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December 2, 2016

Federal Trade Commission
Office of the Secretary
600 Pennsylvania Avenue N.W., Suite CC-5610 (Annex B)
Washington, DC 20580

RE: Green Guides – Organic Roundtable, Project No. P954501

Dear Commission,

Thank you for this opportunity to provide comments to FTC's request for public input on how consumers perceive "organic" claims on non-agricultural products. Oregon Tilth is the third largest USDA accredited organic certifier in the US, serving over 1,600 processors and growers, restaurants and retailers representing the entire food chain, from seed to fork. We also certify to private standards, among them the Global Organic Textile Standard and NSF/ANSI 305 for personal care products.

Oregon Tilth supports and affirms the results of Organic Trade Association's consumer study on false organic claims submitted in October 2016 to the FTC on this issue. OTCO is a member of OTA and part of the OTA Fiber Council.

We were very encouraged by the FTC's work to collect sampling data on consumers' perception of organic claims for non-agricultural products and their partnership with the USDA. The roundtable meeting in Washington DC on October 20, 2016, was an informative event with a diverse collection of speakers from many parts of the industry affected by false claims. Our written comments will attempt to give a snapshot of the organic textile industry as it exists in and out of the certification world. We believe the FTC can adapt the existing GOTS criteria to fulfill the need for guidance in the use of organic claims.

Oregon Tilth's Fiber Program

The OTCO fiber program certifies to the Global Organic Textile Standard (GOTS), specifically dedicated for fiber and textile handling and production. GOTS is a project of the International Working Group that developed these consensus-based standards over many years of discussion and deliberation. The aim of the standard is to define requirements to ensure organic status of textile, to provide a credible assurance to the end

consumer, including harvesting of raw materials, environmentally and socially responsible manufacturing, and labeling. The standards work to expand the potential organic supply chain and further developing global organic fiber and textile infrastructure.

Under GOTS certification each phase of organic fiber and textile production requires certification. It is similar to the current organic certification process for food and feed under the National Organic Program (NOP). The process of textile manufacturing goes through many diverse phases, often in different facilities, before it reaches its final industrial or consumer product. All phases of production require evaluation by an organic certifier for traceability and compliance with organic standards.

The Current Situation

The diversity of organic fiber and textile products produced is quite extensive, with 48 GOTS certified operations in the US, and 3,814 globally (2015). For example, OTCO certifies: clean carded cotton for medical products from gauze to ear swabs, wool batting for mattress manufacturing, toppers, comforters and pillows, dyed and undyed wool yarn, sheets and every kind of mattress made from crib to queen, cheesecloth, tampons, and woven cloth for apparel. All these products are part of a broader supply chain contributing to hundreds of finished goods that consumers see on the shelf every day.

Since Oregon Tilth achieved GOTS accreditation, we have received numerous inquiries regarding the legitimacy of organic textiles. Here is a brief list of the most common questions and concerns from consumers:

- Is a particular product really organic if it is not certified?
- How do I find out if a company is certified GOTS? (and other general resource questions)
- Can you evaluate this certificate and tell me if is fraudulent? (requests to review certs from OEKO- TEX, 100% organic content claims, GOTS, and recycled content)
- Frustration at learning a recent purchase was not certified organic by the label said it was.
- How do I read and understand law labels verses hang tags?
- Frustration at high prices for textile products that are not really made from 100% organic components but advertised as such.
- If this mattress is not really certified organic, how do I know it wasn't treated with chemicals?

The textile industry is also suffering from a lack of guidance on how to label and advertise organic products. The most common questions from new applicants to the GOTS program relate to the grey area between USDA NOP and the FTC's label laws. If certification is too costly an option, they often try to determine how best to present a product made with partial organic fiber and be as truthfully to the consumer as possible. These uncertified operators are feeling the pressure from consumers to disclose all components, treatments, and manufacturing methods or the consumer will not buy their product.

The global private standard of GOTS has stepped in where other national organic laws based in the food sector have been unable to go because it is outside their legal purview. All operations beyond the farm (growing the raw materials) must be certified for the final product to carry the GOTS label. This supply chain can include a dozen steps from carding to spinning the yarn, to weaving, washing, dyeing, cut and sew operations and printing, including all the subcontractors, storage, and distribution before the product is even seen by a consumer. Each manufacturing step must be inspected and reviewed for compliance.

Without GOTS certification the product lacks transparency in the supply chain. There is little documentation of suppliers' certification. No proof that accessories are within the tolerances for chemical residues and not manufactured using prohibited processes or ingredients. The social criteria component is not investigated. In essence, no other organic textile standard evaluates the entire supply chain.

With all the work that goes into a successful certification, the FTC can see why our GOTS clients are enraged that an unregulated marketplace is allowing an unfair advantage for textile products with false claims.

In early 2016, we created a list of any bedding manufacturers who were using OTCO logos or GOTS logos without a trademark agreement or using false organic claims on their products, websites and marketing literature. Sixteen names long, this internal list includes small home based bedding businesses to large well-known mattress companies. The amount of bedding products in the stream of commerce that falsely claim organic is growing. Our clients often ask what is OTCO doing to stop the false-claims? If they continue in the certification process, how will our GOTS program work to promote certified organic products and make it worth their while when the competition is playing dirty? These are issues we grapple with daily because there is no enforcement beyond individual actions for trademark infringement.

The issue of misleading organic claims is being pushed from both sides of the fence, consumers and manufactures alike need clear guidance. It is apparent to us that a majority of consumers surveyed believe textile products and other non-food items labeled organic have been certified organic by a 3rd party accreditor and the process is enforced by government oversight. They are being misled.

NOP Guidance

The NOP has already recognized GOTS in their Policy Memorandum 11-14, dated May 20, 2011. By recognizing the Global Organic Textile Standard as the preeminent private standard in the field, the FTC would not step from their mandate and can instill confidence in organic textiles products. There are tens of thousands of consumers in the marketplace that buy organic on a regular basis. They are being deceived by false organic claims in textiles and personal care products and should be protected by the Federal Trade Commission.

False organic claims on any product sshow doubt, undermining the trust in the USDA organic seal on the food side of the spectrum. If consumers realize that their organic shampoo, towels, or bathroom cleaner are not actually certified it throws into question whether their organic food is really certified. Few consumers know that the NOP does not have jurisdiction over the manufacturing processes of organic textiles and personal care products. The NOP has done a great job at promoting the organic label but even according to the FTC's own survey results and those of the OTA, even the most astute consumers believe organic means the same for all products, food or not.

Solutions

We believe a strong record exists to warrant the development of guidance in this area and to include "organic" claims in the FTC Green Guides. OTCO would support a future decision to adapt GOTS as the organic textile standard mandated by the FTC and NOP.

The National Technology Transfer and Advancement Act of 1995 (NTTAA), signed into law by President Clinton on March 7, 1996, mandated that all federal agencies use technical standards developed and adopted by voluntary consensus standards bodies, as opposed to using government-unique standards. Under the NTTAA it seems the FTC and USDA could adapt the Global Organic Textile Standard as a way to address the false organic claims used in textiles in the US.

OTCO agrees with the Organic Trade Association's assessment of the fundamental actions that must take place to combat false and misleading organic claims in the marketplace and requests that these points be included in draft policy (paraphrased below):

Organic claims on agricultural products should be addressed by the NOP

NOP's policy on the use of "organic" in a company name (NOP 4012) should apply to ALL products, including personal care, dietary supplements, textiles, household cleaners, fertilizers, etc., if the content is "largely" agricultural.

Organic Product Claims

*OTA requests that FTC acknowledge in policy that there are some product categories, including personal care, textiles, and others, that fall outside USDA-NOP's jurisdiction for product labeling based on their non-agricultural content...This is consistent with NOP's labeling requirements, and it supports **truth in labeling**. We believe there is an important distinction between using the term organic to modify a product name (indicating the entire product is organic) vs. using the term "organic" to communicate that some part of the product is "organic."*

Organic Content Claims

OTA supports a policy that reserves the use of the term "organic" when used to modify the product name (i.e. organic mattress, organic shampoo, etc.) for NOP certified products only, or products produced in accordance with an NOP recognized standard when NOP standards do not exist (see Organic Textiles below).

*Also consistent with the NOP's labeling requirements, FTC should clarify that for products containing **agricultural** ingredients labeled "organic," the "organic" ingredients **must** meet the NOP rule. NOP's position is that any agricultural ingredient that claims to be organically produced, in any product, must be certified to the USDA-NOP standard.*

Organic Textiles

FTC should make clear to marketers that in the absence of government standards, private standards have been developed and NOP Policy is in place. OTA requests that FTC expressly acknowledge GOTS, defer to NOP's Policy Memorandum on Textiles, and monitor and enforce the use of the term "organic" on textiles that are not certified either under NOP or GOTS. For products that are making organic content claims only, OTA requests that FTC include reference to the Textile Exchange [Organic Content Standard](#)¹.

¹ The Organic Exchange "organic content" standards are chain-of-custody standards that give third party verification to a final product containing a given amount of organically grown cotton. The OE 100 and OE Blended are voluntary standards and do not address the use of chemicals or any other aspects of production beyond the integrity of the organic fiber.

After your review of all the comments submitted on this issue, we look forward to a speedy decision to issue guidance on the use of organic in textile and personal care products labels and advertising.

Thank you for your continued work on this important issue. OTCO remains committed to future collaborations with government agencies to promote the organic industry.

Respectfully Submitted,

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