



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

Bureau of Consumer Protection
Division of Enforcement

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FEDERAL EXPRESS

William C. Lavery, Esq.
Baker Botts LLP
1299 Pennsylvania Ave., NW
Washington, DC 20004

Dear Mr. Lavery:

We received your submissions on behalf of your client, Veilux, Inc. (“Veilux”). During our review, we raised concerns that certain marketing materials may have overstated the extent to which Veilux’s cameras and security systems are made in the United States. Specifically, although Veilux assembles cameras in the United States, the products incorporate significant imported content.

The FTC’s Enforcement Policy Statement on U.S. Origin Claims (“Enforcement Policy Statement”) states that unqualified “Made in the USA” claims on marketing materials likely suggest to consumers that the products advertised in those materials are “all or virtually all” made in the United States.¹ Accordingly, to avoid deceiving consumers, you explained that Veilux implemented a corrective action plan to clarify its representations. Specifically, Veilux ceased applying stickers to cameras that stated “Made in USA” and removed “Made in USA” claims from product packaging.

In your submissions, you also stated that, in the future, Veilux intends to mark cameras as “Assembled in USA.” As we discussed, the Enforcement Policy Statement provides that “‘Assembled in USA’ claims should be limited to those instances where the product has undergone its principal assembly in the United States and that assembly is substantial. In addition, a product should be last substantially transformed in the United States to properly use an ‘Assembled in USA’ claim.”²

¹ *Federal Trade Commission, Issuance of Enforcement Policy Statement on “Made in USA” and Other U.S. Origin Claims*, 62 Fed. Reg. 63756, 63768 (December 2, 1997).

² *Id.* at 63770.

Based on your 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