



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

Bureau of Consumer Protection
Division of Enforcement

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VIA EMAIL

Mr. Steve Dean
Owner/President
Sports Addix LLC, also d/b/a Addix and Addix Sportswear
13565 Grand River Dr. SE #A
Lowell, MI 49331-8519

Dear Mr. Dean:

We received your submissions on behalf of Sports Addix LLC, also d/b/a Addix and Addix Sportswear (“Addix” or the “Company”). During our review, we discussed concerns that certain Addix marketing materials may have failed to comply with provisions of the Textile Products Identification Act, 15 U.S.C. § 70 *et seq.* (“Textile Act”), and implementing rules, 16 C.F.R. Part 303 (“Textile Rules”). Specifically, although Addix designs, prints, transfers, and cuts and sews sublimated custom team uniform apparel in the United States, that apparel is made from imported fabrics. For some products, labels and materials omitted required country-of-origin information, or failed to disclose the imported fabrics.

Addix sells wearing apparel, which is covered by the Textile Act and Textile Rules. *See* 16 C.F.R. § 303.45(a)(1). Accordingly, Company products are subject to mandatory country-of-origin labeling requirements. *See* 16 C.F.R. §§ 303.15(b); 303.16 (requiring a “conspicuous and readily accessible [country of origin] label or labels on the inside or outside of the product”). These requirements apply regardless of whether products originated in the United States or abroad.¹ The Textile Act also requires marketers to disclose product origin in “mail order

¹ The Textile Rules set forth specific factors for marketers to apply in deciding whether to mark a product as of U.S. origin. Marketers should be aware that this analysis differs from the “all or virtually all” analysis the Commission has traditionally applied to claims for products in other categories. Specifically, 16 C.F.R. § 303.33 states that, when evaluating whether a covered product may be marked as wholly or partially made in the United States, marketers need only consider the origin of materials that are one step removed from the particular manufacturing process. For example, a yarn manufacturer must identify imported fiber, a manufacturer of knitted garments must identify imported yarn, and a manufacturer of apparel made from cloth must identify imported fabric. *See* FTC, *Threading Your Way Through the Labeling*

advertising,” including online materials. *See* 16 C.F.R. § 303.34 (advertising materials must contain “a clear and conspicuous statement that the product was either made in U.S.A., imported, or both”).

To come into immediate compliance with the Textile Act and Textile Rules, Addix implemented a remedial action plan to update its labels and other marketing materials. This plan included: (1) updating sublimated country-of-origin claims on custom apparel; (2) removing broad, unqualified claims from social media, Company websites, and Company videos; (3) updating event signage and flyers; (4) updating paid Facebook and Google advertisements; and (5) training staff.

As discussed, it is appropriate for Addix to promote the fact that it employs workers and performs certain processes in the United States. However, marketing materials relating to apparel made from imported fabrics must make clear disclosures in compliance with the Textile Act and Textile Rules. FTC staff is available to work with companies to craft appropriate claims that comply with the Textile Act and Textile Rules, convey non-deceptive information to consumers, and highlight work done in the United States.

Based on Addix’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 the Textile Act or 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

Requirements Under the Textile and Wool Acts, <https://www.ftc.gov/tips-advice/business-center/guidance/threading-your-way-through-labeling-requirements-under-textile>.