

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

Bureau of Consumer Protection Division of Enforcement

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April 5, 2017

VIA FEDEX

Kate Fucci, Director of Marketing Innovative Office Products, LLC 100 Kuebler Road Easton, PA 18040

Dear Ms. Fucci:

We received your submissions on behalf of Innovative Office Products, LLC ("Innovative"). During our review, we discussed concerns that certain marketing materials may have overstated the extent to which Innovative products, including but not limited to, certain standing desks, are made in the United States. Specifically, although some Innovative products are designed and assembled in the United States, Innovative sells a line of products that is wholly imported.

As discussed, unqualified "Made in USA" claims on company marketing materials likely suggest to customers 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.

The Commission has noted that "[w]here a product is not all or virtually all made in the United States, any claim of U.S. origin should be adequately qualified to avoid consumer deception about the presence or amount of foreign content. In order to be effective, any qualifications or disclosures should be sufficiently clear, prominent, and understandable to prevent deception."²

¹ Federal Trade Commission, *Issuance of Enforcement Policy Statement on "Made in USA" and Other US Origin Claims*, 62 Fed. Reg. 63756, 63768 (Dec. 2, 1997).

² Id. at 63769.

In this case, Innovative implemented a remedial action plan to avoid deceiving consumers. This plan included: (1) removing all unqualified U.S.-origin claims from Innovative's websites and social media; (2) introducing product-specific qualified claims such as "Designed and Assembled in USA," where appropriate; (3) updating, reprinting, and redistributing hard copy materials; (4) updating product listings on third-party platforms such as amazon.com; and (5) sending a notification letter to affected third-party resellers and distributors requesting updates be made to marketing materials within five business days.

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