



we wear® our mission

November 25, 2013

Secretary Donald S. Clark
Federal Trade Commission
Office of the Secretary
Room H-113 (Annex Q)
600 Pennsylvania Avenue NW
Washington, DC 20580

RE: Notice of Proposed Rulemaking, Rules and Regulations Under the Wool Products Labeling Act of 1939, 16 CFR Part 300, Project No. P124201 (Federal Register Notice Vol. 78, No. 183 p. 57808-57818, September 20, 2013)

Dear Secretary Clark,

On behalf of the American Apparel & Footwear Association (AAFA), I am submitting the following comments in response to the notice of proposed rulemaking and request for public comment in regards to the Federal Trade Commission's (FTC) *Rules and Regulations Under the Wool Products Labeling Act of 1939* (16 CFR Part 300), as posted in the Federal Register September 20, 2013.

AAFA is the national trade association representing apparel, footwear, and other sewn products companies, and their suppliers, which compete in the global market. Representing more than 1,000 world famous name brands, our membership includes more than 530 companies, drawn from throughout the supply chain. AAFA is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its four million U.S. workers, and its contribution of \$350 billion in annual U.S. retail sales.

We appreciate this opportunity to comment on the Commission's proposal. The use of labels on textiles and apparel is beneficial to consumers, manufacturers, and business in general as it allows for the necessary flow of information along the supply chain. Properly identifying the content of an item may help in a consumer's decision to purchase the item. In addition, it allows manufacturers to clearly and honestly display the quality of the product they are selling. AAFA values the partnership we have had with the FTC in the past and have supported efforts to clarify regulations including the publication of *Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts*. We applaud the FTC for examining these regulations and appreciate the opportunity to voice the concerns of our members and of our industry.

As the FTC continues to examine all of its various labeling rules, many of our comments today will sound familiar as they also apply to other textile labeling rules such as the *Textile Fiber Products Identification Act* and the *Fur Product Labeling Act*. We will continue to highlight our comments on the following specific points in the *Wool Products Labeling Act of 1939* (Wool Rules):

1601 North Kent Street
Suite 1200
Arlington, VA 22209

(703) 524-1864
(800) 520-2262
(703) 522-6741 fax
www.wewear.org

Disclosure Requirements Applicable to Hang-Tags

AAFA has repeatedly supported the removal of the requirement that a hangtag disclose full fiber content for a product where a generic name of fiber trademark appears, when this information is already present on the product's permanent label. AAFA greatly appreciates the Commission's acknowledgement of this redundancy and proposal to remove the requirement. We do not necessarily agree with the Commission's concern, identified in the Federal Register Notice, that consumer will mistakenly believe that the hang-tag provides full fiber content information. Consumers will be presented with full fiber content information on an easily accessible permanent label at the time of purchase which should be sufficient for relaying this information. Before making it a permanent part of the rule, AAFA would like clarification from the FTC on how it suggests companies disclose clearly and conspicuously that the hangtag does not provide the product's full fiber content. This is an item on which the FTC and the apparel industry should discuss and work together to find a suitable solution. AAFA is happy to aid in facilitating this discussion.

Proposed Amendments To Align Wool and Textile Rules

In ideology, AAFA strongly agrees with the FTC's goal to promote consistency among its various labeling rules. Specifically, we support the efforts to align country of origin requirements in the Wool Rules with those of the Textile Rules and those enforced by U.S. Customs and Border Protection. When the rules regarding different products are contradictory, compliance becomes very difficult. However, we strongly disagree with the Commission's proposal in the Textile Rules, the Fur Rules, and now, the Wool Rules to require guarantors to renew continuing guaranties annually. This requirement is unrealistic and unnecessarily burdensome for textile, fur, and wool products and is not something that should be implemented in any of the rules.

The Commission is correct in stating the form is relatively simple to fill out. However, filling out the form is actually a minor part of the problem companies have faced in relation to continuing guaranties. The process of filing the continuing guaranty and exchanging the continuing guaranty from each vendor to the Commission then to the buyers and the retailers is often a very difficult process lacking communication. Not only are vendors faced with the clerical nightmare of keeping up with the guaranties which have been filed, but buyers struggle with obtaining the guaranties from the Commission. Some AAFA member companies have received a continuing guaranty within one week of requesting it, while others have waited three months. In one instance, a company called AAFA for assistance in getting a copy of the continuing guaranty it had filed less than one year prior. It took two weeks of phone calls to numerous Commission staff members to finally find the correct person to aid in retrieving a copy of the guaranty.

While the Commission staff was exceptionally courteous, it was a frustrating experience. The Commission claims requiring continuing guaranty certifications to be renewed annually will impose minimal additional costs on businesses. We believe these costs will actually be extensive considering the time and effort needed to complete the task. One AAFA member company estimates spending 5-8 hours on each continuing guaranty it files. Most companies file dozens of continuing guaranties, with many filing hundreds. Requiring annual renewals may become unmanageable for companies who need to file continuing guaranties for a large number of products.

Proposed Amendments to Textile Rules Incorporated by the Wool Rules

AAFA supports the Commission's proposal to update the reference within the Wool Rules to the generic names and definitions for manufactured fibers identified by the International Organization for Standardization (ISO). Both the Wool Rules and the Textile Rules should reference the most recent standard ("Textiles – Manmade Fibers – Generic Names" 2076:2010(E)). We encourage the FTC consider updating the rules every time the standard is updated in order to ensure U.S. regulations remain consistent with global regulations and help U.S. companies remain competitive in the global market.

Global Harmonization

This leads us to the larger, overarching issue of a need for harmonization in labeling requirements. AAFA sees a continuing need for the harmonization of U.S. and international labeling requirements for apparel. The lack of harmonization between U.S. and international labeling requirements forces products destined for multiple locations to contain a superfluous amount of information. At that point, the product is not only costly to manufacturers, but also confusing for consumers and uncomfortable to wear.

The harmonization of apparel labeling requirements around the globe is a long-term goal for AAFA and we encourage the FTC to work on modifications to the current U.S. regulations in order to make the process easier and more cost-efficient for all parties involved. The FTC is an agency that not only regulates trade but seeks to encourage it as well. We ask you to keep this in mind while considering all comments submitted on the subject matter at hand and in future rule-making.

Thank you for your time and consideration on this important matter. If you need any additional information, please feel free to contact me or Marie D'Avignon at mdavignon@wewear.org or 703-797-9038.

Sincerely,



Kevin M. Burke

President & CEO