

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

Bureau of Consumer Protection Division of Enforcement

> Julia Solomon Ensor Attorney

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April 5, 2017

VIA FEDEX

Larry Hicks, Executive Vice President Cardinal Scale Manufacturing Company 203 East Daugherty St. Webb City, MO 64870

Dear Mr. Hicks:

We received your submissions on behalf of Cardinal Scale Manufacturing Company, also d/b/a Detecto Scale ("Cardinal"). During our review, we discussed concerns that certain marketing materials may have overstated the extent to which all Cardinal scales are made in the United States. Specifically, although many Cardinal scales are, at a minimum, assembled in the United States using a mix of U.S. and imported content, approximately 10-20% of the scales Cardinal sells are wholly imported.

As discussed, unqualified "Made 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, Cardinal implemented a remedial action plan to avoid deceiving consumers. This plan included: (1) removing general statements on marketing materials that suggest or imply that all Cardinal scales are made in the United States; (2) removing stickers with unqualified claims from affected products; (3) holding webinars and training sessions for sales teams; (4) sending a letter to dealers and distributors providing updated materials; 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