



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

Bureau of Consumer Protection
Division of Enforcement

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March 22, 2017

VIA FEDEX

Ms. Elaine Lo
CEO
APEC Water Systems
1320 S. Johnson Dr.
City of Industry, CA 91745-2410

Dear Ms. Lo:

We received your submissions on behalf of APEC Water Systems (“APEC”). During our review, we raised concerns that certain marketing materials may have overstated the extent to which APEC’s water filtration systems are made in the United States. Specifically, although APEC designs and assembles systems in the United States, those systems incorporate significant imported parts.

As discussed, unqualified “Made in USA” or “Built in USA” claims likely suggest to consumers that products are “all or virtually all” made in the United States. Accordingly, products advertised as “Made in USA” or “Built in USA” without further qualification should contain no – or negligible – foreign content. To avoid deceiving consumers, APEC implemented a remedial action plan to qualify its representations. This plan included: (1) removing all “Built in USA” or “Made in USA” claims for water filtration systems from marketing materials, including websites and social media; (2) updating claims on third-party sales platforms; and (3) 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,

A handwritten signature in blue ink, appearing to read "J. Ensor".

Julia Solomon Ensor
Staff Attorney