



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Enforcement

May 28, 2009

Linda Goldstein, Esq.
Manatt, Phelps & Phillips, LLP
7 Times Square
New York, NY 10036

Re: Saks, Inc.
Matter No. 082-3197

Dear Ms. Goldstein:

As you know, the staff of the Federal Trade Commission conducted an investigation of Saks, Inc., for possible violations of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, the Fur Products Labeling Act, 15 U.S.C. § 69 *et seq.* ("Fur Act"), and the Rules and Regulations Under the Fur Products Labeling Act, 16 C.F.R. Part 301 ("Fur Rules"). The investigation focused on whether the company made false or unsubstantiated representations that a jacket contained a "detachable faux fur collar" when the collar was made of real fur.

The staff of the Enforcement Division has completed its investigation and has determined that, in light of information provided by Saks, no further action is warranted at this time. According to the information provided, Saks sold a small number of the jackets in question. When Saks learned of the issue from the Humane Society of the United States, prior to the FTC investigation, it sent each purchaser a letter offering a full refund. In addition, Saks improved its existing quality control procedures for obtaining fur product information from vendors and for describing products in advertising.

In light of the above, the staff has decided to close the investigation. For the future, we would like to clarify that if Saks expects to rely on a guaranty from a supplier affirming that fur products are not misbranded, falsely advertised, or falsely invoiced, the guaranty must comply with the specific requirements of the Fur Act and Fur Rules. *See* 15 U.S.C. § 69h and 16 C.F.R. §§ 301.47 and 301.48. Such a guaranty, however, would not immunize Saks from liability if it is independently responsible for a deceptive representation.

The decision to close this matter is not to be construed as a determination that a violation has not occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take further action as the public interest may require.

Sincerely,

A handwritten signature in black ink, appearing to read "James A. Kohm".

James A. Kohm
Associate Director