



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

Bureau of Consumer Protection
Division of Enforcement

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VIA EMAIL

Richard P. Lawson, Esq.
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Dear Mr. Lawson:

We received your submissions on behalf of Streamline Washdown Equipment, Inc. (“Streamline” or the “Company”). During our review, we discussed concerns that marketing materials may have overstated the extent to which the Company’s products are made in the United States. Specifically, among other things, Streamline embossed “Made in USA” statements on the rubber casings of certain industrial spray nozzles that incorporated significant imported content.

As discussed, unqualified U.S.-origin claims in marketing materials – including claims that products are “Made” or “Built” in the USA – likely suggest to consumers that the products advertised in those materials are “all or virtually all” made in the United States.¹ The Commission may analyze a number of different factors to determine whether a product is “all or virtually all” made in the United States, including the proportion of the product’s total manufacturing costs attributable to U.S. parts and processing, how far removed any foreign content is from the finished product, and the importance of the foreign content or processing to the overall function of the product. The FTC recently codified the “all or virtually all” standard into a Made in USA Labeling Rule, 16 C.F.R. § 323 (the “MUSA Rule”).²

¹ FTC, *Issuance of Enforcement Policy Statement on “Made in USA” and Other U.S. Origin Claims*, 62 Fed. Reg. 63756, 63768 (Dec. 2, 1997) (the “Policy Statement”). Additionally, beyond express “Made in USA” claims, “[d]epending on the context, U.S. symbols or geographic references, such as U.S. flags, outlines of U.S. maps, or references to U.S. locations of headquarters or factories, may, by themselves or in conjunction with other phrases or images, convey a claim of U.S. origin.” *Id.*

² Effective August 13, 2021, it is a violation of the MUSA Rule to label any covered product “Made in the United States,” as the MUSA Rule defines that term, unless the final assembly or processing of the product occurs in the United States, all significant processing that goes into the

As discussed, it is appropriate for Streamline to promote the fact that it employs workers and performs certain functions in the United States. However, marketing materials should not convey that products are wholly or partially made in the United States unless the Company can substantiate those claims. Accordingly, to avoid deceiving consumers, Streamline removed all U.S.-origin claims from products and marketing materials and required dealers and distributors to do the same.³

FTC staff members are available to work with companies to craft claims that serve the dual purposes of conveying non-deceptive information and highlighting work done in the United States. Based on Streamline's actions and other factors, the staff has decided not to pursue this investigation any further. This action should not be construed as a determination that there was no violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. The Commission reserves the right to take such further action as the public interest may require. If you have any questions, please feel free to call.

Sincerely,



Julia Solomon Ensor
Staff Attorney



Lashanda Freeman
Senior Investigator

product occurs in the United States, and all or virtually all ingredients or components of the product are made and sourced in the United States. *See* <https://www.federalregister.gov/documents/2021/07/14/2021-14610/made-in-usa-labeling-rule>. Pursuant to 15 U.S.C. § 45(m)(1)(A), the Commission may seek civil penalties of up to \$46,517 per MUSA Rule violation.

³ Streamline will not provide products to noncompliant dealers and distributors. Online marketing materials that include outdated claims are associated with dormant websites or third parties without current authorization to sell Streamline products.