

FEDERAL TRADE COMMISSION

Conference on Cashmere Labeling



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Division of Enforcement

### Wool Products Labeling Act of 1939 15 U.S.C. § 68 et seq. FTC Rules, 16 CFR Part 300

Textile Fiber Products Identification Act 15 U.S.C. § 70 et seq. FTC Rules, 16 CFR Part 303

#### The Wool Act

- \* Covers products that contain *Any* amount of wool or recycled wool
  - Clothing
  - Blankets
  - Fabrics & Yarns
  - All wool products not specifically excluded

- \* Exclusions
  - Carpets, rugs & mats
  - Upholsteries
  - Wool products made for export



#### Wool

#### \* WOOL Includes Fiber Made From:

- Fleece of Sheep or Lamb
- Hair of Cashmere or Angora Goat, Camel, Alpaca, Llama & Vicuna
- \* PASHMINA is NOT a recognized fiber

## Recycled Wool

- \* Recycled wool must be labeled recycled
  - 1. wool returned to a fibrous state after having been woven or felted into a product whether or not used by a consumer
  - 2. wool returned to a fibrous state after having been **spun or knitted** into a product that **was used by a consumer**

## Who is covered by the Wool Act

\* Manufacturers

\* Importers

\* Wholesale Distributors

\* Retailers

## Three Label Requirements

Fiber Content

\* Name of Manufacturer, Importer or Seller or RN issued by the FTC

Country of Origin

#### Fiber Content Label

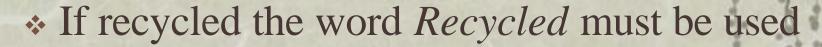
- \* List generic fiber names & % in descending order of predominance by weight
- \* Fiber that is less than 5% of fiber weight is listed as *Other Fiber* 
  - But, any amount of wool must be stated (even if less than 5%)
  - other fibers under 5% can be named if they have a functional significance at that amount

#### Fiber Content Label

- \* Generic names for manmade fibers are those that have been recognized by the FTC in § 303.7 of the Textile Rules or recognized by the ISO
- \* Trim & ornamentation excluded from fiber disclosure unless made of wool

## Specialty Wool Fibers

- \* Can be named, with the % stated
  - Cashmere
  - Mohair
  - Camel hair
  - Alpaca
  - Llama
  - Vicuna





#### Full Fiber Content Disclosure

- \* Must be made whenever the specialty fiber is named in *any* label on the garment
- \* Example of what not to do
  - Content Label states:
    - 90% wool
    - 10% cashmere
  - While Sleeve Label or Hang Tag states:
    - "Fine Cashmere Blend"
- \* For the garment to be properly labeled, the actual content would have to be repeated on the sleeve label or hang tag

## Label must have Business Name or RN

- \* Must name manufacturer, importer, or other seller, or, state the RN
- \* Any business in the U.S. chain of distribution or a foreign manufacturer
- \* RNs available only to U.S. businesses
- RN Application information must be kept up to date

#### RN Database -- ONLINE

\* Entire searchable database available 24/7

\* Easy online application and update service

Usually less than 3 day turnaround on applications

\* GO TO: www.ftc.gov

## Country of Origin Label

- \* "Made in USA" only if made in the U.S. of materials also made in the U.S.
- Imports name of country where manufactured or processed
- \* "Made in USA of imported fabric"
- \* "Made in China, finished in USA"
  - Processing in both countries
- \* Label must comply with both FTC & U.S. Customs requirements

### Placement of Label & Information

- \* Country of origin must be on front of a label on the inside center of the neck
- \* Fiber & Manufacturer or Seller ID
  - Front or back of label
  - Placed anywhere that is clear, conspicuous & readily accessible
- One label or separate labels for disclosures
- \* Information can be on the Care Label
- Need not be permanent label (except for care instructions)

## Catalogs

- Mail Order catalogs & Mail Order promotional materials must give Origin
- \* "Made in USA"
- \* "Imported"
- \* "Made in USA and Imported" or "Made in USA or Imported"
- \* Includes Online Catalogs

## Advertising

- \* Wool Act Does not address advertising
- \* Textile Act
  - If ad names or implies a particular fiber, the complete fiber content must be disclosed as on the label, but % of each fiber need not be given
  - Use generic fiber names
- Section 5 of the FTC Act prohibits deceptive practices in commerce -- Applies to any textile product, including wool

## Separate & Continuing Guaranties

- Guaranty from a U.S. seller to a buyer that the goods are not misbranded under the Textile Act or Wool Act
- Separate Guaranty Applies only to that transaction
- Continuing Guaranty Applies to all goods subject to the Wool and/or Textile Act manufactured or marketed by guarantor
- \* Can be filed with the FTC (form available on website)

# Benefit of a Guaranty to the Buyer

#### \* A Guaranty is a Legal Defense

- A business that, in good faith, relies on a guaranty will not be found in violation of the law if the textile or wool products are subsequently determined to be mislabeled
- Reliance on the guaranty must be in good faith the buyer cannot ignore evidence that otherwise indicates inaccurate labeling