectly with respect to rabbit, coyote, wolf, and even domestic dog within the last decade.

But by far, in several investigations, over 80 percent of the misrepresentations at issue are associated with this particular species. We frequently hear from or see comments from consumers on social media websites responding to media counts frustration about the use of this term and that they can't tell whether or not they are buying an animal because of the way that the fur industry has marketed this animal.

Fur is sometimes unlabeled but frequently mislabeled. This fur is frequently mislabeled as Asiatic raccoon. In fact, two weeks ago we discovered someone advertising this species, it turns out, as Finn raccoon, but the same problem exists with Asiatic raccoon. And then on that website, the retailer produced information about raccoons, talking about Davy Crockett and the North American furs and the coonskin hats. Retailers can't even get it right.

So, when we go into stores and we see coats labeled as raccoon and it turns out that they are, in fact, raccoon dog, you know, we're frustrated, but we do -- we do see in the marketplace in response to media reports comments that we received problems with consumer information.

With respect to Asiatic raccoon, it is not the true English name. And the FPLA mandates that the true

English name be used. The Name Guide is merely
regulatory, despite the fact that it has been around for
50 years. It would violate the Commission's mandate to
use the term Asiatic raccoon in a continuing manner
because the Fur Products Labeling Act requires the use of
the true English name.

We've produced, in response to the written comments, but there is substantial evidence that nearly all English references to this species outside of the fur industry by common name use the name raccoon dog. In its previously submitted written comments and here today, the National Retail Federation indicates that the -- that other canids are much more closely related to domestic dogs, yet neither are considered to be nor are called dogs.

That is patently false. There are other species, short-eared dogs, African wild dogs, bush dogs, the common names of which all include the dog identifier. They are in their own separate genera. They are not within the true canid species. And yet we hear no uproar in response to the passage of the dog and cat fur act over a decade ago about confusion with these species. And yet now we do about raccoon dog. The fact of the matter is Asiatic raccoon is an industry-coined name. That is unlawful under the FPLA.

enacted, Arthur Samet (phonetic) produced a treatise on furs, candidly reporting on how the fur industry reports names. And with respect to raccoon dog, that treatise noted is this a fur -- is this fur-bearer a raccoon, a fox, a wolf, or a dog? As fur men we resent the truth of zoological study, which reveals this fur-bearer is dog, yet because of its raccoon likeness, zoologists call it the raccoon dog. Think not, however, that our Asiatic raccoons will go to the dogs. In spite of the fact that the fox and wolf and dog are all in one family of dogs, the world's fur trade will continue to recognize the name of the raccoon as the old standby.

And unfortunately, as I noted with respect to the advertisement that I saw just last week, even the retail industry, when presented with a name that ends as raccoon and does not identify this is a member of the canid species, confuses this with North American raccoons, another species the fur of which is used frequently, although not as predominantly in today's age of use of fur trim in the fur industry.

And I wanted to respond with respect to one other comment made by the --

MR. WILSHIRE: Before you do that, I have another question, a follow-up question, which is we've

1	heard discussion earlier today about how this animal
2	differs from dogs in its habits and perhaps in its
3	appearance. And I'm just curious as to if a if a
4	raccoon is not a name that informs consumers properly as
5	to the type of animal, then why would dog be a better
6	name? Why would "dog" give consumers better information?
7	MR. HENRY: Sure. Well, the root word, dog,
8	indicates that this is a member of the canid species,
9	just like the root word in elephant seal says it's a seal
10	or elephant shrew or tiger shark or whale shark or
11	kangaroo rat. Kangaroo rat is a species that's actually
12	in the Name Guide.
13	MR. GRZYBOWSKI: So, let me clarify, canid
14	family rather than canid species.
15	MR. HENRY: Sorry, canid family.
16	MR. WILSHIRE: Thank you.
17	MR. HENRY: But use of raccoon dog, which is
18	widely accepted and has been since the species since
19	the nominal identification of the species in the middle
20	of the 19th Century, raccoon dog does use that
21	descriptive term, raccoon, so you still get, as a matter
22	of a descriptor, identification of this fur by the way
23	that it looks, okay?
24	But when you look at the actual taxonomic
25	evidence the scientific evidence the fact of the matter

1	is there's no scientific evidence to suggest that raccoor
2	dogs are more closely related to raccoons or any member
3	of the procyonid family, like kinkajous or coatis, than
4	it is to every other species within the canid family.
5	And the fact of the matter is that the species was placed
6	there, not only because of morphological and molecular
7	findings by scientists, but also because of behavioral
8	findings.
9	So, while it doesn't wag its tail or climb a
10	tree, scientists have said and we've presented evidence
11	with our written comments that behavioral
12	characteristics, as well, have placed this animal into
13	the canid family. Raccoons, in fact, are more related to
14	weasels and many other animals than they are with respect
15	to canids.
16	The vast majority of references to this animal,
17	and the FPLA is supposed to be about consumer
18	information, call this raccoon dog. Members of the ITIS
19	partnership call it raccoon dog. Fish and Wildlife
20	Service, Smithsonian, USGS, governmental entities
21	MR. WILSHIRE: Okay, I think we have covered
22	that.
23	MR. HENRY: Okay, so one more one more in
24	response to your question.

25

MR. WILSHIRE: You had one other -- you had a

rebuttal or a response? Yes, okay.

MR. HENRY: One more response to your question about the raccoon and identifying it as a raccoon,

Asiatic raccoon clearly suggests that this is a raccoon from Asia. It is not a raccoon. The -- I heard a comment earlier about the issue of a regulation prohibiting descriptive terms with respect to the use of the names. The Fur Council argued that raccoon dog -- use of raccoon dog, despite the fact that it's a true English name, would be unlawful because the word raccoon is used in a descriptive manner.

First, the Fur Council's written comments and the comments here today quote only a portion of 16 CFR 301.7 conveniently. The regulation read in its entirety applies only to names assigned by the industry where there is no true English name provided for the species within the Name Guide itself. So, where the true English names contains a descriptor and it's placed in the Name Guide, this regulation prohibiting the use of descriptive terms does not make that unlawful. That's a non sequitur.

In addition, the Fur Council written comments actually suggested changes to the Name Guide and one change that they didn't suggest making was a change to kangaroo rat, a species within the Name Guide who has a

1	species name, has a descriptor.	
2	DD CADDNED. Can I places commont of	n +h

DR. GARDNER: Can I please comment on that last statement?

MR. WILSHIRE: You can, but we're going to wait until they're finished.

MR. HENRY: That's fine.

MR. WILSHIRE: Are you -- okay.

MR. GRZYBOWSKI: If I could quickly follow up on that very briefly, specific to the question of Asiatic raccoon, I think that name in a general kind of -- any name like that is problematic in that it isn't a name that lines up with the rest of the information that a consumer and others who are involved in this product, including customs, manufacturers, retailers, producers, et cetera, would have available to them to do the research and make sure that the product in its various changes of hands is the -- is maintaining the correct name.

I think it's important that the name that is used is one that lines up with the rest of the information. And it's important that the scientific information line up with the common name, and this is the case here with raccoon dog for this animal, because in order to access from either the common name or the scientific name, you need to be able to access the other

1 half of that information in order to get a full picture.

And if you have something like Asiatic raccoon, you kind of dead-end on it. And doing the research myself, I dead-ended a lot trying to figure out what this animal was, because what was listed in the FTC Name Guide, and I note that it was actually not in the original Name Guide, it was added at some point in the '60s, and we're not really sure by who or why, and I'd be very interested in finding that out, but it was added at some point in the '60s, but that information kind of dead-ends.

So, in order for a consumer to learn about a product, they need to have a name that can then proceed into further accurate information. And I think that's why it's important that raccoon dog be used here, because that is what dovetails with the rest of the information related to the common name, as well as the Latin name.

MR. WILSHIRE: Thank you.

Dr. Gardner, you had a response? And I see that Mr. Autor also has something. We'll get to you in one second.

DR. GARDNER: This whole business about kangaroo rats shows that Mr. Henry has made a serious error, because the name in the guide was rat kangaroo, bettongia -- bettongia, which is an Australian animal

that was in the fur trade. And probably the name should be removed from the list because they're ectopated from the mainland and there's no kangaroo rat that I know of that enters the fur trade. Some of them enter the pet trade, but not the fur trade.

MR. WILSHIRE: Okay, thank you.

Let's see, Mr. Autor?

MR. AUTOR: I think we can stipulate right off the bat that the procyonidos -- nyctereutes procyonidos is a member of the canid family. Raccoons are a member of the procyon family. And procyon family, I might point out, in Greek means dog-like. But that's really not the question. Animals that fall within the canid family are not dogs necessarily. Dogs are specifically within the genus canus familiaris, that includes a number of subspecies, as well.

I'm not aware -- you know, foxes are a good example of a canid that is not -- has never been identified as a dog. I'm not aware that any of the animals that Mr. Henry identified as having common names, including dog, are in the fur trade. So, I'm not sure -- I'm not convinced that those are really compelling examples. But the fact is is that not all -- just because an animal falls within the canid family does not mean that it is a dog.

MR. WILSHIRE: Okay, thank you. I'd actually like to ask -- and I see Mr. Henry has his name card up, but I wanted to first ask representatives from the Fish and Wildlife Service and USDA if they have any views as to whether the habits of this creature are similar to dogs or raccoons or neither.

Okay, I'm seeing that indication no, so I will leave it there on that. And then I'll go to Mr. Henry.

MR. HENRY: Sure. I just wanted to respond very briefly. The point of the comment with respect to bush dogs, short-eared dogs, African wild dogs, other species, the accepted common name of which is dogs, was not to suggest that those animals are important to the fur industry at all. It was to suggest that animals outside of the genus canus -- excuse me, sorry -- animals outside of the genus canus are commonly referred to with the term dog. So, all of the members of the family canidae are under the sub-order caniforms. They are all dog-like creatures. They're all placed there because they have some likeness to true dogs.

And as I mentioned before, scientific evidence points that both on a molecular level and behavioral, as well as morphological level, this animal is like other dogs. It makes no sense to refer to one species by a coined trade name rather than its common name just

because that common name includes dog when other species exist, the common names of which include dog and are not in the canus genus.

In addition, I wanted to point out with respect to Mr. Gardner that the point of my comment about kangaroo rat was not to suggest that the species is still important to the fur industry. And its name listed in the Name Guide is rat, kangaroo, signifying that it should be listed as kangaroo rat. The point was to suggest that the notion that raccoon would be unlawful because it contains a descriptor term is belied by the fact that the FTC has used that setup in the future.

And I'd just sort of echo the point Mr.

Grzybowski made again, and that is consumers run into a wall when they're trying to find out information about the species when they rely on Asiatic raccoon.

MR. WILSHIRE: Yeah, and I had a follow-up question on that specifically, which is why -- do you have any evidence that consumers have a better understanding of the term raccoon dog, aside from what we mentioned earlier about its reference in certain scientific literature. Is there any evidence regarding what consumers -- how consumers perceive that term and what they understand it to mean?

MR. HENRY: I'll let Mr. Grzybowski answer, as

well. I don't have any evidence of consumer -- frequent
consumer use, apart from references to comments, you
know, to media stories and that kind of thing, where
raccoon dog is frequently used, but so is the term
Asiatic raccoon because they're frequently in response to
stories about the species being mislabeled and
misidentified.

But the fact of the matter is that the evidence presented to consumers across the board, when you go to a zoological institution, the IUCN, International Union of Conservation and Nature, the AZA, American Zoological Association, the WAZA, World Fish and Wildlife Service, so all these governmental agencies, zoos, textbooks, refer to the term raccoon dog, not Asiatic raccoon. So, consumers are left only to find the term Asiatic raccoon from industry.

MR. WILSHIRE: Okay. Mr. Grzybowski, do you have anything to add to that? I see your --

MR. GRZYBOWSKI: Yeah, just a brief follow-up to that. Let me just echo what Mr. Henry said. And I think it's -- and what a couple other people said -- I think this is an animal that is fairly new to a lot of people in the U.S., though certainly not the fur trade when it found out that it could not raise them for their fur on factory farms because it was determined to be an

injurious species during the '80s, I believe.

But I think the -- I think when you have the name, and even though the knowledge of this species may be lower than an animal like a fox or an animal that is indigenous to this area and a lot of people interact with, like a raccoon that may get into their trash can or something, I think that it's quite obvious that raccoon dog is the term that they will come across from any reputable source. So, if they're researching it, if they're looking on government sites, they will be introduced to the raccoon dog. So, what knowledge that's out there, that there is out there, that they come across will be raccoon dog.

And Asiatic raccoon as far as I could tell, its use was really only in recent -- in the modern history of kind of this law, only really in use by the FTC once it adopted it during the '60s. I can't find much other reference to it, which would --

MR. WILSHIRE: And is that your -- is this lack of reference, is that what -- is that your basis for asserting that this is an industry trade name rather than a common name?

MR. GRZYBOWSKI: I'm not really sure -- to be honest, I'm not sure how Asiatic raccoon was determined to be added to this list. Looking at sources, both much

prior to -- very prior to, during, and after the adoption
of that name, raccoon dog was always the common name used
by reputable sources, scientific sources, and others, for
this animal. So, how Asiatic raccoon was determined, I
can't say, but I think it's not too late for the FTC to
protect consumers by changing it.

MR. WILSHIRE: I think I got it. Thank you.

Okay, Mr. Ross, you had some comments.

MR. ROSS: Just a couple of points of clarification. First, we've been selling this product since the mid '80s under the name Finn raccoon or Asiatic raccoon. I agree with one comment that the Humane Society said is that we should look at the supply chain to determine what the common name is. And the common name from the breeders, from the auction company, from the manufacturers, from the designers, and the retailers are all currently Asiatic raccoon. The only person asking for raccoon dog now seems to be the Humane Society.

This, although an important fur article, is barely in the top ten list of fur articles ever used globally. It's not number three. It's not close to that.

MR. WILSHIRE: Well, let me follow up on that, because I'm hearing some contradiction. Is that --

1	you're talking about global. Was the top three assertion
2	based on the domestic market?
3	MR. HENRY: I believe that's correct, and also
4	with respect to use of it in trim, not just fur pieces is
5	what it says, trim and scraps.
6	MR. WILSHIRE: Is that
7	MR. ROSS: And that would be incorrect.
8	MR. WILSHIRE: You think that's incorrect?
9	MR. ROSS: That is 100 percent incorrect.
10	MR. WILSHIRE: Do you know what the where
11	do you have information about the domestic status?
12	MR. ROSS: The more popular in more domestic
13	sales for both trim and garments would be mink, fox,
14	rabbit, lamb, coyote, beaver, and American raccoon.
15	MR. WILSHIRE: All right.
16	MR. ROSS: Placing the Asiatic raccoon probably
17	number nine on the list.
18	MR. WILSHIRE: Okay, thank you.
19	MR. ROSS: By calling it the raccoon dog, which
20	nobody in the supply chain wants to do, other than the
21	Humane Society here, would basically ban the sale of this
22	product. As the Retail Federation has commented since
23	2000, it is illegal to trade or sell dog products. So,
24	by calling it a raccoon dog, the consumer nor the
25	retailer would handle the product.

A good example of this has been the loss of sales since this campaign has started. We have specific instances in this country, stores like the Federated Department Stores can no longer handle Asiatic raccoon because of the concern and the confusion at the consumer level. We have Lord & Taylors no longer handling the article because of the consumer level.

MR. WILSHIRE: Just to be more specific, I take it what you mean is that -- when you say the confusion you mean that the understanding is that the consumers are seeing this now as raccoon dog and therefore are not buying it? Is that what you're referring to?

MR. ROSS: No, the retailer is not handling it because there are outside influences on their buying teams to confuse the name from the legitimate name listed as Asiatic raccoon to raccoon dog. So, rather than a store to continue to sell this product, it's much easier to move to another fur product to substitute.

The media campaign has also had negative effects on the retailers. There's been a lot of comments that why would you wear a Fido around your neck. So, a very successful Humane Society media program has confused the consumer that maybe it is Fido. When we visited Congress, that was a very strong bullet point of there's, that raccoon dog, Asiatic raccoon was your household pet.

1	We had to deal with that in the halls of Congress.
2	The you know, to ban a fairly traded article
3	based upon a name that nobody in the trade from the
4	producer to the retailer is using would eliminate the
5	sale of this product for no reason other than reputation.
6	MR. WILSHIRE: You assert that based on what
7	you just your evidence is what you described, your
8	experience in the retail marketplace?
9	MR. ROSS: And in the wholesale marketplace. I
10	am recently returning from Europe where a designer a
11	global designer stopped using this product recently
12	because of the European Humane Society's program. They
13	created confusion about the reputation of the name
14	Asiatic raccoon, so that has been stopped.
15	MR. WILSHIRE: Right. Have there been any
16	consumer perception studies done of the name?
17	MR. ROSS: Not to my knowledge.
18	MR. WILSHIRE: Okay, and finally one more
19	follow-up is would it be possible for the industry to
20	undertake its own education campaign? Has it made any
21	efforts and has it had any success those efforts had
22	any success?
23	MR. ROSS: Can you repeat the question?
24	MR. WILSHIRE: I'm sorry, let me try to be a
25	bit clearer. Has the industry undertaken its own

1	efforts, marketing campaigns, educational campaigns to
2	explain what the animal is and have those had any
3	success?

MR. ROSS: Well, it's a small article in the overall global sales sort of product, and we rely on our experts at the retail and manufacturing to provide us the information.

MR. WILSHIRE: Okay, so you don't know --

MR. ROSS: We haven't, nor have we budgeted.

MR. WILSHIRE: Thank you. But, let's see, I think we owe -- we need to get back to the Humane Society in a second, but let me finish up quick. Mr. Lasoff, and I also noticed Ms. Grymes wants to say something.

MS. BERNSTEIN: No, no, go ahead, I'll wait.

MS. GRYMES: I was just going to follow up in response to your question about consumer confusion to Mr. Henry's point earlier about the deception he believes he had seen or confusion about use of raccoon and the references to Davy Crockett. Assuming that is true, obviously we don't like that there is confusion on that front, but assuming that it is, it seemed like that would be a natural, if you took that confusion about raccoon and you used the name raccoon dog, it would certainly be understandable to have confusion about dog and for consumers or the retailer selling the product to think

that it is dog because that second name is dog, in the 1 same way that there is at least one incident he has reported of confusion about raccoon when using the name Asiatic raccoon.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Thank you. MR. WILSHIRE: Does it matter? Both Mr. Grzybowski and Mr. Henry have their name plates You would like to start?

MR. GRZYBOWSKI: Yeah, just let me start by pointing out -- let me start by pointing out that these same arguments for being in favor of a name, a trade name in this case, both Asiatic raccoon and Finn raccoon are trade names, so it's not quite clear where Asiatic raccoon derived from. The fact that it isn't listed anywhere reputable or scientific as being an accepted common name, I have to assume that some interest pushed it onto the list at some point.

And from the past review of these name hearings, the interests have always been those who would profit from the sale of an animal by a certain name. And, again, I've got to point out that these same arguments were heard by the FTC and Congress around the terms coney and Hudson Bay seal, which were the two kind of largest, most profitable industries operating under fictitious names, names that weren't accurate, for the species they were selling.

1	If I could just here's a quote from David
2	Kaplan, talking about Hudson Bay seal
3	MR. WILSHIRE: And for the record, can you
4	identify who David Kaplan is?
5	MR. GRZYBOWSKI: He's the author of this book.
6	David Kaplan
7	MR. WILSHIRE: I'm sorry, is this in our
8	comment record? I apologize if it is, okay.
9	MR. GRZYBOWSKI: I'm not sure if David Kaplan
10	is. Yeah, I'm not sure. This is David Kaplan, World of
11	Furs from the FTC library, August 1975. "One of the
12	industry's largest fur producers excuse me one of
13	the industry's largest fur skin producers in the 1920s,
14	A. Hollander and Sons, had a big plant in Newark, New
15	Jersey, employing several hundred workers. Many large
16	manufacturing firms specialize in this item. Hudson seal
17	gradually lost favor, even before the advent of labeling
18	regulations, although embittered furriers ascribe its
19	total demise to this latter blow."
20	And the same information is presented on behalf
21	of the word coney by those who would make a profit from
22	it. And at that time, the FTC did what it was mandated
23	to do, and rightfully so, which was point out that you
24	can't you can't call a muskrat Hudson seal because
25	it's not a Hudson seal, it's a muskrat. And you can't

Т	call coney you can t call labbit a coney because it s
2	actually a rabbit.
3	So, I think that's what we need to do here.
4	The mandate of the FTC is to use the true English name.
5	It's got to be the name that accurately represents the
6	animal. And I think it's very clear that it's raccoon
7	dog and other attempts to do otherwise are not are not
8	in the interests of consumers.
9	MR. WILSHIRE: Are you aware of any consumer
10	perception studies done on the name raccoon dog?
11	MR. GRZYBOWSKI: I don't think so.
12	MR. WILSHIRE: Thank you.
13	MR. GRZYBOWSKI: No, I'm not aware.
14	MR. WILSHIRE: Okay, thank you.
15	Mr. Henry, do you have anything to add?
16	MR. HENRY: Sure. With respect just to
17	finish the comment that Mr. Grzybowski just made, from a
18	legal perspective, the FPLA also does not require that
19	this decision be made based on increasing the sales of
20	the fur industry or preserving certain levels of sales or
21	the fur industry. The preeminent concern is about
22	information to consumers and using the correct and true
23	English name. Those are the legal mandates of the
24	agency.
25	And as Mr. Grzybowski pointed out, the prior

Fur Name Guide hearings also contained similar arguments saying we're going to lose the sale of Hudson Bay seal fur if we're not able to use that term for muskrat or marten or whatever it was and that we would lose the sale of rabbit fur if weren't able to use the term coney. As Mr. Ross has recently pointed out, the sale of rabbit fur persists in this country, despite the fact that the FTC did what it was supposed to do and did the true English name.

I wanted to comment very briefly specifically on a comment Mr. Ross made that the breeders and the supply chain use the terms Asiatic raccoon or Finn raccoon. The fact of the matter, and I mentioned it before, is that Finnish fur interests and the Finnish Government have only recently started using the name Finn raccoon to refer to its products in response to consumers learning about what happens to these animals when they are sourced from Asia.

I pulled off of the Ministry of Forestry and Agriculture from Finland, an entity that submitted written comments on this rule, yesterday's website, several official documents referring to the species as raccoon dog repeatedly. The species is listed as raccoon dog by the Ministry of Agriculture and Forestry with respect to the names of game species that can be taken

pursuant to that country's hunting act and with respect to it being named as an invasive species regulated by that country's Nature Conservation Act.

In 2007, the Ministry of Forestry and Agriculture from Finland announced that it was cooperating with other EU member states and Russia in an effort to combat the spread of rabies and announced that raccoon dog were among the primary species among wild carnivores in Finland, and the fact is is that the species is not just farm-raised, it's now found in the wild, it's treated as an invasive species, that they are potential vectors for this disease in surrounding areas.

Not only that --

MR. WILSHIRE: Okay, can we wrap this up real quickly, because I want to move on to another question.

MR. HENRY: Very -- it will be very quick because I want to comment on the supply chain, and that is that we have cached web pages from the Finnish Fur Breeders Association from their website that referred to this species and had a whole page on it listing fur animals, a specific page on nyctereutes procyonidos, calling to raccoon dog throughout the page. That was only a few years ago, and just today or yesterday, we pulled up that exact same page.

All of the references to -- the same

information is listed verbatim except the references to raccoon dog are now changed to Finn raccoon, except in one spot, they missed it, they still include raccoon dogs on the Finnish Fur Breeders Association web page, apparently clerical error in failure to change it over to the new trade name.

MR. WILSHIRE: Okay. I see we got -- Mr. Ross wants to comment, and I just want to -- if we could keep this short, I'd really appreciate it, because we've got one other question I want to address, plus we want to leave time for comments and questions from the audience.

MR. ROSS: I can't comment on what you found on the Finnish Fur Breeders web site, but I can comment that three weeks ago I sat with the Finnish Fur Breeders in Helsinki to discuss what they call the name, and they were very clear that they call it Finn raccoon or Asiatic raccoon.

I would just like to try to address this question of Hudson seal, although I don't know what it means to this panel. Hudson seal was a color. It was a dye process done by A. Hollander & Son, who was one of 25 fur dyers in New York in the '40s and '50s. And it was simply taking a muskrat, dying it black and sheering it. So, I don't see how that has any bearing on this hearing at all.

1	MR. WILSHIRE: Okay, thank you.
2	I want to ask quickly, and maybe I want to
3	start with the National Retail Federation, because they
4	specifically raised this issue, which is an alternate
5	name beyond raccoon dog. I know we've had some
6	discussion about this before, but I want to just revisit
7	it quickly.
8	Mr. Autor, do you have a what's your
9	specific basis for suggesting tanuki or magnut, and why
10	do you think these names would help consumers making a
11	purchasing decision?
12	MR. AUTOR: Well, first of all, I should state
13	off the bat that we don't see any reason to change the
14	current designation of Asiatic raccoon, but we do
15	recognize that the animal that we're talking about is
16	neither a dog nor a raccoon, strictly speaking, in
17	looking at its taxonomy. So, if the FTC is considering
18	alternative names, those two that I suggested, magnut and
19	tanuki, would be obvious choices because those are also
20	designations that have been used for this animal,
21	apparently fairly commonly.
22	MR. WILSHIRE: You say they've been used fairly
23	commonly. Are they in use in the United States fairly
24	commonly?

25

MR. AUTOR: I can -- I only say that based upon

web searches that I've done, so I don't -- if you're
asking whether we've actually done any consumers studies
on that particular question, the answer is no.

MR. WILSHIRE: Okay.

MR. AUTOR: But given the general lack of information in the American public as a whole regarding this animal and because of the risk of confusion, you know, it's not unprecedented that other alternative names like what are used for this animal where it is indigenous, which is in the Russian far east and Japan and other parts of Asia, would be -- should be considered as alternatives for this animal.

You know, as I mentioned with respect to other examples, the public does rapidly adopt to changes in names when -- you know, based upon marketing, so, yeah, I think that if the FTC is considering alternative names that -- if there is a concern that both alternatives would create undue confusion, the Russian and the Japanese terms for this animal are out there as alternatives.

MR. WILSHIRE: All right, and just to clarify, is there a general lack of understanding about Asiatic raccoon in terms of -- in terms of consumer perception? Is that your view?

MR. AUTOR: Well, as I said in the beginning of

Т	my comments, I think the vast majority of people have no
2	idea what this animal is, period. And it's pretty clear
3	that even people who are, you know, fairly knowledgeable
4	in zoology don't necessarily know what this animal is.
5	MR. WILSHIRE: Well, why don't we ask the
6	people who are fairly knowledgeable in zoology. We have
7	I'd just like to invite the people from the
8	Smithsonian, Fish and Wildlife Service, and USDA, does
9	anyone here have a comment about the proposed tanuki or
10	magnut names or any other name that might aside from
11	Asiatic raccoon or raccoon dog that might accurately
12	describe this animal and help consumers with their
13	purchasing decisions?
14	Okay, great.
15	DR. GARDNER: Tanuki.
16	MR. WILSHIRE: Dr. Gardner, if you want to
17	speak into the microphone.
18	DR. GARDNER: The Japanese common name tanuki,
19	single word, some people like exotic names, it doesn't
20	carry any baggage. It's the only problem with it it's
21	not nearly as familiar as Asiatic raccoon or raccoon dog
22	or Finn raccoon, but I want to just take a second. If
23	indeed Mr. Henry was talking about kangaroo rats
24	MR. WILSHIRE: I'm sorry, but we're sort of
25	running short on time and I want to table the kangaroo

1	rat discussion for now. I would be curious, though, you
2	voiced some support for tanuki. Do you have a particular
3	basis for why you would support that name as opposed to,
4	say, magnut?
5	DR. GARDNER: Why well, magnus is just not
6	used. I mean, if you key it into a web search, yes, it
7	will come up, but in the searches I've done, it doesn't
8	automatically come up with tanuki or with Asiatic raccoon
9	or raccoon dog.
10	MR. WILSHIRE: Okay, thank you.
11	DR. GARDNER: Or Finn raccoon for that matter.
12	MR. WILSHIRE: Okay. I'd like to ask
13	representatives from FICA and Finnish Fur if they have
14	any views on the alternative names tanuki, magnut, or
15	anything else.
16	MS. BERNSTEIN: May I? This is not
17	particularly specific to your question, but it is
18	related, and that is because there were a number of
19	references here earlier about events at the Commission in
20	the '60s and '50s even. I was not there in the '50s or
21	the '60s, but I was there in the '70s when the Commission
22	for the first time in many years began to enforce the Fur
23	Act, and I was a part of that.
24	And it was I think the point I would like to
25	make about that experience is that in the names and in

the review of the fur market the Commission recognized that consumers get their information and make decisions about furs not solely from the name but rather from fashion magazines, from -- but most particularly from the person from whom they're buying, from the retailer whom they've come to rely upon who provides the basic and the most pertinent information for the consumer and not solely by the name that's on the label, which tends to be one that they may never have heard of. I think that probably still continues, from what we have learned about the market. That is the way people make decisions.

MR. WILSHIRE: Thank you very much.

We've got about 15 minutes left. I'm sorry, one second.

I'm sorry, right before we turn to audience questions, I just want to ask a quick follow-up, whether you think that continues to be true, even as the market is evolving into greater use of fur trim products.

MS. BERNSTEIN: I believe it continues to be true because consumers continue on a pathway of finding information from various sources. I don't have to point out to you that there are even newer sources for consumer information through the social media and so forth than they had before, but they do not -- the point being that they do not solely rely on one specific name.

1	MR. WILSHIRE: Okay.
2	MR. BERNSTEIN: Now, you may want to add
3	something.
4	MR. WILSHIRE: Oh, yeah, Mr. Ross.
5	MR. ROSS: I would have to agree that in this
6	global economy and global fashion community that the
7	consumer relies much more on fashion magazines and
8	fashion websites for their clarification and information
9	about products.
10	MR. WILSHIRE: And is that and you're basing
11	that on your understanding of the marketplace and your
12	experience?
13	MR. ROSS: Exactly.
14	MR. WILSHIRE: Okay.
15	MR. BERNSTEIN: And history, because it's been
16	true for 30 years.
17	MR. ROSS: Yeah.
18	MR. WILSHIRE: Were there particular findings
19	by the Commission in that regard in prior cases?
20	MS. BERNSTEIN: Probably in my files somewhere,
21	but I'd hate to have to go into them. There were in
22	connection with decisions that were being made about the
23	relationship between the care labeling and whether they
24	would be pertinent to furs, et cetera, in that context, I
25	know. But I really couldn't cite to a specific finding.

1	MR.	WILSHIRE:	Okav.	thank	VO11
±	1,11/	MTTIOIITIVE.	Oray,	CHAIIN	y O u

At this point, we've got about 12 or 13 minutes

left, so I want to definitely give anybody in the

audience a chance to comment.

Yes? Sure, actually, if you could stay seated.

Laura, if you could grab the microphone? And I'll save Jim the trouble of identifying himself. This is Jim Kohm, K O H M, Associate Director of the Division of Enforcement in the Bureau of Consumer Protection at the Federal Trade Commission.

MR. KOHM: I was wondering, the gentleman from the National Retail Federation, I believe said that it was a lack of information as a whole in the marketplace about what you call this animal, and essentially that nobody knew any of these names. Is there any basis -- what's the basis for that and if anybody else has any comment on whether that's true.

MR. AUTOR: Well, I think that this is based upon anecdotal evidence, not on actual consumer studies. But first of all, the vast majority of the American public does not buy fur for whatever reason, so we're talking about a fairly small consumer base to begin with, those that buy fur. And of those that buy fur, as Mr. Ross pointed out, this animal ranks number nine in terms of the popularity of fur products in a limited consuming

1	public. So, I think it's safe to say, given those
2	observations, that if you were to go to the man on the
3	street and ask them what is this animal or what is a
4	raccoon dog or what is a Asiatic raccoon, they would have
5	no idea.
6	MR. KOHM: Just can I follow up with one
7	question? So, what is this fur generally used for? Is
8	it do you find coats made out of it? Is it trim?
9	What's the primary use of the fur?
10	MR. ROSS: I think I better answer it.
11	MR. KOHM: This is for anybody.
12	MR. ROSS: This is primarily used as trim on
13	textile coats.
14	MR. WILSHIRE: So, before we go on, is that
15	okay.
16	MR. GRZYBOWSKI: Yeah, that's been our finding.
17	MR. WILSHIRE: Okay, thank you.
18	MS. BERNSTEIN: And previously it would have
19	been under the previous exemption, which is no longer the
20	case, it would have fallen the trim, because of what
21	they cost, would have fallen under the exemption.
22	MS. GRYMES: So consumers wouldn't have had
23	exposure.
24	MS. BERNSTEIN: And therefore nobody would know
25	very much about them.

1	MR. KOHM: That was my next question, and
2	obviously that's why Jodie was my boss.
3	MR. WILSHIRE: Okay, I think it seems like
4	Mr. Henry I think Mr. Henry wanted to add something
5	here.
6	MR. KOHM: Yeah, thank you.
7	MR. HENRY: The comment that it would be under
8	the exemption is presumably based simply on the fact that
9	it was used as trim. The fact of the matter is the de
10	minimus value exemption of \$150 only apply where no
11	representations to the fur were made. Once
12	representations were made, they had to be accurate.
13	And, so, as the Commission is aware, we've
14	petitioned the Commission, as I mentioned before, a few
15	times in the past years, finding dozens of jackets that
16	had raccoon dog trim on them that were falsely labeled,
17	falsely advertised in violation of the FPLA, despite the
18	fact that they may or may not have been subject to the
19	\$150 fur exemption because representations as to the
20	accuracy of the trim were made.
21	MR. KOHM: Okay, just so I can follow up for a
22	second. So, you're saying that it was called something
23	different?
24	MR. HENRY: Yes.
25	MR. KOHM: The trim itself was called something

1	other than Asiatic raccoon.
2	MR. HENRY: Correct.
3	MR. GRZYBOWSKI: Our finding has been that
4	raccoon dog has been called many different names. We
5	found it continually over the years being represented as
6	faux fur. I mention here and when I say this I mean
7	either in ads, which are covered by the FPLA, or on the
8	labels or both, either one or both. We've seen it called
9	faux, coyote. Probably one of the most common ones is
10	just straight raccoon, just the term raccoon has been
11	very, very common.
12	MR. WILSHIRE: Thank you.
13	MR. KOHM: Okay, but so what you're saying is
14	that what I'm trying to get a handle on is how often
15	has this name been used in the marketplace, and what I'm
16	hearing, and comment on this, is either because it was
17	misnamed or because it was less than \$150, that it wasn't
18	used much in the marketplace. Is that correct?
19	MR. HENRY: My response is that, yeah, it's
20	used frequently, but no more frequently than we find it
21	misused. And, so, there is it's sporadic use, at
22	best.
23	MR. KOHM: So, what is the basis for saying
24	it's frequently used correctly?
25	MR. HENRY: Not frequently used correctly.

1	Frequent in other words, the name Asiatic raccoon or
2	is used fairly often. We've seen it on several
3	labels. Our basis
4	MR. KOHM: Okay, that's what I'm asking is
5	MR. HENRY: is the fact that we've gone out
6	and done undercover investigations, fur buys, and talked
7	to consumers who have bought coats. And, so, we've
8	discovered you know, we've seen the use of the term.
9	The problem is is that we've seen, you know, in equal
10	amounts use of other terms.
11	MR. WILSHIRE: Go ahead.
12	MR. LASOFF: I'll let Mr. Ross respond to
13	the
14	MR. ROSS: Just to answer your question, I
15	would say the majority of the use of the trim is over the
16	\$150 and always has been over the exemption.
17	MR. WILSHIRE: I'm sorry, I misunderstood you.
18	Did you just say that the use of the trim the majority
19	has been over the
20	MR. ROSS: Over the \$150.
21	MR. WILSHIRE: Okay.
22	MR. ROSS: I think it's fallen under that
23	category just recently, as has been the fashion of the
24	puffer jacket or the down jacket. And then new retail
25	stores have gone into the fur business and have

1	incorporated Asiatic raccoon trims on the garments. If I
2	had to guess, I would say there are approximately close
3	to 100,000 fur-trimmed garments using Asiatic raccoon
4	sold in this country on an annual basis. So, if we've
5	only found 12 violations after in-depth research, I think
6	that's
7	MR. WILSHIRE: Well, I don't know if we really
8	we're running short on time here. I don't know if we
9	want to have a back-and-forth about the violation rate.
10	We're this is focusing on what we should do in our
11	regulations.
12	I also want to make sure we have an opportunity
13	for anybody else to ask questions or comments. So, it
14	looks like is there anybody else from the audience?
15	Okay, sounds like that's it. I see several
16	people who want to have comments. We've got six minutes.
17	So, why don't I think Mr. Lasoff has been waiting the
18	longest. If you could state your comment very
19	succinctly.
20	MR. LASOFF: Just again in respond to Mr.
21	Kohm's comments with respect to the regulatory
22	environment, yes, as Mr. Ross has said, that the bulk of
23	the garments this far until, you know, the passage of the
24	Truth in Fur Labeling Act were above 150, and now we have

this vast, you know, new market developing. The

25

regulatory environment right now for that is we are in a transition phase. The Commission itself has grandfathered the use of the de minimis exception with up until March of 2012.

So, in that regard, I think this is a new issue specifically, as well, and so, you know, how we come to, you know, a decision on this thing is going to have significant implications to a broader base of retailers, in particular smaller retailers who were using small amounts of this trim that would previously have fallen under the \$150 exemption, and these are retailers who previously have probably never had any experience with the Fur Product Labeling Act and are going to be brought into this possibly for the first time, into this regulatory regime.

MR. WILSHIRE: Yeah, and, again, I think we just want to keep it to the names here. I know there were comments along the lines of mechanics of labeling. That's not what this hearing is going to be focused on.

Mr. Autor?

MR. AUTOR: Just quickly, the names guide has identified this animal as the Asiatic raccoon for a considerable amount of time. To the extent, my understanding that the fur industry and retailers are -- have labeled this because it didn't meet the de minimis

1	exemption. It has followed that the names guide.
2	I fail to see how the fact that there may have
3	been instances where this fur was mislabeled is an
4	argument for changing the name entirely to raccoon dog.
5	I just don't follow that logic.
6	MR. WILSHIRE: Okay.
7	All right, Mr. Grzybowski and Mr. Henry? And,
8	again, I really don't want to get too much further into
9	compliance.
10	MR. HENRY: No, first I want to comment on the
11	names. I think the HSUS is the only panelists that
12	hasn't commented on tanuki or magnut yet.
13	MR. WILSHIRE: Oh, yeah. Sure, please do.
14	MR. HENRY: So, tanuki and magnut are foreign
15	language words. Point of fact, the FPLA regulations
16	or the FPLA itself, the statute, requires use of the true
17	English name. There's no getting around that. That's
18	the statutory obligation of the agency. The agency
19	cannot use tanuki and magnut.
20	We've done our own research, Googling and
21	otherwise on websites. Tanuki comes up much, much more
22	infrequently in any context than either raccoon dog or
23	even Asiatic raccoon. And magnut is there are very
24	few references to that in the public domain at all.
25	MR. WILSHIRE: I'm sorry, did you say I'm

not sure I heard. Did you say tanuki comes up much more frequently?

MR. HENRY: No, much less frequently.

MR. WILSHIRE: Much less frequently.

MR. HENRY: I may have misspoke. And I just wanted to note that the IUCN's canid specialist group, that's a 75-member scientific experts on the canid family, you know, not only calls this raccoon dog, as I've mentioned before, but also has a list of other names in other languages. Tanuki is not mentioned as an English name; of course it's mentioned as the Japanese name. Magnut is not mentioned anywhere. In fact, another name is given in Russian for the species, but it's not magnut. Magnut is not mentioned among the dozen or so other names mentioned for the species.

And, so, I think that those two terms would be impermissible under the act and not helpful to consumers. Actually, there has also been compiled in February 2001 a scientific bibliography for the species by Midori Saeki that's available online. It contains over 300 references to scientific articles, encyclopedic treatises, and the like mentioning the species. And I've gone through several of them, as many as I can, and raccoon dog is by far the most used. There are a few references to tanuki; there are none that I could find with respect to magnut.

And I think the point about the mislabeling is when we run into, and we're the closest as follows: thing to consumers on this panel, because the HSUS has been the only person out there policing this issue, not the retailers and not the agency. When we run into this issue, acting as consumers looking at advertisements, labels, and buying issues, when we see something like the advertisement that I mentioned before that sells this as Finn raccoon, suggesting this is a raccoon from Finland, and the retailer includes information for consumers on American raccoon fur best known in its use in classic Davy Crockett hats, I think that speaks to the fact that the use of an industry-coined name or the existence of it in the Name Guide for 50 years is not a reason for the FTC to fall back on maintaining a name that is unlawful because it's an industry-coined name, unlawful because it's not the true English name.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

The fact is that -- the suggestion is that because it's been on the books for 50 years it should be maintained, but our point is that in pattern and practice, it has not been -- it has not been maintained. And I think that's the argument. It's been on the books for 50 years despite the fact that it's an industry-coined name, but in pattern and practice, we find it sporadically -- the species sporadically referenced by a

1	number of different names.
2	MR. WILSHIRE: Okay, thank you.
3	We are really almost out of time here. I
4	think, Mr. Autor, you still have your name if you can
5	you've got 60 seconds, go.
6	MR. AUTOR: And I'll use 60 seconds. By the
7	logic that Mr. Henry has raised, we have many, many
8	examples of animals that are whose names have been
9	adopted from foreign languages. Nutria is a good
10	example. Nutria is a Spanish word. By his logic, we
11	should not be calling that animal a nutria because it's a
12	foreign name.
13	MR. WILSHIRE: Okay. Well, we've got 25
14	seconds.
15	MR. HENRY: The response is that many of our
16	names in the English language and in the United States of
17	America have been adopted from other languages and
18	they've arrived at one common true English name. Tanuki
19	and magnut are not terms that have been adopted into the
20	English language from other languages like nutria has.
21	MR. WILSHIRE: Mr. Autor, do you know if tanuki
22	or magnut is in the English dictionary?
23	MR. AUTOR: I don't know.
24	MR. WILSHIRE: Okay.
25	MR. HENRY: Oh, I should also point out that

we've looked up tanuki several times and you find it spelled many different ways, which is another thing that the FTC should consider with respect to the claim that it should be used.

MR. WILSHIRE: Thank you. All right, we are out of time on this. Thank you very much for a lively discussion and lots of great comments. We have 10 minutes to the break. As I mentioned before at the outset, we will start without you if you're not back in 10 minutes. So, restrooms back that way. Everybody, you know, be quick, relax, make a phone or call or two, but get back here on time. Thank you very much.

## (Whereupon, a brief recess was taken.)

14 ISSUE 3

MS. KIM: All right, so for the next 30 minutes, we're going to be focusing on issue number three, which is whether the guide should allow Finn raccoon as a name for nyctereutes procyonidos raised in Finland. And the first question I wanted to start out with today is what evidence is there that consumers believe that Asiatic raccoon only refers to fur originating in Asia. And I thought I would start with Fur Information Council and Finnish Fur on that one.

MR. ROSS: Okay, could you just repeat the question on -- what are you looking for?

MS. KIM: The specific question I'm interested in is what evidence you have that consumers believe that Asiatic raccoon only refers to fur originating in Asia.

MR. ROSS: Strictly the name Asiatic, you know, signifying an Asian-based product, the majority of the product probably represented in lower-end department stores does say fur origin China.

MS. KIM: And is it also true that if the fur originates in Finland that it would have -- the label would indicate that it originates in Finland?

MR. ROSS: It would indicate -- it would say fur origin Finland. And what that means to the consumer and the clarification on that is the animal welfare and the farming standards. All Finn raccoons come from the EU, and all the farms raising this animal are in compliance with the EU recommendations.

In addition, the farming of Finn raccoon is a closely monitored article. And in 2013, all farms producing this product will be certified. So, this will be the only fur type that comes exclusively from a certified farm in Finland. What this means in certification is that these farms have invested additional infrastructure in the farming and they're monitored by outside monitors. So, the finest farms in the EU are producing this article. So, that's for the

1	clarification of a product coming from Finland as
2	compared to something coming from China. Now, I'm not
3	prepared to report or comment on fur farming in China.
4	That's not my area of expertise. I can only comment on
5	the certified farms in Finland.
6	MS. KIM: Okay. Is there anyone else who would
7	like to speak to the issue of any evidence there is that
8	consumers believe that Asiatic raccoon refers to fur
9	originating in Asia?
10	MR. HENRY: I would echo the sentiments of Mr.
11	Ross. I think the only evidence is really the fact that
12	the name suggests that it's a raccoon from Asia and that
13	you see garments of this containing fur from this
14	species labeled as coming from China very frequently.
15	So, I think as with the Finnish Fur interests, the Humane
16	Society also thinks that names should not be contain
17	terms that indicate that the species either comes from a
18	species or a geographic region that they do not come
19	from.
20	MS. KIM: Did you want to follow up?
21	MR. GRZYBOWSKI: Yeah, I just wanted to quickly
22	respond to the idea of welfare differences that was
23	raised, just to point out that raccoon dogs raised in
24	Finland for their furs are raised in very small cages.

25

They're still associated with a number of conditions that

-					1	
⊥	many	consumers	consider	to	рe	inhumane

And I think like with any animal, a consumer should be able to decide what they want to buy based on their ability to research how that animal is produced, if they're okay with fur. Maybe it would be okay with certain species, but there certainly are still very substantial welfare problems with raccoon dog production in Finland. So, I just want to make that clear that there isn't some sort of a utopia for raccoon dogs in Finland. In reality, it's a battery-cage factory operation like you see throughout the world with confined fur operations.

MS. KIM: Is there anyone else who wants to comment on evidence of confusion about the origin of a fur that is labeled Asiatic raccoon, the geographical origin?

I had a question for the panel, which is how would calling Asiatic raccoon, even for fur products that where the fur originates from other countries besides

Asia, how is that different from calling something like a Bengal tiger born in the U.S. an American tiger?

MR. ROSS: Well, tiger is illegal to trade in the fur industry, so I don't know how it has bearing on this panel.

MS. KIM: Apart from the fur industry, but just

1	the concept.
2	MR. ROSS: Okay. You know, mink raised in
3	North America is called the mink, and if the same species
4	is raised in Europe, it's called the mink, so it has one
5	common name.
6	MS. KIM: Would either would any of the
7	Government representatives like to speak to that issue?
8	If the Commission were to retain the name
9	Asiatic raccoon oh, did you have a response
LO	specifically on that point?
1	MR. HENRY: Yes.
L2	MS. KIM: Okay.
L3	MR. HENRY: I think the point here is to
L4	distinguish between what is a generally accepted common
L5	name for a species, a species name. And if that has a
L6	geographic origin, as Ms. Lynn said before, that denotes
L7	where the species has historically come from or something
L8	like that, that could be the species name.
L9	Here, we have what appears to be an industry-
20	coined name at issue. And, so, there's no reason to
21	require or adopt a new name that has a geographic origin
22	associated with it, where we now know that in practice
23	the species is killed for its fur from a number of

24

25

different regions. So, I think where you've got African

lion, no one is suggesting that an African lion in a U.S.

zoo or if it was permitted to be sold for its fur in the United States should be called United States lion. What it should be called is African lion because that's the species name. And then the country of origin requirements of the FPLA would say that it's from the United States, so it would be African lion from the United States.

And this goes to the point of Finn raccoon and Asiatic raccoon, both of which suggest that the fur is coming from a species of a particular geographic region when that may not be the case. The true English common name, raccoon dog, does not suffer from any geographic origin problem, and, so, raccoon dog from Finland would be raccoon dog, country of origin, Finland. And raccoon dog from Asia would be raccoon dog from country of origin, say, China.

MR. GRZYBOWSKI: Yeah, I just want to underline that point and how important it is that the key difference here is there is an accepted, common, true English name, and that is raccoon dog. There is no reason to add confusion to a name that's already there by adding something that could suggest some sort of geographic reference, especially when the Fur Products Labeling Act requires that fur origin already be given.

So, and now with the closing of the loophole,

that's mandated for everything and it should be the only
thing on the marketplace in about a year, with the
exception of some very bad retailers that are known for
never flushing out their inventory. But I think with the
fur origin, the country of origin mandated and with it
already a very clearly accepted common English name of
raccoon dog, a discussion about some sort of geographic
suggestion to an animal like Asiatic raccoon is just
debating something that really shouldn't even be there.

I think what it may do is a consumer will not see that there is such an animal called an Asiatic raccoon dog, and this may conjure in their mind the idea that this is actually some sort of geographic reference for them for -- for the raccoon. They may think the animal is raccoon, which is an actual name for an animal, the procyon lotor, and they may think the Asiatic is a reference. So, I think it just adds confusion where there need be none.

MS. KIM: And do you have any specific basis for your belief that this may add to the confusion?

MR. GRZYBOWSKI: No, I think it's heaps and heaps and heaps of anecdotal evidence and going undercover posing as consumers at numerous retailers.

MS. KIM: Mr. Ross, did you have a response?

MR. ROSS: First in the consumer market,

raccoon dog does not appear. So, if we're looking to remove confusion with the consumer, this article has always been called Asiatic raccoon or Finn raccoon.

The reason for the geographical description is based upon our belief about animal welfare. If bringing the most amount of information to the consumer and allowing them to base their purchases based upon all the information available by calling it Finn raccoon, that signifies that it comes from Finland, that it is produced in the EU according to the regulations, and 2013 will be coming from a certified farm. So, I think that that's information that a consumer would like.

As far as the size of the cages, that was an earlier comment, in 2011, all farms in Finland were put into compliance with new EU regulations, so there are no small farms, nor were there ever small farms. And, in fact, my company has a zero tolerance policy for any farm not in compliance with the law.

MS. KIM: Dr. Gardner, did you have a response to that?

DR. GARDNER: I have a question of why raccoon dog is preferable when it's neither a dog nor a raccoon.

MS. KIM: I'll allow a very short response on that, but we're really focused right now on the question of whether the quide should allow the name Finn raccoon.

1	MR. HENRY: I think the response has been
2	stated before, and that is that, you know, it's the true
3	English common name, it's been accepted by scientists and
4	is widely used by the AZA, by zoos, by educational
5	institutions, by governmental entities, including those
6	here, including the United States Zoological Survey, its
7	participation in ITIS. And I think that calling it a dog
8	does the same thing as calling a short-eared dog a dog.
9	A short-eared dog is not in the genus canus, and that
10	seems to be the basis for which these statements that we
11	keep hearing, this is not a dog, seem to be based solely
12	on the notion that it is not in the genus canus.
13	MS. KIM: Okay.
14	MR. HENRY: Well, neither is short-eared dog,
15	and no one's complaining about that reference.
16	MR. ROSS: If I could make a very quick
17	MS. KIM: No, I'd really like to stay on the
18	topic of, you know, whether we should consider the name
19	Finn raccoon. And the question that I wanted to pose as
20	a follow-up is whether this creature raised in Finland is
21	actually a different animal than that which is raised in
22	other countries.
23	MR. ROSS: To my knowledge, there's no DNA
24	testing that has been presented to me that shows that

25

there's a difference. There's a difference in color,

quality, and size of the animal, but from -- you know,
from a scientific point of view, I don't know if there is
a difference between Finnish and Asiatic.

MR. HENRY: Excuse me?

MS. KIM: Yeah, any response on that? Yes.

MR. HENRY: Very briefly.

MS. KIM: Humane Society.

MR. HENRY: There is some scientific evidence to suggest that what's been previously referred to as tanuki has also been referred to as Jap dog, Japanese Asiatic raccoon, that may be not necessarily a different sub-species, but may be from -- on a molecular basis different than the raccoon dogs that we talk about from China. But the raccoon dogs that we see in the Caucasus and in Eastern Europe, those are all introduced, so they are the same as raccoon dogs that are found in Asia generally because they were introduced.

MR. GRZYBOWSKI: And if I could comment about Finn raccoon specifically, I think it's very clear, I mean, with country of origin already mandated, there is simply no reason to put something else into the name and create a fake name that would -- in the hopes of designating some sort of geographic reference when it's already there, country of origin, Finland. If a industry that is selling a product out of Finland wishes that to

1	be known to consumers, that mechanism is already
2	available to them. It's called the country of origin
3	requirement. Simply put, raccoon dog, country of origin,
4	Finland, and if they think that their product from a
5	certain geographic area is a superior product, then they
6	can make that case to consumers within the law, then so
7	be it.
8	MS. KIM: Mr. Ross?
9	MR. ROSS: Finn raccoon is not a fake name or a
10	made-up name. In fact, it's the name used for labeling

MS. KIM: Do you have any evidence that consumers in the United States understand Finn raccoon differently than they understand the name Asiatic raccoon?

in the other European countries in the fur business,

which is Italy, France, the U.K., and Spain. So, the

common name in both advertising and labeling in the

stores in those countries is Finn raccoon.

MR. ROSS: They understand the fur origin. I think by allowing the Finnish product to be called the same as they would find in Europe I think will end confusion. So, a customer that buys a Finn raccoon in Prada in Milan will not have the concern when she comes back to the States and sees the same garment in the Prada store here called Asiatic raccoon. So, I think it brings

1	clarification to the consumer if we adopt the name that's
2	used globally.
3	MS. KIM: But do you have evidence of
4	misperception of the term Finn raccoon here in the United
5	States?
6	MR. ROSS: Not consumer evidence, just trade
7	evidence, you know, the people that are designing it,
8	making it, and selling it would all would all like the
9	separation of the product.
10	MR. BERNSTEIN: Because they understand that's
11	it where it originates.
12	MR. ROSS: Right.
13	MS. KIM: Oh, did you have a response? Sure.
14	MR. HENRY: I find it interesting that the
15	argument from the Finnish fur interests against Asiatic
16	raccoon with respect specifically to the question of
17	consumer perception was that inherent in the name is a
18	problem based on the geographic identifier Asiatic, and
19	that the only reason to believe that consumers would be
20	misled, according to the testimony here today, was
21	because of that name and because we see that the species
22	is sold with fur origin from China. The same logic
23	necessarily applies to Finn raccoon.
24	And, so, in the absence of any other evidence,
25	apart from the suggestion that breeders and those in the

1	supply chain know, and again I'll point to the fact that
2	the from Finnish Breeders Association's website, until
3	very recently, referred to the species as raccoon dog.
4	There is simply no evidence that Finn raccoon is any more
5	clear to consumers than Asiatic raccoon which the Finnish
6	Fur interests oppose.
7	MS. KIM: Is there any evidence that using the
8	term Finnish Asiatic raccoon would not accurately
9	identify the source and quality and characteristics of
10	that product as well as the term Finn raccoon?
11	MR. ROSS: It's just reducing some possible
12	consumer confusion by having a three-name description of
13	the product and fur origin, Finland. So, I think the
14	consumer would find it easier to understand Finn raccoon,
15	fur origin, Finland, rather than Finnish Asiatic raccoon,
16	fur origin, Finland.
17	MS. KIM: What would what about where you
18	have an Asiatic a product labeled as Asiatic raccoon
19	that is produced in another country outside of Asia but
20	not Finland?
21	MR. ROSS: There are no examples of that that I
22	know of. It's either
23	MS. KIM: There are no examples.
24	MR. ROSS: produced in China or in Finland.
25	MS. KIM: Mr. Autor?

1	MR. AUTOR: Right, I just wanted to clarify a
2	point that Mr. Henry made. He suggested that well, he
3	said a couple of times that there are animals that are
4	not that are canids that are not in the genus canus
5	that are referred to as dogs and suggested that our
6	arguments were that anything that could be referred to as
7	a dog needs to fall needs necessarily to fall into the
8	genus canis. Well, foxes are more closely related to
9	canis familiaris than are Asiatic raccoons, and they are
10	in the family vulpes, and they are not referred to as
11	dogs. So, I just wanted to clarify our point, which I
12	think Mr. Henry mischaracterized.

MS. KIM: Did you have a response? Both of you.

MR. HENRY: Yes. It's very easy. It's not a mischaracterization. We understand that raccoon dogs are not in the genus canis, and we understand that foxes are not in the genus canis, and we understand that, therefore, raccoon dogs are not more closely related to domestic dogs than other species within the genus canis.

However, my point is that species for which the common name undisputed contains the word dog are not also in the genus canis, are not in the genus vulpes like fox, and, so, are also not closely related to dogs, which is the argument being made against the use of the term

raccoon dog. Even though there are several other species 1 within the family canidae that contain common names, for which the term dog is used, and those species are in their genera. So, that's the point. And then obviously, ultimately, this species and every other species named dog, fox, jackal, or wolf, is more closely related to each other as -- then they are to raccoons.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MS. KIM: Okay, if you have a response -- I'd like to focus the discussion on Finn raccoon.

MR. GRZYBOWSKI: Yeah, it's very quickly. Yeah, this is Finn raccoon. Just in response to the number of countries that are raising it, I don't want to misrepresent the group. It was a fur trade -- a fur trade association, and I believe I saw it references yesterday that Poland is also producing some raccoon dog, so -- and of course there is the opportunity for any country where it's legal, where it certainly is not in the U.S., to start producing it.

And I think, once again, to introduce, when there is no need to, a suggestion of geographic origin will only lead to further confusion, be it Asiatic or Finnish, because you could certainly have something raised in Poland and then what do you call that. Is it Finnish Asiatic raccoon from Poland? Well, what do the Finnish and the Asiatic terms signify? They contain no

1	meaning.
2	For the consumer, they need the animal and the
3	country of origin. When you add these geographic
4	references at the beginning that aren't part of the
5	common name, it just makes a situation that's already
6	very bad much worse.
7	MS. KIM: Mr. Ross, I wanted to go back to you
8	for a clarification. What is your basis for asserting
9	that there are no other producers of this species right
10	now besides Finland and China?
11	MR. ROSS: Based upon what we sell in Finland
12	and our certification program, we're not selling any
13	other product. And we sell 99 percent of the Finnish
14	Asiatic raccoon. So, if there are other countries
15	MS. KIM: But are there other countries that
16	are selling or producing Asiatic raccoon?
17	MR. ROSS: If there's a small production on a
18	small family farm in another country, it's possible, but
19	not to my knowledge.
20	MS. KIM: Mr. Henry?
21	MR. HENRY: Just one quick point, and that is
22	where Finnish Fur interests are producing this species

it can go to additional manufacturers, it can go to

under the name Finn raccoon, when that's the case, then

that pelt or that product comes to the United States, and

23

24

25

retailers, and there is additional room for there to be problems with labeling and advertising.

We've seen it. We've been out there. We've seen, as I mentioned before, just an example, Finn raccoon from Finland being sold but then with information being presented about real raccoon. Finnish Fur interests can't control that, and so the term Finn raccoon suffers from these problems regardless of whether or not every single person in the supply chain in Finland refers to this as Finn raccoon. The fact of the matter is retailers, because of the inherent problems with the name, can end up communicating errant information to consumers, such as the source of the fur, whether or not it's from a raccoon. And, so, I think that that's a problem.

And then, again, just because the suppliers refer to it and amongst themselves as Finn raccoon does not mean that that's the information that the consumers are going to get. Consumers are going to get this information from fashion press, from information on the labels and websites, point-of-purchase advertisements, media reports, as well as websites of the Finnish Fur Breeders Association, which still refer to it as raccoon dog.

MS. KIM: Okay, Mr. Henry, okay, I'd like to

throw this out to the audience at this point and see if there are comments or questions from the audience on this question of whether the guide should allow the name Finn raccoon.

And could you please identify yourself and your affiliation.

MS. VANAMO: Thank you, Madam Chair, my name is Sannamaaria Vanamo, and I come from the Embassy of Finland. And I'd like to thank for the opportunity to be here and for all the experts' comments and views that we have got, and I will certainly report this back to my authorities in Finland.

And just shortly I'd like to refer to the written comments by our Ministry of Agriculture and Ministry of Foreign Affairs and draw your attention to the fact that this is important for Finland and for our fur industry. We would certainly support adding Finn raccoon in the Fur Products Name Guide, and we think that this would best inform the consumers. And this is also -- we've had many terms commonly used in Europe in international fur markets, and be -- is the more accurate term.

I'd also like to underline the high animal welfare standards and legislations that are followed in Finland of the European Union and also that our

1	agriculture	and	fur	farming	works	in	an	ethically
2	responsible	way.	. Tł	nanks.				

MR. HENRY: I have a quick comment in response.

MS. KIM: Sure.

MR. HENRY: I appreciate the reference of the public comment or two, the written comments submitted by the Ministry and note that at the beginning of those comments the industry specifically refers to Finn raccoon as being established as a trade name practice. I understand that the Finnish fur industry is concerned about the use of the real -- the true English name affecting their fur sales, but the FPLA makes no room for this. The FPLA is about the accurate and true English name and about providing accurate information to consumers. And the identification within the comments of this as an established trade practice indicates that the adoption of this term would be unlawful under the FPLA -- or the regulations, excuse me.

MS. KIM: Okay, we have just a few minutes left for this panel, so I wanted to go back to the Fur Information Council and Finnish Fur for a final statement on this subject.

MR. LASOFF: There seems to be -- there seems to be a presumption underlying every comment made that a name -- a trade name, a name that has been developed,

marketed, supported by an industry can't become a common
name. And I think historically we could go back to all
of the laws that are enforced by the Commission. Names
are established. Names are established by by
industry, and they become common, they become accepted in
the marketplace. And the Commission has a role, you
know, under its authorizing statutes to determine if, in
fact, there is confusion caused by those names. That's
the function of the Commission; however, to accept the
presumption that something is a trade name and therefore
is precluded from being a common name as defined by the
statute is just incorrect.

MS. KIM: Well, let me ask you a follow-up question. What is the evidence that you have that Finn raccoon is a true English name that consumers understand to signify nyctereutes procyonidos raised in Finland?

MR. ROSS: We've been marketing that name globally since the mid '80s or selling it both in the U.S., Russia, Europe, and Asia. So, we've made a huge investment, the trade name, and that name has been adopted in all countries other than the U.S., where we still call it, you know, Asiatic raccoon. Finn raccoon is a trade name -- a global trade name for the product coming from Finland.

MS. BERNSTEIN: And it's obviously widely

1	advertised with that name
2	MR. ROSS: Right.
3	MS. BERNSTEIN: which would be another
4	source for consumers to become very familiar with the
5	name and what it means.
6	MR. LASOFF: And therefore it falls within the
7	Fur Product Labeling Act, as well, to the extent that
8	you're also regulating the nomenclature that's used in
9	advertising.
10	MS. KIM: Any other comments on this subject?
11	MR. GRZYBOWSKI: If I could just make one very
12	briefly, and that's there simply is no room for trade
13	names in the Fur Products Labeling Act. And, in fact,
14	one of the core reasons it was passed was to ban trade
15	names, because the industry was so rotten with trade
16	names for up selling species, cross selling species, all
17	sorts of misrepresentation that it would just fly in the
18	face of the original intent to allow a trade name back
19	into the act and the regulations when Congress and
20	President Truman who signed it and everyone else who
21	worked on it worked so hard to actually help consumers.
22	And it's not just consumers. It's to help
23	create a fair marketplace for other people selling fur.
24	So, if you have one interest selling an animal as one
25	thing and one selling it as another, the marketplace

suffers both for those -- the seller, who is trying to
stick to the truthful name, and the one who would sell by
a trade name, as well as the consumers.

And, again, we've said it before, but raccoon dog is used by many in the Finnish industry, including the Finnish Fur Breeders Association. There's a reference in a Finnish online news source here calling it raccoon dog. You saw the Ministry of Forestry and Agriculture referencing it as raccoon dog.

So, I think it's very clear. We've heard that it's a trade name, and because there is already a common English name, there simply can be no room for this trade name to even be considered.

MR. LASOFF: And I would submit --

MS. KIM: Okay, one very, very brief response.

MR. LASOFF: Okay. I would submit that's a mischaracterization of my comments. My comments is that the Commission must adopt trade names, but the trade names can become common names in the marketplace as a result of the efforts of the marketing activities of that business. And I think that is clearly the case of what has occurred here with Finn raccoon. There has been heavy investment in its marketing, and that marketing has been tailored specifically to its -- the animal welfare standards that they're doing.

And I think based on Mr. Ross' comments and the fact that, you know, he is in the marketplace, you know, he could state specifically that this has achieved that level. And I think the Commission -- one of the comments I made earlier is that there seems to be a lack of flexibility in the process that has existed over the past 50 years in the inability for the Commission to react to market changes and accept trade names that become accepted in the marketplace as common names, and therefore this is an opportunity for the Commission to do that and fix a lot of things in terms of what has occurred over time.

13 ISSUE 4

MS. KIM: Okay, thank you. And with that let's move on to the next issue for discussion, which is whether the Commission should modify, add, or delete other names in the Name Guide. And I wanted to start first with a question relating to an issue raised by the Humane Society in its comments about whether it's confusing to consumers for the Name Guide to list one common name for more than one species. And on this specific question what evidence do you have to support your position?

MR. GRZYBOWSKI: Well, I don't have, you know, some sort of a -- I don't have a study or a collection of

data, but I think on its face it's misleading to characterize multiple species by one name, because as we all know, different species suffer in different ways from environmental and external factors, including human population encroachment, hunting and trapping issues.

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

So, I think it's very important, and I think this is really critical that one name be given for each That is the best way for a person to learn about a product and make a decision based on the information. There are many different types of chipmunks, very different species. If one species of chipmunk is not yet listed as threatened or endangered by a certain agency but has been called by a number of nonprofits to the attention of other people as being almost there. If a consumer wants to know that, they need to know which species that is. If all they know is chipmunk, how can they make that determination? Chipmunks -- several different species of chipmunks, to put it mildly. And I think it's really important that they have that information. I think this is the interest of a market operating most efficiently and I think is as simple as that.

MS. KIM: Does your response apply to every different species that's listed in the Name Guide? Or is your response -- does it apply only to certain species?

MR. GRZYBOWSKI: I would think it would apply
to every species. I can't think of why it wouldn't apply
to one and not another. And like we had mentioned
before, the FTC doesn't necessarily have to make a list
of every mammalian species, and I can't even imagine the
number, but I imagine it's in the thousands, to put it
mildly, there could be some sort of a reference to some
of the more common names and then for the names that are
more commonly used and then a reference in the
regulations to look then to ITIS if the name is not
listed for what an English name might be, what the
suitable common English name would be used.

So, I think that's -- there's a bit of massaging to do and thinking to do on how exactly that would be done in order to make it most efficient and to keep it fresh, because obviously taxonomic systems are dynamic and they do change. And I think having it linked to something that does change presents both benefits and also a couple areas that would need to be looked at as far as if a change were to occur what you would be looking at then, but I think that can be addressed with some fixes.

But I think ultimately it's about let's link what we're selling to a good reputable source so that consumers can get more information. And I think right

1	now, we simply don't have that. And I think this would
2	be a good starting point, and there can be some more work
3	done to make that happen. But one species, one name, and
4	I think everyone will be better off for it.

MS. KIM: Okay, Mr. Autor? I'd like to just go down the line.

MR. AUTOR: I am just unclear and wanted some collaboration about whether we are talking about species or sub-species. You know, I don't know for instance in the example of the chipmunks whether all chipmunks fall under the same species or whether we're talking about sub-species of chipmunks.

MS. KIM: Humane Society, do you want to respond to that?

MR. HENRY: No, other than I think it's a good point.

MR. BERNSTEIN: Dr. Gardner.

MR. HENRY: I'll be very brief. Other than I think it's a good point that there probably needs to be some rule set by the Commission as to where a cutoff is if you're going to go by species or something like that. And to be fair, it's a complex system and the FTC wants to remove some of the complexity. So, I think what we're suggesting is keeping in mind the need for accurate consumer information when you set those boundaries.

1	MR. GRZYBOWSKI: And if I could just clarify
2	the points the suggestions that were made in our
3	written comments as far as kind of our looking at what
4	the list was currently and putting out kind of
5	breaking it out by species, these are all species. None
6	of these lists here are sub-species.
7	So, for chipmunk, for example, when I broke
8	that down based on ITIS, these references here within
9	that category are all individual species. I think that's
10	currently the low end or the most specific end that the
11	Fur Products Labeling Act deals with that I'm aware of is
12	species, though what we saw in the Name Guide currently,
13	I believe some of the references are to a higher level,
14	taxonomic level, including family, if I recall correctly.
15	So, I think having it having species at the at kind
16	of the basic the base point is probably the way to go,
17	but, I mean, I think that it's certainly something that
18	could be discussed.
19	MS. KIM: Dr. Butler, did you have a response?
20	No, nothing to add?
21	Ms. Lynn? I'm just going to go down the line
22	and on this question.
23	MS. LYNN: I think this the Name Guide is
24	mainly listing by genus instead of species, because
25	they'll list with the where is the chipmunk at? The

1	chipmunk well, there's only one genus in there, and
2	then but the civet right below it has got one, two,
3	three, four, five different genuses listed. So, I think
4	that would simplify things, leaving it at the genus
5	level.

MS. KIM: Dr. Gardner? Dr. Gardner?

DR. GARDNER: Yes, those are all names of species of chipmunks. However, there's only one chipmunk that enters into the -- possibly enters into the fur trade, and that's the Asiatic chipmunk. And, indeed, that name is eutamias. None of the other chipmunks enter into the fur trade. The eastern chipmunk is the genus tamias, and the western chipmunks in the United States, Canada to Mexico, are neotamias. And as far as rat kangaroo, why would the Humane Society list 16 species of kangaroo rats and none of rat kangaroo unless it shows that they were confused?

MS. KIM: Mr. Lasoff?

MR. LASOFF: I would like to get back to the original question. First, the FTC has used multiple common names with respect to single species. Blue fox, white fox. So, it's been done. I don't know any confusion that's been associated with this.

When we were addressing the previous issues, a key point here is that the global marketplace, there are

different common names, results of different marketing strategies utilized by different industries. And, so, again, common names are evolving. They're evolving in the marketplace as a result of the promotion of products, the use of certain trade names, which, you know, develop as a result of the marketing efforts of these companies into common names, as well as the fact that we have different legal systems.

The EU has just enacted new labeling legislation, which is also going to fold into what's being done here, and they're going to utilizing names such as Finn raccoon. So, in a global marketplace, we're going to create a situation that -- where we -- if there's no flexibility on the part of the Commission in these situations, we are going to cause confusion.

And, so, again, the flexibility is necessary in this situation, as exemplified by the Asiatic raccoon, Finn raccoon, which is a unique situation where a product -- where a trade name has become common throughout the world market. I think this is something that the Commission needs to have the ability to do in evaluating the market -- and but also taking into account the marketplace and, you know, where, you know, is there going to be deception as a result of that, and a name --

For The Record, Inc. (301) 870-8025 - www.ftrinc.net - (800) 921-5555

MS. KIM: All right, just --

Τ	MR. LASOFF: can be deceptive.
2	MS. KIM: Just to follow up on your point
3	earlier that the Name Guide currently contains more than
4	one common name for some animals, what is your basis for
5	saying that that hasn't caused any confusion?
6	MR. LASOFF: Blue fox and blue fox and white
7	fox, have you ever had a consumer or a retailer be
8	confused by the fact that
9	MR. ROSS: I've never heard of any comments or
10	questions regarding those two articles, and those are two
11	very substantial fur articles.
12	MS. KIM: Anything else?
13	Okay, Mr. Henry?
14	MR. HENRY: Just one minor point of
15	clarification to a prior comment by Ms. Lynn, and that is
16	I do note that the Name Guide breaks down into sort of
17	box-like categories by genus, but the Name Guide clearly
18	then breaks that down with respect to the common names
19	used in many, many, many cases by specific species,
20	whether it's badger or bear, the genus is separated out,
21	but then the name that's required for the to be
22	presented to consumers is by species. So, that was just
23	a point of clarification.
24	MS. KIM: Okay. I wanted to move on to a
) E	quogtion raiged by the Fur Information Council in its

comment, so I'll go to you first on this, about whether the Name Guide should be modified to remove the names of certain species that are prohibited by statute or other regulation. And if you think the answer is yes, what is the basis for your position?

MR. LASOFF: Again, those comments were based what the consumer and the retailer -- again, we represent the retailers, and the retailers must comply with these regulations. And, for example, if you have a category for dog, for canis familiaris, domestic dog, and there's a prohibition, why do you need an article in there, which is only going to confuse the retailer in that situation, because we're looking at this not only -- granted, your principal function here is, of course, to look at the consumer and potential deception to the consumer.

Well, we're also -- and you invited us in these comments, you know, to look at this overall scheme, and not only from the perspective of the consumer but from the ability of the retailer to comply and the manufacturer to comply with the scheme. The market has changed, and comments this morning and comments that have been made by the Humane Society recently regarding the fact that much of the production goes off-shore, which puts, you know, retailers at risk with respect to compliance.

1	So, therefore, again, the ability to be able to
2	turn to the Name Guide and not cause confusion by
3	providing names associated with prohibited products
4	That's where that's the origin of our particular point
5	here.
6	MS. KIM: Mr. Henry, do you have a response to
7	that?
8	MR. HENRY: Sure. One of the FTC's other
9	purposes here is enforcement. Enforcement
10	MS. KIM: Could you speak into the microphone,
11	please?
12	MR. HENRY: Sorry. One of the FTC's purposes
13	here is enforcement, as well as sort of structuring the
14	Name Guide. And the issue with removing names from the
15	Name Guide that might be prohibited by other law is a
16	problem with enforcement if, for instance, a retailer is
17	not selling dog fur in violation of Federal law, there's
18	no extra burden on that retailer with the name being in
19	the Name Guide.
20	I don't see how it adds confusion. In fact, it
21	adds additional layers of enforcement. We have seen
22	actually recently dog fur advertised in the United
23	States, listed as dog fur. So, that's not only in
24	violation of the Dog and Cat Protection Act of 2000, but
25	it would also be in violation of the FPLA, which adds

1 additional enforcement mechanisms.

And as we all know, in law enforcement, you know, it's broken down into various agencies. And to have that additional ability to enforce is important. Quite honestly, I don't think a retailer should escape liability if the retailer is failing to label dog fur as dog when dog is not -- domestic dog is not allowed to be sold in the United States.

The point of the FPLA is to have accurate information to consumers. And where more would we want accurate information than with respect to a fur that might be lawful to sell in other countries but is illegal to sell here?

MS. KIM: Okay. Ms. Grymes?

MS. GRYMES: Yep. We've heard anecdotally that there is some confusion about what the Name Guide is. I think some entities who are involved in labeling think the Name Guide is a list of approved furs and are confusing it with what might be a list of products that they're not on the endangered species list, and so I think that's where the confusion originates because if the name is on the Name Guide it must be a fur that is approved for sale and therefore appropriate to use, and so that's why we were thinking that you could eliminate that source of confusion by removing those names from the

1 list.

5

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

2 MS. KIM: And just to clarify the confusion 3 that you've heard of is among what groups?

4 MS. GRYMES: We've heard it from retailers.

MS. KIM: Retailers?

6 MS. GRYMES: Yeah.

7 MS. KIM: Okay.

MR. LASOFF: One other point with respect to the terminology dog and our discussion this morning about the term raccoon dog, the requirements to administer the dog and cat act falls with Customs and Border Protection. So, if, in fact, the Commission, which has no direct role in the regulation of the importation of those products, if the name raccoon dog was supposed to be added and those products that are made from Asiatic raccoon or Finn raccoon are imported in the United States, I have no doubt whatsoever, having discussed this issue in administration with members of Customs and Border Protection, that seeing the term -- terminology dog on an invoice on a commercial document would result in massive seizures at ports of entries, as Customs officials standing on the boards will immediately open boxes, see a term dog, seize the shipment, and it would wreak havoc with the marketplace. That's one aspect that the Commission should look at the regulatory consequences of

adopting this, as well, on other agencies, such as Customs and Border Protection.

MS. KIM: Mr. Grzybowski?

MR. GRZYBOWSKI: Real quickly, and I think Mr. Henry wants to make a point. I believe that currently anything brought into the U.S. that contains an animal product has to fill out a customs declaration form, where they must give the scientific name and I believe also the common name. So, in that case, I think that will be -- I think Customs will be protected from that specter that's been raised when they see nyctereutes procyonidos.

And I think that's another important thing to bring up, which is the data needs to be consistent throughout the process of enforcement and potential enforcement and linking the correct scientific name to the correct common name will help people at every level beginning with the first level, which is Customs, and then coming in and then the FTC and then at the state and the county levels, local consumer protection enforcement agents.

I think just having a continuity of the name has really been kind of one of the big problems is just the number of hands and the number of people that a product changes from one to another and maintaining a continuity of what that animal is is very important. And

I think that we simply have to go with what the actual accurate name is in order for that to happen.

MR. GRZYBOWSKI: Mr. Henry, did you have a response more specifically on this question of whether certain species that are prohibited by statute should be removed from the Name Guide?

MR. HENRY: Yeah, it's two quick responsive points. One is rather than remove the species names, as I've noted, there's an important enforcement component here, what would be better is if the fur products regulations, if they do not already, and I admit that I don't recall, if they do not already make clear that this is -- that these species are not approved, if they're in the Name Guide, could easily do so. If the confusion is by those looking at the Name Guide, they can also easily look at some, you know, preamble language in the Name Guide that makes clear that this does not make the sale of these species legal.

And with respect to enforcement in the Customs issue, Customs is not the only person that enforces the Dog and Cat Protection Act. The President of the United States, through his law enforcement officials, actually enforce -- as a designated authority separate for the sales, distribution, and advertising side of that law. And when we've see recently dog fur sold in the United

States, it has not been tracking imports. We've actually seen problems with places within the United States selling the product. And, so, that would be through the other side of it, not just Customs.

And, so, again, an important enforcement component here is to be able to allow the FTC to work in cooperation with other Federal authorities to help prohibit the trade and trafficking in the species.

MS. KIM: Okay, I have a number of other points we need to cover in this session, so if you have like a couple of sentences, yeah.

MR. LASOFF: Thirty seconds.

MS. KIM: Yeah.

MR. LASOFF: Seconds. Anybody who makes a Customs entry has to provide an invoice, as well as documents that might require the name of the species. So, you will have a situation. And all of the products that we've been discussing today are coming in from offshore, or 90 percent or 95 for them are coming in offshore.

So, now you're creating a situation where if you utilize this term raccoon dog as an example you will have invoices that will say Asiatic raccoon but now under the Commission's new guidelines -- changed guidelines, if they adopt the Humane Society position, would have to say

raccoon dog as well. And, so, the Customs agents would see the invoices, they're part of the entry package, and, again, it would wreak havoc in the entry process.

MS. KIM: Okay, let's move on to the next issue under this broad topic, which is whether the Name Guide should allow the name sheepskin in place of fur from sheep. This is something that was raised in a comment that was filed. What evidence is there that the term fur from sheep is confusing to consumers? Does anyone have a comment on that?

Is there anyone in the audience who would like to comment on that? Go ahead, Mr. Grzybowski.

MR. GRZYBOWSKI: I would just say that based on reading through the records of the original -- the original building up and passing of the act and the regulations that enforcement problems with sheep fur was a core issue. There was various, various different names and lengthy and very in-detail arguments from different interests about what to call certain types of sheep fur.

So, I think it's important that this product continue to be described in the same way. I think having -- not having exceptions is really important, which is why it's so important that Asiatic raccoon dog be fixed to raccoon. In order for a consumer to make a good decision, they have to know that there aren't exceptions

1	to the rule riddling the act and riddling the Name Guide.
2	So, I think it's really important that all these products
3	be treated in the same way, which is why ITIS is so good.
4	And I think sheepskin would I don't think it
5	describes what the product is. It's not skin. Skin and
6	leather has a very specific definition under the law, as
7	does fur. And if it's fur, it should be called fur.
8	MS. KIM: Did you I see your name card is
9	up? Okay.
10	The next question for discussion is I want
11	to direct this to the Fur Information Council. You had
12	suggested in your comment that there were various factual
13	and typographical changes that should be made to the Name
14	Guide. And my question is what evidence you have in
15	support of those suggested changes.
16	MR. LASOFF: Essentially, we provided the Name
17	Guide to wildlife biologists, people in the industry who
18	are familiar with mammalogy, and simply had them go
19	through an extensive review of the Name Guide. And what
20	we provided in our written comments reflect that input
21	that we have received.
22	MS. KIM: Is there anyone on the at the
23	table who has any evidence to the contrary?
24	MR. GRZYBOWSKI: I'm sorry, to the contrary?
25	MS. KIM: To the typographical and factual

			1.	1 7		Information	~
	changed	GIIMMAGTAM	n 7.7	The	HIII	Intormation	$( \cap )$
<u>L</u>	CITATION	Buggebeeu	JO y	CIIC	r ur	TILLOTINGCTON	COULTCIL

MR. GRZYBOWSKI: Well, I haven't had a chance to look closely at it, so I don't want to say with certainty, and I certainly don't want to go on the record as saying I agree with everything they say, because I can't recall. But all I can say is that the suggestions that were submitted by the HSUS in our written testimony was to the best of our ability a breakdown of the current Name Guide with the current names and both scientific and common, with ITIS as the sole source, with a few exceptions where there was further information to be gained by going outside the ITIS system.

MS. KIM: Dr. Gardner or Ms. Lynn, do you have any comments on the suggested changes?

DR. GARDNER: I went over this list in some detail, and I see it just replete with errors, misspellings, use of names that I -- for example, I brought up the point before, rat kangaroo I think should be omitted because bettongia is no longer in the fur trade. Its family name is preterite. The common names for a number of the -- the generic names for a number of these animals have been changed. It is long, long overdue for serious revision.

MS. LYNN: When I first looked at this list, that was one of the things that struck me was that, you

1	know, the polar bear is no longer called under this genus
2	name. And, again, it was brought out earlier that some
3	of you know, the cheetah and the jaguar and the
4	leopard and the ocelot, things that cannot be traded in,
5	it caused me a bit of confusion, so I think if a more
6	systemic or lost my word regular review of it to
7	include animals that are in the fur trade as was
8	mentioned earlier, and since this is the you know, the
9	Fur Products Name Guide and in a more routine review
10	would be able to keep this from getting antiquated.
11	MS. KIM: Any other comments on this subject?
12	Anything from the audience?
13	Okay, and just as a wrap-up question on this
14	subject, are there any other changes, apart from the ones
15	that we've discussed already, that people think should be
16	made to the Name Guide, apart from the typographical and
17	factual changes, apart from modifying it to remove the
18	names of prohibited species. Anything else?
19	Okay. Well, our last topic for discussion is
20	just to have an opportunity to raise any other
21	miscellaneous issues that haven't been discussed yet.
22	And I can start
23	MR. LASOFF: Question? Referring only to
24	issues related to the Name Guide or more general issues.
25	MS. KIM: Just to the Name Guide.

1	MR. LASOFF: Okay.
2	MS. KIM: Yeah, today's hearing is just limited
3	to the Name Guide. So, if there are other miscellaneous
4	issues that people would like to discuss relating to the
5	Name Guide, this is the opportunity to raise those.
6	MR. HENRY: One question: Will the Commission
7	be accepting or want copies of any documents mentioned
8	here, not included in written comments, to form the basis
9	of a record, since they're mentioned here only in
LO	testimonial form?
L1	MS. KIM: Can you give me an example of what
L2	you're talking about?
L3	MR. HENRY: For example, the Humane Society has
L4	made reference to a few bibliographies, documents from
L5	Finnish Fur Sales, Breeders Association, and from the
L6	Ministry of Forestry and Agriculture from Finland. Those
L7	documents are not attached to our written comments, and
L8	we'd appreciate the opportunity to submit them for the
L9	record after the hearing, solely if they were mentioned
20	in the context of this hearing.
21	MS. KIM: Hold on just one moment. Does anyone
22	object to us opening up the submission of documents that
23	were specifically referenced at today's hearing to
24	further supplement the record? It would be limited to

documents that were discussed here today.

24

25

1	MR. LASOFF: And we were informed initially
2	when with respect to the hearing that there would be no
3	subsequent submissions.
4	MS. KIM: Further submissions.
5	MR. LASOFF: That was how we prepared it, and
6	we did not refer to anything new in this particular
7	situation. We'd be able to discuss issues, but as far as
8	our understanding, you know, we did not you know, we
9	did not, you know, prepare our presentation to bring in
10	new information into the record.
11	MS. BERNSTEIN: That could be incorporated into
12	the record.
13	MR. LASOFF: That could be incorporated into
14	the record. That was our understanding in terms of how
15	this would be set up. Otherwise, you know, you're
16	creating a situation where, you know, if documents are
17	put into the record then there should be an opportunity
18	to respond to those documents, as well.
19	MR. KIM: And I think there are two different
20	issues, you know, whether further documents can be
21	submitted versus what you were mentioning about whether
22	you could have discussed other things at the hearing
23	today. But did you have Dr. Gardner, did you have a
24	response?
25	DR. GARDNER: I have a comment to make about a

1	lot of the so called authoritative references. Most
2	lists that you find today on the internet are derived
3	from Mammal Species of the World, the names used in that
4	and that there are dozens of lists and encyclopedic kinds
5	of lists of mammal names that in all languages that
6	are based on those three editions.

Now, I was oversight person for the first edition for the Mammal Society -- the American Society of Mammalogists, and for the second and third edition, I have four in the third and five articles in the -- four in the second and five articles in the third. I don't agree with all of those common names, but those are the names that have been appended in these lists that people have pulled together. People love lists for some reason. But you'll find that the majority come from a very limited number of sources.

MS. KIM: I think what we're going to say for now is that we're not going to accept further submissions and that if there's a change we'll make that announcement publicly so that all will be able to submit additional materials that were referenced at today's hearing.

MR. LASOFF: Could you also perhaps describe for the group what the process will now be in terms of going forward?

MS. BERNSTEIN: Yes.

MR. LASOFF: I would appreciate just potential timing, potential -- what is the next step, will a written record be produced, will there be opportunities to review the record, or does the Commission go into notice of proposed rule making, what exactly is the next step and do you, at this point, have any sense of timing on that, as well?

Because, again, this is -- you know, if changes are going to be made, I think it's important that the Commission from the perspective of those it regulates also be sensitive to timing aspects of this and new seasons and so forth. So, these proceedings, you know, beyond the issue we discussed today, that these proceedings can have significant impact on the regulatory obligations of the industry. And already we're -- you know, we're dealing with the implementation of a new provision that brings in hundreds and thousands of new products by the elimination of the small value exception, which, by the way, you know, is something that the Commission needs to address quickly.

MS. KIM: Yeah, well, as far as the process going forward, we will be -- the Commission will be considering the comments that were submitted in written form, as well as the comments that were received today at the hearing. And then staff will formulate a proposal

that will be forwarded to the Commission for a proposed rule and proposed changes. Obviously, we will have written comment on that.

And as far as the specific timing of that, I can't make a commitment about that right now, but I can assure you that we're -- we've had this hearing so that the Commission can consider the comments in written form and the comments that were submitted today.

MR. LASOFF: If I may ask, then, one other question, you did --

MS. KIM: Oh, well, and one other thing I would add --

MR. LASOFF: -- with respect to the other aspects of the implementation of the law, how are you going to implement, such as the elimination of the small value exception, the implementation of the trappers, these are major issues because you've just brought in hundreds of thousands of new products under the regulations.

And you have retailers at all levels, not just, you know, fur retailers or fur salons, you now have Mr.

Autor's -- you know, WalMart, you know, may have now to have a little rabbit's foot or something may suddenly become you know, obliged to do a two-inch-by-three-inch card, you know, according to a particular font.

1	So, what the scope of all of this is going to
2	be, the industry is kind of crying out for this right now
3	in terms of the implementation, your grandfathering
4	provision ends in March of 2012, at which case you're now
5	in enforcement mode, and some of the allegations that you
6	have before you, you know, suddenly have become relevant
7	to an enforcement mode. So, I don't know if there's
8	anything you could lend to that, as well, but as this
9	sort of reflects concerns that the retail community has
10	right now, as well.
11	MS. KIM: I have heard your
12	MR. LASOFF: And I don't mean to put you on the
13	spot.
14	MS. KIM: I've heard the concerns that you
15	voiced, and unfortunately today really is limited to a
16	discussion of the issues pertaining to changes to the
17	Name Guide. And I very much appreciate the comments that
18	were shared today. Unfortunately, I can't share or shed
19	more light on that at this time, but you have now put
20	your concerns on the record.
21	MR. LASOFF: Thank you.
22	MS. KIM: If there's nothing else relating
23	MR. HENRY: I was just wondering if you had an
24	idea of when we'd have the stenographer's account
25	available to us?

1	MS. KIM: Oh, yeah, do you want to speak to
2	that?
3	MR. WILSHIRE: Right, it should be up within a
4	few weeks on our website, it will probably be available.
5	MS. KIM: If there are no other comments on
6	changes to the Name Guide, seeing none, we will close the
7	record for today and thank you very much for your
8	participation.
9	
10	(Whereupon, at 12:05 p.m., the hearing was
11	concluded.)
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	

Ţ	CERTIFICATION OF REPORTER
2	
3	MATTER NUMBER: <u>P074201</u>
4	CASE TITLE: FUR NAME GUIDE REVIEW
5	DATE: DECEMBER 6, 2011
6	
7	I HEREBY CERTIFY that the transcript contained
8	herein is a full and accurate transcript of the notes
9	taken by me at the hearing on the above cause before the
10	FEDERAL TRADE COMMISSION to the best of my knowledge and
11	belief.
12	
13	DATED: DECEMBER 14, 2011
14	
15	Linda 1 Cital
16	LINDA METCALF
17	
18	CERTIFICATION OF PROOFREADER
19	
20	I HEREBY CERTIFY that I proofread the transcript for
21	accuracy in spelling, hyphenation, punctuation and
22	format.
23	Lara J. Vance
24	- David J. Valle
25	SARA J. VANCE