

FTC Business Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

Selling ‘American-Made’ Products? What Businesses Need to Know About Making Made in USA Claims

Consumers who see “Made in USA” on a product expect the claim to be truthful and accurate. Since the terrorist attacks of September 11, news reports suggest that consumers are more sensitive to “Made in USA” claims and more interested in buying American-made goods.

According to the Federal Trade Commission, “Made in USA” means that “all or virtually all” the product has been made in America. That is, all significant parts, processing and labor that go into the product must be of U.S. origin. Products should not contain any ~~or~~ only negligible foreign content. The FTC’s Enforcement Policy Statement and its business guide, *Complying with the Made in USA Standard*, spell out the details of the standard, with examples of situations when domestic origin claims would be accurate and when they would be inappropriate. See www.ftc.gov/os/statutes/usajump for more information.

Here’s how the FTC evaluates “Made in USA” claims in product advertising, labeling and packaging:

For most products, unless the product is an automobile or a textile or wool product, there’s no law that requires manufacturers and marketers to make a “Made in USA” claim. If a business chooses to make the claim, however, the FTC’s “Made in USA” “all or virtually all” standard applies.

For textile and wool products, under the Textile and Wool Acts, these products must be labeled to identify the country of origin.

of origin of the engine and transmission. For more information, call the Consumer Programs Division of the National Highway Traffic Safety Administration (202-366-0846) or visit the NHTSA website at www.nhtsa.gov

Suspect a violation? If you believe that a product promoted as “Made in USA” is not America-made or contains significant foreign parts or processing, file a complaint with the FTC. Call, toll-free, 1-877-FTC-HELP (1-877-382-4357), or use the complaint form at www.ftc.gov The FTC enters Internet, telemarketing, identity theft and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad. If you are aware of import or export fraud, call the U.S. Customs Service Commercial Fraud Hotline, 800-ITS-FAKE.

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