

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

Bureau of Consumer Protection Division of Enforcement

> Julia Solomon Ensor Attorney

Email: jensor@ftc.gov Direct Dial: (202) 326-2377

August 7, 2017

## VIA FEDEX

Daniel C. Schwartz, Esq. Bryan Cave LLP 1155 F Street NW Washington, DC 20004-1357

Dear Mr. Schwartz:

We received your submissions on behalf of your client, Hoshizaki America, Inc. ("Hoshizaki" or the "Company"). During our review, we discussed concerns that certain marketing materials may have overstated the extent to which products, including certain ice machines, are made in the United States. Specifically, although most Hoshizaki products are assembled in the United States, many products incorporate significant imported content. Additionally, a small number of the Company's products are wholly manufactured overseas.

As discussed, unqualified "Made in USA" or "Manufactured in USA" claims on company marketing materials likely suggest to customers that <u>all</u> products advertised in those materials are "all or virtually all" made in the United States. Accordingly, Hoshizaki implemented a comprehensive remedial action plan to avoid deceiving consumers. This plan included: (1) removing general statements on marketing materials that suggest or imply that all Hoshizaki products are made in the United States; (2) sending a letter to distributors regarding updated claims; (3) providing stickers to distributors to place over claims in printed materials while updated versions were being generated; (4) updating YouTube videos; and (5) making all diligent efforts to identify and correct improper claims made by third-party marketers.

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