



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

Bureau of Consumer Protection
Division of Enforcement

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May 18, 2016

FEDERAL EXPRESS

Ms. Kathi Johnson
President
Hexacon Electric Company
161 W. Clay Ave.
Roselle Park, NJ 07204

Dear Ms. Johnson:

We received your submissions on behalf of Hexacon Electric Company (“Hexacon”). During our review, we raised concerns that marketing materials may have overstated the extent to which certain Hexacon products, including soldering iron temperature controllers, are made in the United States.

As discussed, unqualified “Made in USA” claims likely suggest to consumers that products are “all or virtually all” made in the United States. The Commission may analyze a number of different factors to determine whether a product is “all or virtually all” made in the United States, including the proportion of the product’s total manufacturing costs attributable to U.S. parts and processing, how far removed any foreign content is from the finished product, and the importance of the foreign content or processing to the overall function of the product.

In this case, although Hexacon makes some products in the United States, other products, including certain soldering iron temperature controllers, are assembled in the United States using domestic parts and imported parts that are significant both in terms of cost and overall product function. Accordingly, to avoid deceiving consumers, Hexacon: (1) updated its website and other online promotional materials to eliminate overly broad or inaccurate claims; (2) corrected product labels and product-specific marketing materials; (3) contacted distributors to provide updated claims; and (4) implemented new procedures to avoid future mislabeling.

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,

A handwritten signature in blue ink, appearing to read "J. ENSOR", with a stylized flourish at the end.

Julia Solomon Ensor
Staff Attorney