

Bureau of Consumer Protection Division of Enforcement

> Julia Solomon Ensor Attorney

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

VIA FEDEX

Jeffrey J. Dean, Esq. Morris & Dean 101 East Crawford Street Suite #300 Dalton, GA 30720

Dear Mr. Dean:

We received your submissions on behalf of your client, Semyx, LLC ("Semyx" or the "Company"). During our review, we discussed concerns that marketing materials may have overstated the extent to which Semyx's waterjet cutting machines – which contain significant imported components – are made in the United States.

As discussed, unqualified "Made in USA" or "Built in USA" claims on marketing materials likely suggest to consumers that all products advertised in those materials are "all or virtually all" made in the United States.¹ As we also discussed, 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."²

Accordingly, Semyx implemented a remedial action plan to avoid deceiving consumers. This plan included: (1) discontinuing use of unqualified U.S.-origin claims; (2) updating all marketing materials, including the Semyx website, social media, tradeshow materials, and other hardcopy materials; (3) removing "Made in USA" stickers from products in inventory; and (4) communicating changes and sending updated information to third-party distributors.

If Semyx employs workers in the United States, it is appropriate for the Company to promote that fact, provided that marketing materials do not overstate the extent to which Semyx products are made in the United States. Additionally, if, in the future, Semyx can substantiate

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).

 $^{^{2}}$ Id.

claims that particular products are "all or virtually all" made in the United States, it would be appropriate for the Company to update its marketing materials accordingly.

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