



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

Bureau of Consumer Protection
Division of Enforcement

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VIA FEDEX

Jason K. Walbourn, Esq.
Senior Director, Assistant General Counsel – Regulatory, Operations and Investigations
Target Corporation
1000 Nicollet Mall
TPS-3155 Floor 7
Minneapolis, MN, 55403

Dear Mr. Walbourn:

We received your submissions on behalf of Target Corporation (“Target” or the “Company”). During our review, we discussed concerns relating to potentially deceptive “Made in USA” claims for Target owned-brand products. In this instance, our inquiry focused on certain Room Essentials-branded pillows that were prominently marked “Made in USA” on exterior packaging. However, consumers reported that when they opened the packages post-purchase, they discovered the pillows were marked “Made in China.”

In response to our inquiry, Target took several steps to prevent consumer deception, both with regard to the particular product we identified, and across owned-brand SKUs. First, Target confirmed and corrected the country-of-origin information for the identified pillows, along with several other affected pillows the Company self-identified. Specifically, Target removed affected items from sales floors, hard-locked the items at the point-of-sale system so they could no longer be sold to consumers, and began work to remediate packaging.

Second, Target implemented several longer-term process enhancements designed to prevent inaccurate country-of-origin claims by Company vendors. Specifically, upon notification of the above-described issue, Target immediately: (1) assembled a cross-functional group of internal experts from the Company’s packaging team, product safety and quality assurance team, merchant team, and law department to identify where it could make process improvements; (2) began implementing a new flag in the Company’s packaging system to identify when an unqualified “Made in USA” claim is proposed so Target can alert the vendor to ensure the claim meets with FTC guidance; (3) started developing new criteria for third-party

testing and assessment labs to follow when an unqualified “Made in USA” claim appears on product packaging so that third-party testing and assessment labs can validate that any tag affixed to the item is consistent with claims made on the packaging; and (4) commenced a larger review of domestic vendors for owned-brand products to conduct additional spot checks of unqualified “Made in the USA” claims made within Target’s product assortment.

Based on Target’s actions and other factors, the staff has decided not to pursue this investigation any further. This action should not be construed as a determination that there was no violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. The Commission reserves the right to take such further action as the public interest may require. If you have any questions, you can reach me at (202) 326-2377.

Sincerely,



Julia Solomon Ensor
Staff Attorney