

## UNITED STATES OF AMERICA Federal Trade Commission

WASHINGTON, D.C. 20580

## Statement of Commissioner Rebecca Kelly Slaughter Joined by Chair Lina M. Khan and Commissioner Alvaro M. Bedoya

Regarding United States v. Williams-Sonoma, Inc.

April 26, 2024

I applaud and thank the FTC staff who demanded and secured historic relief in the settlement of this matter: a requirement that Williams-Sonoma submit an annual certification, under the penalty of perjury, as to its compliance with the settlement's terms and maintenance of sufficient controls to ensure compliance; a \$3,175,387 civil penalty, the largest ever in our decades of policing "Made in USA" deception; and an admission by Williams-Sonoma that all the allegations in the complaint are true. Building on the solid relief that the FTC has won in recent Made-in-USA matters,<sup>2</sup> this settlement sets a new standard for excellence in enforcement and underscores that robust injunctive and monetary relief are the consequences facing those whose deception undercuts American producers and workers. Although not necessary under the unique facts of this matter, in my view, notice to deceived consumers and individual liability for responsible executives are additional consequences that we will pursue whenever appropriate. Both through our new rule outlawing deceptive "Made in USA" labeling and in our vigorous law-enforcement efforts, which include special attention to claims made by those previously caught deceiving consumers, the FTC's work to deter false claims and put a stop to wrongdoers is growing steadily stronger. This strengthening is the product of thoughtful policy conversations and tenacious work by our talented staff. Americans expect that "Made in USA" means what it says, and this action helps ensure that, when the claim is made by honest businesses, it retains its enormously valuable meaning to American consumers. I am profoundly grateful for and proud of this work.

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<sup>&</sup>lt;sup>1</sup> This civil penalty is the consequence not of a rule violation but of Williams-Sonoma's violation of a Commission Order entered in 2020 to stop its deceptive "Made in USA" claims. *See* Press Release, Fed. Trade Comm'n, Williams-Sonoma, Inc. Settles with FTC, Agrees to Stop Making Overly Broad and Misleading 'Made in USA' Claims about Houseware and Furniture Products (Mar. 30, 2020), https://www.ftc.gov/news-events/news/press-releases/2020/03/williams-sonoma-inc-settles-ftc-agrees-stop-making-overly-broad-misleading-made-usa-claims-about. It is especially troubling that the present matter is the third in the action the Commission has taken with respect to Williams-Sonoma's "Made in USA" claims, which initially resulted a warning letter. *See* Letter from Fed. Trade Comm'n to Williams-Sonoma, Inc. (June 13, 2018),

https://www.ftc.gov/system/files/documents/closing\_letters/nid/musa\_williams-sonoma\_closing\_letter.pdf. 
<sup>2</sup> See, e.g., Press Release, Fed. Trade Comm'n, FTC Action Leads to \$2 Million Penalty Against Kubota for False Made in USA Claims (Jan. 26, 2024), https://www.ftc.gov/news-events/news/press-releases/2024/01/ftc-action-leads-2-million-penalty-against-kubota-false-made-usa-claims; Press Release, Fed. Trade Comm'n, FTC Finalizes Order Requiring Old Southern Brass to Stop False Made In USA and Veteran Affiliation Claims (Jan. 23, 2024), https://www.ftc.gov/news-events/news/press-releases/2024/01/ftc-finalizes-order-requiring-old-southern-brass-stop-false-made-usa-veteran-affiliation-claims; Press Release, Fed. Trade Comm'n, FTC Finalizes Order Against Clothing Accessories Company for False Made in USA Claims (Aug. 29, 2023), https://www.ftc.gov/news-events/news/press-releases/2023/08/ftc-finalizes-order-against-clothing-accessories-company-false-made-usa-claims.