

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Joseph J. Simons, Chairman**
 Maureen K. Ohlhausen
 Noah Joshua Phillips
 Rohit Chopra
 Rebecca Kelly Slaughter

In the Matter of

SANDPIPER OF CALIFORNIA, INC., a corporation

and

PIPERGEAR USA, INC., a corporation.

DOCKET NO.

COMPLAINT

The Federal Trade Commission, having reason to believe that Sandpiper of California, Inc., a corporation, and PiperGear USA, Inc., a corporation (collectively, “Respondents”), have violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Sandpiper of California, Inc. (“Sandpiper”) is a California corporation with its principal office or place of business at 687 Anita Street, Suite A, Chula Vista, CA 91911.
2. Respondent PiperGear USA, Inc. (“PiperGear”) is a California corporation with its principal office or place of business at 687 Anita Street, Suite A, Chula Vista, CA 91911.
3. Respondents Sandpiper and PiperGear have operated as a common enterprise while engaging in the unlawful acts and practices alleged below. Because these Respondents have operated as a common enterprise, each of them is jointly and severally liable for the acts and practices alleged below.
4. Respondents have advertised, labeled, offered for sale, sold, and distributed products to consumers, including, but not limited to, backpacks and travel bags. Respondents advertise these products online, including, but not limited to, on their websites, sandpiperca.com and pipergearusa.com. Respondents offer for sale, sell, and distribute their products throughout the United States.

5. The acts and practices of Respondents alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act.

6. Respondents have disseminated or have caused to be disseminated advertisements and promotional materials for their products, including, but not necessarily limited to, the attached Exhibits A-D. These materials contain the following statements and depictions, among others:

- A. “Featuring American Made products developed and manufactured by our sister company, PiperGear USA”

Featuring American Made products developed and manufactured by our sister company, PiperGear USA. We offer manufacturing options to meet Berry Amendment, NAFTA, GSA or Buy American Act requirements. The growth and success of our US manufacturing plant is a great source of pride to us.

(Exhibit A, Sandpiper website);

- B. “Made in the USA”



(Exhibit B, PiperGear website);

- C. “#madeinusa”



sandpiperofca • Follow

sandpiperofca It's all about the details...
#sandpiperofcalifornia #soc #backpack
#camouflage #camo #camping #madeinusa

(Exhibit C, Sandpiper Instagram posting); and

- D. “U.S. Made by S.O.C.”



(Exhibit D, Sandpiper Instagram posting, photograph of Sandpiper trade show material).

7. In numerous instances, including, but not limited to, the promotional materials referenced in Paragraph 6, Respondents have represented, expressly or by implication, that all of their backpacks, travel bags, and other products are all or virtually all made in the United States.

8. In fact, more than 95% of Respondent Sandpiper's products are imported as finished goods, and approximately 80% of Respondent PiperGear's products are either imported as finished goods or contain significant imported components. Respondents import products or components from Mexico and China. For certain wallets imported from Mexico as finished goods, Respondents hid truthful country-of-origin information on the back of tags, and inserted cards that prominently displayed false U.S.-origin claims.

9. Therefore, Respondents' express or implied representations that all of their products are made in the United States are false or unsubstantiated.

COUNT I
(False or Unsubstantiated Representation)

10. In connection with the manufacturing, labeling, advertising, promotion, offering for sale, sale, or distribution of their products, Respondents have represented, directly or indirectly, expressly or by implication, that all of their products are all or virtually all made in the United States.

11. In fact, more than 95% of Respondent Sandpiper's products are wholly imported, and approximately 80% of Respondent PiperGear's products are either imported as finished goods or contain significant imported components. Therefore, the representation set forth in Paragraph 10 is false or misleading, or was not substantiated at the time the representation was made.

VIOLATION OF SECTION 5

12. The acts and practices of Respondents as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this _____ day of _____, 20__, has issued this Complaint against Respondents.

By the Commission.

[Donald S. Clark]
Secretary

SEAL: