



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

Bureau of Consumer Protection
Division of Enforcement

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VIA EMAIL

Richard H. Casper, Esq.
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Dear Mr. Casper:

We received your submissions on behalf of IRIS USA, Inc. (“IRIS” or the “Company”). During our review, we discussed concerns that marketing materials stating the company was “Born in Japan. Made in America” may have overstated the extent to which IRIS’s products are made in the United States. Specifically, although IRIS manufactures an extensive line of plastic storage products in its U.S. facilities, certain of those products incorporate significant imported components. Additionally, some IRIS products are wholly imported.

As discussed, unqualified U.S.-origin claims in marketing materials – including claims that products are “Made,” “Built,” or “Manufactured” in the USA – likely suggest to consumers that all products advertised in those materials are “all or virtually all” made in the United States.¹ 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.

To avoid deceiving consumers, IRIS implemented a remedial action plan to update and qualify its representations where needed. This plan included: (1) removing all broad,

¹ Federal Trade Commission, *Issuance of Enforcement Policy Statement on “Made in USA” and Other U.S. Origin Claims*, 62 Fed. Reg. 63756, 63768 (Dec. 2, 1997) (“Policy Statement”). Additionally, beyond express “Made in USA” claims, “[d]epending on the context, U.S. symbols or geographic references, such as U.S. flags, outlines of U.S. maps, or references to U.S. locations of headquarters or factories, may, by themselves or in conjunction with other phrases or images, convey a claim of U.S. origin.” *Id.*

unqualified claims from marketing materials; (2) introducing product-specific claims, where appropriate; (3) updating product packaging; (4) instructing sales personnel not to distribute marketing materials with broad, unqualified claims; and (5) issuing an advisory message to all customers to clarify IRIS's representations.

As discussed, it is appropriate for IRIS to promote the fact that it employs workers and makes certain plastic products in the United States. However, marketing materials should not convey that all IRIS products are made in the United States (unless that becomes the case), or overstate the U.S. content of products that contain significant imported inputs. As you know, FTC staff is available to work with companies to craft qualified claims that serve the dual purposes of conveying non-deceptive information to consumers and highlighting work done in the United States.

Based on IRIS'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 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