

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

Statement of Commissioners Noah Joshua Phillips and Christine S. Wilson

ALG-Health Matter No. 222 3044

August 9, 2022

We believe that the Commission exceeded its statutory authority in promulgating a Made in the USA (MUSA) rule that extended beyond regulating "labels on products" to include regulation of advertising claims appearing in catalogs and online. Accordingly, we voted against both the notice of proposed rulemaking and the final rule, each of which exceeded the agency's statutory authority.

The complaint in *ALG-Health* alleges that defendants violated the MUSA rule with respect to products that were not made in the U.S.A. by both (1) placing labels on products and (2) including "Made in the USA" images in online advertising on their website and social media platforms. We believe that the allegations in the first category fall squarely within our congressionally delegated authority, while the allegations in the second category exceed it. Because the complaint alleges conduct regarding physical "labels on products", conduct within the proper scope of our statutory authority with respect to MUSA labeling, we vote in favor of this complaint and settlement.

https://www.ftc.gov/system/files/documents/public_statements/1577103/p074204musaphillipsstatementrev.pdf; Statement of Commission Christine S. Wilson Concurring in Part and Dissenting in Part, *Notice of Proposed Rulemaking related to Made in U.S.A. Claims* (June 22, 2020),

https://www.ftc.gov/system/files/documents/public_statements/1577099/p074204musawilsonstatementrev.pdf (dissenting specifically as to the proposal to include online labeling within the scope of the proposed rule but voting yes to seek comment on a proposed MUSA rule); Dissenting Statement of Commissioner Christine S. Wilson Regarding Final Rule Related to Made in U.S.A. Labeling Claims, Matter No. P074204 (July 1, 2021), https://www.ftc.gov/system/files/documents/public_statements/1591494/2021-07-01 commissioner wilson statement musa final rule.pdf.

¹ See Dissenting Statement of Commissioner Noah Joshua Phillips, Made in the USA Labeling Rule – Notice of Proposed Rulemaking, Matter No. P074204 (June 22, 2020),