Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts

Before you start reading all the legal stuff from the Federal Trade Commission and get yourself confused and overwhelmed, take a look at a few of the suggestions I've outlined below. Everyone has their own preference as it relates to relabeling the tags on the back of t-shirts...

My way is the only way I've done it... and I can't vouch for any of the other methods because I've never done it ©. Here's what I do:

I buy my t-shirts as usual and I simply take the labels out of them! Yes, it takes time, but it works. If you don't mind paying someone to do it for you, there are locals out there that will. Contact local seamstresses in your area and compare rates. They're pretty cheap and can get them back to you fairly quickly.

Once I have the labels out, I crank up my heat press machine and transfer my logos and all the other information required by law onto the back of the t-shirt. More and more companies are doing this now. Before I forget, I need to inform you that I use a hat press and not the typical t-shirt heat press machine. The smaller hat transfer machine allowed me to press onto a smaller area and get a smooth flat surface to transfer my design onto the t-shirt. In fact, you can do a lot of things with this machine, but I'll save that for another conversation. Here is a photograph of a hat press machine:



As I mentioned earlier, I've pretty much used heat transfers for everything and this was no exception. It was cheaper for me and depending on the size of your 'label', you could get 12-18 of these onto a sheet of transfer. Let's say your sheet cost \$2 and you got 18 onto a sheet, your cost per 'label' was about .11 cents. Your sheet could actually get down to a dollar based on how

many transfers you ordered. Again, this was more convenient for me and it worked for me. In fact, take a look at some of these t-shirts I picked up from Wal-mart. These guys had screen printed labels (or heat transfers) put into the back of the shirts instead of having the typical labels.







Now this poor soul didn't even try to remove the label completely off. And yet, they still managed to get their stuff into Wal-Mart... Go figure!



I would show you one of my labels, but I don't want anyone to see the niche I'm in... I don't want any competitors ☺

But anyhow, we heat transferred our designs onto the back of the tees.

I hear you can buy blank wholesale tees with labels that tear away easily. I've never ordered them, so I can't give you any advice on it. I'd suggest you order some and try if you're interested (I only advise on what I know and my method is all I know ©)

Another option to try is using a company that'll put a label onto the back of your t-shirts for you. Some wholesale companies offer a 'relabeling' service. TSC Apparel is one such company: http://www.TSCapparel.com —You can get a company to make the labels the way you want and have those labels shipped to TSC Apparel and they'll remove the labels from the shirts you've ordered and replace them with your custom labels. I don't know how much they charge because I've never used them. In the future, when I update this portion, I'll get an interview with someone on 'relabeling' and I'll add it to this section. But for now, just give TSC Apparel a call — they have a variety of locations across the US and you can choose to work with one of the companies that are closest to you! To ensure you have the correct phone number, go to their website and get the number from their contact page.

Custom Label Companies:

Here are a few companies that'll customize labels on your behalf:

• Clothing Labels 4 U: <u>www.clothinglabels4u.com</u>

W&W Labels: www.wnwinc.com
 BCI Labels: www.bcilabels.com
 Cruz Label: www.cruzlabel.com
 Rapid Tags: www.itsmineusa.com
 Sienna Pacific: www.siennapacific.com
 Clothing Labels: www.clothinglabels.com

• Laven Industries: www.laven.com

Before you start putting labels onto your tees, there are a few things you MUST know. The Federal Trade Commission mandates what must go on your label.

What the Federal Trade Commission Wants You to Put on Your Labels

Federal Trade Commission (FTC) laws apply to all garments sold in the United States and apply to manufactured garments as well as handmade items. The FTC has very stiff penalties for non-compliance.

General information regarding regulations can be found on the **FTC website for textiles**. Rules and regulations regarding labeling in particular are at **Threading Your Way Through the Labeling Requirements**. The FTC can also be reached at: Textiles Section, Division of Enforcement, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580, (202) 326-3553. Although the information they provide is extensive, in order to protect your business you should read and understand the regulations. The information below is just a wide-ranging summary of the requirements that need to be met.

In general, the FTC requires that your labels be permanently attached to the garment: sewn in or printed on, not on a hangtag. It should last throughout the expected lifetime of the garment, meaning several years of laundering.

For adult clothing, here are four pieces of information your tags must have:

1. Name of the Company or Registration Number

The tag must list the name of your company or your FTC registration number. You can obtain an FTC registration number by applying online using the above links or by writing to the address listed above. Turnaround for obtaining a registration number is usually quick.

2. Fiber Content in Descending Order by Percentage

You need to know what your fabric is made of so make sure you get this information when you purchase it. The content of the fabric has to be listed on your label. Any fiber that is over 15% of the garment must be listed. For example, if the fabric is 60% Cotton, 40% Polyester, your label will list it that way. The highest content is listed first and then content in descending order. Generic names must be used, however descriptive words such as Egyptian cotton are allowed. Brand names such as RocLon are not acceptable. Exceptions are items such as embroidery, buttons, elastic, thread and trim as long as they cover less than 15% of the item.

3. Country of Origin

The country of origin must be prominently displayed on the garment, usually between the shoulders on tops and somewhere on or near the waistband on bottoms. Garments created with imported fabric but sewn in the United States must state, "Made in USA of imported fabric" or similar statement.

4. Care Instructions, or How to Wash It

Instructions for the care of the garment must also be attached to it. It is not necessary to place these in a prominent place; however, this label is probably very important to your customer. Determine the best cleaning method for the fabric, trim and thread that the garment is constructed with and provide that information on the label. Only one method needs to be listed.

Additional Information

Children's clothing have additional requirements to the above list. You should check the FTC web site for those requirements. In addition to the above, the Consumer Products Safety Commission has recently passed the Consumer Products Safety Improvement Act (CPSIA) with states that any product primarily intended for the use by children (age twelve and under) have a tracking label or other distinguishing permanent mark for use in case a product recall

becomes necessary. This broad application applies to toys as well as clothing and shoes. **This** law goes into effect August 15, 2010.

There are a handful of companies that offer relabeling services. Keep in mind that it will be more cost effective to purchase nearly finished product from these vendors and have your specially printed labels shipped to them, rather than shipping your entire stock of product to have the special labels attached.

Last and foremost: although these guidelines should be helpful to you with determining your labeling needs, do your own research with the <u>FTC</u> to make sure you are in full compliance with all the rules and regulations that apply to your particular situation.

I'll interview someone on this topic...

(To cover my own butt... I've included the following information from the FTC webpage regarding the labeling of your shirts/apparel. Make sure to visit their website to ensure you're reviewing the most current and up-to-date information!)

Introduction

The Federal Trade Commission (FTC) has prepared this guide to help you comply with federal labeling requirements for textile, wool and fur products. The law requires that most textile and wool products have a label listing: the fiber content, the country of origin, and the identity of the manufacturer or another business responsible for marketing or handling the item. Labels for fur products are required under a separate statute and rule. The labeling requirements for fur are summarized at pp.34-36. Citations to the statutes and the rules are found in the endnotes.

Care labels for wearing apparel are required under another FTC rule, 3 and information about care labels is found in other FTC publications. For business: Clothes Captioning: Complying with the Care Labeling Rule.

Who's Covered And Who's Not

If you manufacture, import, sell, offer to sell, distribute, or advertise products covered by the Textile and Wool Acts, you must comply with the labeling requirements.

You are exempt if you are: 4

- A common carrier or contract carrier shipping or delivering textile products in the ordinary course of business;
- A processor or finisher working under contract to a manufacturer (unless you change the fiber content contrary to the terms of the contract);
- A manufacturer or seller of textile products for export only; or
- An advertising agency or publisher disseminating ads or promotional material about textile products.

Textile Products: What's Covered And What's Not

In general, most clothing and textile products commonly used in a household are covered by the labeling requirements. Such items include: 5

- Clothing (except for hats and shoes see p.3)
- Handkerchiefs
- Scarfs
- Bedding sheets, covers, blankets, comforters, pillows, pillowcases, quilts, bedspreads, and pads (but not outer coverings for mattresses or box springs)
- Curtains and casements
- Draperies
- Tablecloths, napkins, and doilies
- Floor coverings rugs, carpets, mats
- Towels, washcloths, and dishcloths
- Ironing board covers and pads

- Umbrellas and parasols
- Bats or batting
- Flags with heading or more than 216 sq. inches in size
- Cushions
- All fibers, yarns and fabrics (except packaging ribbons)
- Furniture slip covers and other furniture covers
- Afghans and throws
- Sleeping bags
- Antimacassars and tidies (doilies)
- Hammocks
- Dresser and other furniture scarfs

The labeling requirements do not apply until the products are ready for sale to consumers. Items shipped or delivered in an intermediate stage of production, and not labeled with the required information, must include an invoice disclosing the fiber, country of origin, manufacturer or dealer identity, and the name and address of the person or company issuing the invoice. 6 If the manufacturing or processing of the products is substantially complete, they are considered to be ready for sale to consumers. Even if small details have not been finished — such as hemming, cuffing, or attaching buttons to garments — the products must be labeled.

The following items are not covered by the labeling requirements:7

- Upholstery or mattress stuffing (unless it's reused — then the label must say that it contains reused stuffing)
- Outer coverings of upholstered furniture, mattresses, and box springs
- Linings, interlinings, filling, or padding used for structural purposes

However, if they are used for warmth, the fiber must be disclosed, (see p.11). In addition, if you make any statement about the fiber content of linings, interlinings, filling, or padding, they are

- Backings of carpets or rugs and paddings or cushions to be used under carpets, rugs, or other floor coverings
- Sewing and handicraft threads
- Bandages, surgical dressings, and other products subject to the Federal Food, Drug and Cosmetic Act
- Waste materials not used in a textile product
- Shoes, overshoes, boots, slippers and all outer footwear. But, socks and hoisery are covered; in addition, slippers made of wool are covered under The Wool Rules (see p.6)

- no longer exempt.
- Stiffenings, trimmings, facings, or interfacings (see p.8 for more explanation of "trimmings")
- Headwear (hats, caps or anything worn exclusively on the head). But, a wool hat is covered under The Wool Rules (see p.6)
- Textiles used in: handbags or luggage 10, brushes, lampshades, toys, feminine hygiene products, adhesive tapes and adhesive sheets, cleaning cloths impregnated with chemicals, or diapers.

The following items also are excluded, unless you choose to make a statement about the fiber content. If you make any representation about fiber, all of the requirements for fiber content disclosure, described on pages 7-19, apply.11

- Belts
- Suspenders
- Arm bands
- Neckties that are permanently knotted
- Garters
- Diaper liners
- Labels (individually and in rolls)
- Looper clips intended for handicraft purposes
- Book cloth
- Artists' canvases
- Tapestry cloth
- Shoe laces
- All textile products manufactured by operators of company stores and sold exclusively to their own employees
- Coated fabrics and those parts of textile products made of coated fabrics

A coated fabric is any fabric which is coated, filled, impregnated, or laminated with a continuous-film-forming polymeric composition, and the weight added to the base fabric is at least 35 percent of the weight of the fabric before coating.12

- Secondhand household textile items that are obviously used or marked as secondhand
- Non-woven disposable products intended for one-time use only
- Curtains, casements, draperies, and table place mats that are made primarily of slats, rods, or strips that are composed of wood, metal, plastic, or leather
- Textile products purchased by U.S. military services according to specifications
 - However, textile products sold and distributed through post exchanges, sales commissaries, or ship stores are covered. In addition, if the military sells textile products for nongovernmental purposes, the fiber information must be furnished to the buyer for labeling the products before distribution.
- Hand-woven rugs made by Navajo Indians with the attached "Certificate of Genuineness" supplied by the Indian Arts and Crafts Board of the U.S.

Department of Interior

Labeling is not required for other products not specifically mentioned in the statute or rules, or for non-textile products or components, including:

Auto seat cushions Hosiery hampers

Awnings Hot pads

Baby equipment — seats, carriers, carriages, Industrial wiping cloths

strollers, harnesses, etc. Inked ribbons for typewriters, etc.

Bags — net bags, tote bags, bags for laundry,

Knapsacks and backpacks

diapers, cosmetics, sports gear, etc.

Leather goods and trim

Beach or patio umbrellas

Life preservers and jackets

Beads, sequins, buttons

Mops & mop covers

Burial shrouds

Notebook covers

Chair seats for lawn chairs

Notebook covers

Novelty items

Coasters for glasses Oven mitts

Cosmetic masks and travel kits Pads for sports equipment, such as toboggans

Coverings used in churches Poly-foam and foam rubber

Covers for household items, other than furniture Powder puffs

and ironing boards: birdcages, irons, toasters, Rope

mixers, toilet tanks & lids, tissue boxes Saddle blankets, camel saddles

Covers for sports equipment, such as golf clubs, Sleeping masks

skis, etc. Sports protectors (for elbow, knee, chest, etc)

Cummerbunds Sweatbands
Dog coats, other pet clothing, and pet furniture Tea cozies
Drapery pleater tapes Tents

Dress shields

Eyeglass cases

Filters — all types

Flowers made of fabric

Twine

Venetian blind tapes

Wall coverings

Wall decorations

Hangers padded with fabric Wigs

Holiday decorations and ornaments Window shades and shade pulls

Textile products intended for uses not covered by the Textile Act should be accompanied by an invoice or other piece of paper stating that they are not intended for uses subject to the Textile Fiber Products Identification Act.

Wool Products: What's Covered And What's Not

Most products that contain any amount of wool — including clothing, blankets, fabrics, yarns, and other items — are covered by the Wool Act and Wool Rules. 13 While the requirements for wool products overlap those for other textiles, there are differences.

- A wool product is any product (or portion of a product) that contains (or is represented to contain) wool (including recycled wool). NOTE: Products exempt from the Textile Act and Rules such as hats and slippers are covered by the Wool Act and Rules if they contain any wool.
- Recycled wool is wool that has been returned to a fibrous state after having been woven, knitted, or felted into a wool product, regardless of whether a consumer has ever used the product.

Products not covered even if they contain wool

Carpets, rugs, mats (however, these items are covered by the Textile Act and Rules)

Upholsteries

Wool products made for export

Fiber Content

If your product is covered by the Textile or Wool Act and Rules, it must be labeled to show the fiber content. The generic fiber names and percentages by weight of each constituent fiber must be listed in descending order of predominance. 14 For example:

65% rayon 35% polyester

If the product is made from one fiber, you may use the word "All" instead of "100%." For example: "100% Wool" or "All Wool."

The disclosure requirement applies only to fibers — contained in yarns, fabrics, clothing, and other household items. If part of the product is made from a non-fibrous material — such as plastic, glass, wood, paint, metal or leather — you don't have to include that on your label. That is, you don't have to disclose the contents of zippers, buttons, beads, sequins, leather patches, painted designs, or any other parts that are not made from fiber, yarn, or fabric.

In general, you may name only the fibers that comprise five percent or more of the fiber weight. Fibers of less than five percent should be disclosed as "other fiber" or "other fibers," as the case may be, and not by their generic name or fiber trademark. 15

Exceptions to the five percent rule:

- (1) Wool or recycled wool must always be disclosed by name and percentage weight, even if it is less than five percent of the product.
- (2) You may state the name and percentage of a fiber that is less than five percent of the product, if the fiber has a definite functional significance at that amount. For example, if a small amount of spandex is used for elasticity, the label could say:

96% Acetate 4% Spandex

If nylon is added to a wool garment for durability, the label could say, for example:

96% Wool 4% Nylon

You don't have to disclose the functional significance, as long as there is one.

If there are multiple, non-functionally-significant fibers present in amounts of less than five percent each, they should be designated with their aggregate percentage, even if it is greater than five percent. For example:

82% Cotton 10% Polyamide 8% Other Fibers

90%Cotton 4% Polyamide 6% Other Fibers

Exceptions to the fiber disclosure requirement

Some parts of a textile or wool product do not have to be counted for labeling purposes — even if they are made of a fibrous material. These include trim, linings (unless used for warmth), small amounts of ornamentation, and the threads that hold the garment together.

Trimmings

Various forms of trim incorporated into clothing and other textiles are excluded from the labeling requirements. 16 Trim includes: collars, cuffs, braiding, waist or wrist bands, rick-rack, tape, belting, binding, labels, leg bands, gussets, gores, welts, findings,* and superimposed hosiery garters.

- Findings include:
 - elastic materials and threads added to a garment in minor proportion for structural purposes; and
 - elastic material that is part of the basic fabric from which a product is made, if the elastic does not exceed 20 percent of the surface area. In this case, the required fiber content information should be followed by the statement "exclusive of elastic."

Also excluded from labeling requirements are:

- decorative trim applied by embroidery, overlay, applique, or attachment, and
- decorative patterns or designs that are an integral part of the fabric.

For the exemption to apply, the decoration must not exceed 15 percent of the surface area of the item. If no representation is made about the fiber content of the decoration, the fiber content disclosure should be followed by the statement "exclusive of decoration."

Note: Collars and cuffs are exempt from fiber content disclosure — whether decorated or not decorated. Therefore, decoration on collars and cuffs does not count toward the 15 percent.

If decorative trim or designs exceed 15 percent of the surface area of the product and are made of a different fiber from the base fabric, the fiber of the decoration must be disclosed on the label as a sectional disclosure (see pp.10 and 11 for more information). If the decorative trim does not exceed 15 percent but information about its content is referenced somewhere, the fiber of the decoration also must appear on the label.

Example 1: You are selling a cotton T-shirt with decorative silk trim piping and embroidery that covers 10 percent of the shirt. No other information about the fiber of the decoration has been given. The label may say:

All Cotton exclusive of decoration

100% Cotton exclusive of decoration

Example 2: You are selling the same cotton T-shirt, described in advertising and on signs as a "Silk Trim T." The label must disclose the trim content. For example:

Body - 100% Cotton Decoration - 100% Silk

Example 3: You are selling a cotton T-shirt with decorative silk trim piping and embroidery that covers 20 percent of the shirt. The label must disclose the content of both the body of the shirt and the trim. For example:

Body - 100% Cotton Decoration - 100% Silk

Ornamentation

"Ornamentation" refers to "any fibers or yarns imparting a visibly discernible pattern or design to a yarn or fabric." 17 Ornamentation is exempt from fiber content disclosure when it does not exceed five percent of the product's fiber weight. 18 You would disclose the other fibers in the product, without regard to the ornamentation, and include the statement: "Exclusive of Ornamentation." For example:

60% Cotton 40% Rayon Exclusive of Ornamentation

If you want to identify the ornamental fiber, you may do so if you also list the percentage of the ornamentation in relation to the total fiber weight of the principal fiber or blend of fibers. (In this case, the numbers will add up to something greater than 100 percent.) For example:

70% Nylon 30% Acetate Exclusive of 4% Metallic Ornamentation

or Exclusive of 3% Silk
Ornamentation

If the ornamentation exceeds five percent of the fiber weight, its fiber must be disclosed as a separate section. For example:

Body: 100% Viscose

Ornamentation: 100% Silk

There is some overlap between the definitions of "ornamentation" and "trimmings." Therefore, if the ornamentation, decorative trim, or decorative pattern or design exceeds (1) 15 percent of the surface area of the product, and (2) five percent of the fiber weight of the fabric, its fiber content has to be disclosed. If it is either (1) less than 15 percent of the surface area, or (2) less than five percent of the fiber weight, its content does not have to be disclosed, if the label says "exclusive of decoration" or "exclusive of ornamentation."

Linings and interlinings 19

If linings, interlinings, fillings, or paddings are used only for structural purposes, you don't have to disclose their fiber. However, if you voluntarily say — or imply — anything about their fiber content, the requirements of the statutes and rules apply.

If linings, interlinings, fillings, or paddings are incorporated for warmth (including metallic-coated textile linings and linings or fillings that contain any amount of wool), their fiber must be disclosed as a sectional disclosure. For example:

Shell: 100% Nylon Lining: 100% Polyester

or

Covering: 100% Rayon Filling: 100% Cotton

Even if the outer fabric and the lining or interlining are made of the same material, the fiber content should be disclosed separately.

Shell: 100% Polyester Interlining: 100% Polyester

If the lining, interlining, filling, or padding is the only textile portion of the product, (with the outer part made of a non-textile material such as rubber, vinyl, fur, or leather), the fiber content of the lining, interlining, filling, or padding must be disclosed if it is incorporated into the product for warmth.

Sectional disclosure of fiber content

If a product has separate sections with different fiber compositions, the content of each section should be identified separately on the label.20 Where ornamentation or trim forms a distinct section of the product, and it is present in sufficient quantity that it is not exempt from fiber disclosure, its fiber should be disclosed as a separate section.

Examples of sectional disclosure:

Red: 100% Nylon Blue: 100% Polyester

Green: 80% Cotton, 20% Nylon

Ornamentation: 100% Silk

or

Body: 100% Cotton

Sleeves: 80% Cotton, 20% Polyester

Sectional disclosure is required if necessary to avoid deception. As a general practice, where garments or other products are divided into distinct sections made of different fibers, sectional disclosure should be used so that the information will be clear to consumers.

Note on elastics: The fiber content of a product that is part elastic material and part other fabric must be disclosed by section.21 The fiber content of the non-elastic section should be disclosed in the usual manner. The elastic section should be described as "elastic," followed by a list of the fibers contained in the elastic, in order of predominance by weight. For example:

Front and back non-elastic sections:

50% Acetate

47% Cotton

3% Other fiber

Elastic: rayon, cotton, nylon, rubber, other fiber

If the elastic material does not exceed 20 percent of the product's surface area, it falls under the trim exemption. In that case, the label would disclose the content of the base fabric, followed by the phrase: "exclusive of elastic." (See p.8)

Note on superimposed fibers: If a fiber is added to a particular section of a product (such as the heel or toe of a sock) for reinforcement (or other) purposes, the label may state the content of the base fabric (in numbers adding up to 100 percent), followed by the word "except" and the name of the superimposed fiber, its weight relative to the base fiber(s), and the location where it was added. For example:

55% Cotton 45% Rayon Except 5% Nylon added to heel & toe

Pile fabrics22

Fiber content labeling for pile fabrics may be handled in one of two ways. You can state the fiber content for the product as a whole. Or, the fiber content of the pile and backing may be disclosed separately. If the pile and backing are stated separately, the ratio between the two must be given as percentages of the fiber weight of the whole. For example:

100% Nylon Pile 100% Cotton Back (Back is 60% of fabric and pile 40%)

Fiber names 23

Fibers, whether natural or man-made, must be identified by their generic names. The Commission recognizes certain names that must be used to identify man-made fibers. See Appendix, p.41. In addition, the Commission recognizes the names listed in International Organization for Standardization (ISO) Standard 2976: 1999(E), "Textiles — Man-made fibres — Generic names." While many of the names listed in the ISO standard do not appear in the Commission's rules, they may be used on labels to satisfy the fiber identification requirement. To order a copy of the ISO standard, contact:

American National Standards Institute 25 West 43rd St., 4th floor New York, NY 10036

A few common fibers recognized by the Commission have different names in the ISO standard. For example, the ISO standard uses the name viscose for the predominant form of rayon, and elastane for spandex. You may use either name.

When a manufacturer develops a new fiber, the name may not be used on labels until it is recognized by the Commission. The manufacturer may seek recognition by the ISO or petition the Commission. 24 However, the Commission can more easily recognize the name — and forgo the petition process — if the name is first recognized by the ISO.

Biconstituent or multiconstituent fibers: If a manufactured fiber is a mixture of two or more chemically distinct fibers, combined during or before extrusion, the content disclosure should state:

- whether it is a biconstituent or multiconstituent fiber;
- the generic names of the component fibers, in order of predominance by weight; and
- the percentage of each component by weight.

For example:

100% Biconstituent Fiber (65% Nylon, 35% Polyester)

Premium cotton fibers — Pima, Egyptian, Sea Island, etc.

The fiber disclosure may include the name of a type of cotton, as long as it is not deceptive. You can label a shirt "100% Pima Cotton" as long as the garment contains 100 percent Pima cotton fibers.

If only 50 percent of the cotton in the shirt is Pima, and you want to use the term "Pima" on your label (or elsewhere), you must indicate that Pima constitutes 50 percent of the fiber content. For example, your label could say: "100% Cotton (50% Pima)," or "50% Pima Cotton, 50% Upland Cotton," or "50% Pima Cotton, 50% Other Cotton." However you choose to identify the garment, the label must show that it is 100 percent cotton and, if you choose to use the word "Pima," that only 50 percent of the cotton fibers are Pima. To say "100% Cotton, Pima Blend," without disclosing the Pima content is unacceptable.

If a reference to "Pima" is placed somewhere else on the garment — such as on a hangtag — the fiber content information must be repeated on the tag. This includes use of a trademark that implies the presence of Pima cotton. (See discussion of trademarks on p.16.)

For more information, see the FTC brochure, Calling It Cotton: Labeling and Advertising Cotton Products.

Wool fiber names

The term wool may be used for fiber made from the fleece of the sheep or lamb, and the hair of the Angora goat, Cashmere goat, camel, alpaca, llama, or vicuna. 25 Reclaimed or recycled wool fibers must be identified as recycled wool. 26

Specialty wool fibers 27

Although the specialty fibers listed above may be called simply wool, they also may be identified by their specialty fiber names: mohair, Cashmere, camel, alpaca, llama, vicuna. If the name of a specialty fiber is used, the percentage of that fiber must appear on the label. In addition, any recycled specialty fiber must be identified as "recycled." For example:

50% Recycled Camel 55% Alpaca 35% Recycled Llama

Hair 50% Wool	45% Camel Hair	35% Recycled Vicuna 30% Cotton
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If specialty fiber names are used, they must appear on the required fiber content label and in any other references to the fibers. If the required label simply states wool, a speciality fiber name cannot be used in other non-required information (such as a hangtag) that may appear anywhere on the product. For example, if the label says: 100% Wool, you cannot have "Fine Cashmere Garment" appear on the required label or any other label or tag. If the garment has a small amount of Cashmere, and you draw attention to that fact in some way, Cashmere should be listed on the label with the actual percentage. For example:

97% Wool 3% Cashmere

As with other fiber content disclosures, all parts of the fiber information must be in type of equal size and conspicuousness (see p.26). References to the specialty fiber cannot be misleading or deceptive. For example, if a jacket has the above label — disclosing that it contains three percent Cashmere — it would be misleading to attach another label to the sleeve stating "FINE CASHMERE BLEND," unless the sleeve label repeats the full fiber disclosure with percentages by weight.

Other hair or fur fibers

The term fur fiber may be used to describe the hair or fur fiber — or mixtures thereof — of any animals other than the sheep, lamb, Angora goat, Cashmere goat, camel, alpaca, llama, and vicuna. The name of another animal may be used if its hair or fur fiber comprises more than five percent of the fiber weight. For example, 60% Wool, 30% Fur Fiber, 10% Angora Rabbit Hair.

The hair or fiber of new varieties of cross-bred animals, such as Cashgora hair or Paco-Vicuna hair, also can be disclosed in this way. For example:

60% Wool 40% Cashgora Hair

Note: If a hair or fur fiber is attached to the animal skin, it is covered by the Fur Rules (see .34).

Fiber trademarks On labels 28

A fiber trademark may be used on a content label as long as it appears immediately next to the generic fiber name. The type or lettering of the trademark name and the generic name must be equally conspicuous and of the same size.

Whenever a fiber trademark appears on any label or tag, a complete fiber content disclosure must be made the first time the trademark is used. For example:

80% Cotton 20% Lycra® Spandex

If the trademark doesn't appear in the fiber content disclosure, but appears elsewhere on the label, the generic name of the fiber must appear together with the trademark the first time the trademark is used. For example:

80% Cotton 20% Spandex Made in the USA Lycra® Spandex Lycra® for Fit

Fiber trademarks or generic names appearing on non-required labels or tags must not be false, deceptive, or misleading. For example, a fiber trademark must not be used to indicate or imply that a product is made completely of a certain fiber when it isn't.

In advertising 29

If a fiber trademark is used in advertising — including advertising on the Internet — the fiber content must be disclosed at least once in the ad. The percentages do not have to be included. However,

- if the advertised product contains more than one fiber other than ornamentation the content disclosure must include the fiber trademark and the generic name of the fiber immediately next to each other in lettering of equal size and conspicuousness.
- if the advertised product contains only one fiber other than ornamentation the fiber trademark and the generic name of the fiber must appear immediately next to each other at least once in the ad in lettering that is legible and conspicuous.

The generic name cannot be placed in a footnote or elsewhere in the ad, signaled by an asterisk.

Fiber trademarks used elsewhere in ads must not give a false, deceptive, or misleading message about content, such as implying that the product is made completely of a certain fiber when it isn't. (See p.30, for more information on advertising.)

Products containing unknown fibers 30

If a textile product is made — in whole or in part — from scraps, clippings, rags, secondhand fibers or fabrics, or other textile waste materials of unknown and, for practical purposes, undeterminable fiber content, the disclosure may indicate that this is the case. For example:

Made of clippings of unknown fiber content

100% unknown fibers — rags

All undetermined fibers — textile by-products

100% miscellaneous pieces of undetermined fiber content

Secondhand materials — fiber content unknown

45% Rayon 30% Acetate 25% Unknown fiber content

75% Recycled Wool 25% Unknown Reclaimed Fibers

60% Cotton 40% Unknown fibers — scraps

If on the other hand, the fiber content is known or can be readily determined, the full content disclosure must be given.

Sale of remnants and products made of remnants31

Remnants for sale in a retail store do not have to be labeled individually if a display sign indicates that they are "remnants of unknown fiber content and origin." Similarly, remnants of known fiber do not have to be labeled individually if a sign indicates the content. For example: "remnants, 100% cotton," "remnants, 50% rayon, 50% acetate."

If a finished product is made of remnants of undetermined content, the label would read: "Made of remnants of undetermined fiber content and origin," or some equivalent statement.

Marking of fabric samples or swatches 32

If fabric samples or swatches are used to promote the sale of textile products, the samples or swatches must be labeled with all the required information unless they are:

- less than two square inches (12.9 cm2), and the required information is disclosed in accompanying promotional material; or
- keyed to a catalog which discloses the required information; or
- not being used to make sales to consumers, are not in a form for use by consumers, and the invoice discloses the required information.

Tolerances for fiber content Textile products33

There is a three percent tolerance for fiber content claims on labels. For example, if the label indicates that a product contains 40 percent cotton, the actual amount of cotton present may vary from 37 percent to 43 percent of the total fiber weight. That does not mean you can knowingly misrepresent fiber amounts. If you know that the product contains 37 percent cotton, the label should say "37% cotton." The tolerance simply allows for a small amount of unintended inconsistency in the manufacturing process. Deviations larger than three percent constitute mislabeling, unless the company can prove that it was the result of unavoidable variations in manufacturing, despite the exercise of due care.

Note: Fiber percentages may be rounded to the nearest whole number. For example, 60.4% Polyester, 39.6% Cotton can be labeled 60% Polyester, 40% Cotton.

No tolerance is allowed if the label states that a product contains one fiber (exclusive of allowed amounts of ornamentation or decorative trim). 34 For example, if a blouse contains 97 percent silk and three percent polyester, you cannot label it "100% silk" based on the three percent tolerance. The three percent polyester was intentionally added to the fabric. Therefore, labeling the blouse "100% silk" would be intentional mislabeling.

Wool products

The Wool Act and Rules do not provide any tolerance for the content of wool products. However, the Wool Act states that variations from stated fiber content will not be considered mislabeling if the "deviation resulted from unavoidable variations in manufacture and despite the exercise of due care to make accurate the statements" on the label. 35 For practical purposes, the Commission will apply the three percent tolerance allowed for other textile products to wool products. The tolerance will not apply if the label indicates that the product is entirely wool, e.g. 100% wool, 100% cashmere, all wool, or all cashmere.

Country Of Origin36

Products covered by the Textile and Wool Acts must be labeled to show the country of origin.

- Imported products must identify the country where they were processed or manufactured.
- Products made entirely in the U.S. of materials also made in the U.S. must be labeled "Made in U.S.A." or with an equivalent phrase.
- Products made in the U.S. of imported materials must be labeled to show the processing or manufacturing that takes place in the United States, as well as the imported component.
- Products manufactured in part in the U.S. and in part abroad must identify both aspects.

Note on FTC Rules and Customs Regulations: U.S. Customs and Border Protection has country of origin labeling requirements separate from those under the Textile and Wool Acts and Rules. For example, FTC rules do not require labeling until a textile product is in its finished state for sale to the consumer. Textile products imported in an intermediate stage may, in lieu of being labeled, be accompanied by an invoice with the required information (see p.2). Customs,

however, may require that an unfinished product be marked with the country of origin. Manufacturers and importers must comply with both FTC and Customs requirements.

Imported products made entirely abroad

A textile product made entirely abroad must be labeled with the name of the country where it was processed or manufactured. Importers and other marketers should check Customs regulations to determine the appropriate country of origin for products made entirely abroad.

Unqualified "Made in U.S.A." labels

A label may say "Made in U.S.A." only if the product is made completely in the U.S. of materials that were made in the U.S. If a U.S. manufacturer uses imported greige goods that are dyed, printed, and finished in the U.S., for example, they may not be labeled "Made in U.S.A." without qualification.

Note: The origin of parts of the product exempt from content disclosure (such as zippers, buttons, etc.) does not have to be considered in determining the product's country of origin.

Products made in the U.S.A. with imported materials

The label must indicate that the product contains imported materials. The label may identify the country of origin of the imported materials, but it doesn't have to. It can say simply: "Made in U.S.A. of imported fabric" or "Knitted in U.S.A. of imported yarn." This disclosure must appear as a single statement, without separating the "Made in U.S.A." and "imported" references.

Manufacturers should be aware that for certain products — including sheets, towels, comforters, handkerchiefs, scarfs, napkins, and other "flat" goods — Customs requires identification of the country where the fabric was made. 37 To comply with Customs and FTC requirements for this group of products, the label must identify both the U.S. and the country of origin of the fabric. For example: "Made in U.S.A. of fabric made in China" or "Fabric made in China, cut and sewn in U.S.A."

Identification of processing or manufacturing that takes place in the U.S. and abroad

If processing or manufacturing takes place in the U.S. and another country, the label must identify both aspects of production. For example:

Made in Sri Lanka, finished in U.S.A.

Comforter filled, sewn and finished in U.S.A. with shell made in Malaysia

Assembled in U.S.A. of imported components

Note: There are special requirements for the placement of country of origin information. (See p.28.)

Country names

The name of the country of origin must appear in English. Abbreviations (such as, U.S.A. or Gt. Britain) and other spellings close to the English version (Italie for Italy, or Brasil for Brazil) can be used if they clearly and unmistakably identify the country. Adjective forms of country names also can be used. For example, "Chinese Silk." But the adjective form of a country name should not be used deceptively to refer to a kind or type of product, for example, "Spanish lace," when the lace is Spanish in style, but not made in Spain. Use of the abbreviations "CAN" and "MEX," for "Canada" and "Mexico," are acceptable under FTC rules, but may not be under Customs requirements.

The phrases "made in" or "product of" don't have to be used with the name of the country of origin, unless needed to avoid confusion or deception. A symbol, like a flag, could be placed next to the name of a country to indicate that the item is a product of that country. If more than one country is named on the label, phrases or words describing the specific processing in each country are usually necessary to convey the required information to the consumer.

One step removed rule

In deciding whether to mark a product as made, in whole or in part, in the U.S., a manufacturer must consider only the origin of materials that are one step removed from the particular manufacturing process. For example, a yarn manufacturer must identify imported fiber. A manufacturer of knitted garments must identify imported yarn. A manufacturer of apparel made from cloth must identify imported fabric.

Country of origin in mail order advertising 38

Country of origin information must be disclosed in mail order advertising, such as catalogs, including that disseminated on the Internet. Product descriptions in these ads must include a statement that the product was either made in the U.S.A., imported, or both.

- "Made in U.S.A. and Imported" should be used to indicate manufacture in the U.S. from imported materials, or part processing in the U.S. and part in a foreign country.
- "Made in U.S.A. or Imported" should be used to reflect that some units of an item originate from a domestic source and others from a foreign source.
- "Made in U.S.A." may be used only if all units were made completely in the U.S. of materials also made in the U.S.

Of course, the description must be consistent with the origin labeling on the advertised product. (See also ADVERTISING AND CATALOGS, p.30.)

Identification Of Manufacturer, Importer, Or Other Dealer 39

In addition to identifying fiber content and country of origin, textile labels must identify either the company name or Registered Identification Number (RN) of the manufacturer, importer, or another firm marketing, distributing, or otherwise handling the product. An RN is a number

issued and registered by the FTC and may be issued to any firm in the U.S. that manufactures, imports, markets, distributes, or otherwise handles textile, wool, or fur products. RNs are not issued to businesses outside of the U.S. You may use an RN instead of a name to satisfy the labeling requirement.

Note: An RN is not required in order to do business in the U.S.

If you use a company name

The name must be the full name under which the company is doing business. This is the name that appears on business documents, such as purchase orders and invoices. It cannot be a trademark, trade name, brand, label, or designer name — unless that name is also the name under which the company is doing business.

Imported Products: If the product is imported, the label can identify any of the following:

- the name of the foreign manufacturer,
- the name or RN of the importer,
- the name or RN of the wholesaler, or
- the name or RN of the ultimate retailer if the retailer has consented.

Caution: If the textiles are labeled with the name or RN of the retailer, and for any reason the intended retailer does not receive the goods and they are sold to someone else, the retailer's name or RN must be removed or obliterated, and the products relabeled with the RN or name of a company that is in the actual line of distribution.

If you use a Registered Identification Number (RN)

A single RN may be used by a company for labeling products under the Textile, Wool, and/or Fur Acts. Only one number will be assigned to a company. In the past, the Commission issued Wool Products Labeling (WPL) numbers for wool products. Although no longer issued, WPL numbers may still be used by companies holding them. An RN or WPL may be used only by the business to which it was assigned. That is, RNs and WPLs are not transferable or assignable.

The prefix "RN" or "WPL" is part of the Registered Identification Number and must precede the numerals on the label.

You don't need to get or use an RN to do business; the RN is simply another way to identify your company on labels, instead of using the full company name. However, there are several benefits to using an RN:

- it lets buyers easily identify and find you by using an RN directory or the RN look-up service on the Internet;
- it usually takes up less space on the label than the company name; and

• it facilitates record-keeping and helps you keep track of who's who in the textile trade.

You also may find that some companies will require you to have an RN in order to do business with you.

How to get an RN

You can apply for an RN online at <u>ftc.gov</u>. Click on For Business, then RN Information, then RN Application — Apply Online.

An RN application form (FTC Form 31) is available at the end of the <u>PDF version</u> of this publication. You can use this form or a photocopy of it, if you want to submit a paper application. You also can call or fax the Commission to request an RN application. The application form should be completed by a company official and returned to the Commission by mail or fax

Note: Your application can be processed more quickly if you apply online!

How to identify the company holding a particular RN

The RN database is available at <u>ftc.gov</u> — click on For Business, then RN Information, then RN Database — Search.

If you don't have access to the Internet, you can fax or mail a request that FTC staff identify the holders of one or more (but no more than 10) RNs.

How to update RN information

It's important to keep the information on your RN application form current. When you move or change your name without telling the Commission, the system's usefulness decreases.

With the RN database available on the Internet, companies using an RN are urged to check the information given for their number and notify the Commission of any changes. You can update your RN information online at ftc.gov. Click on For Business, then RN Information, then Update Your RN Information. You also can use the RN application form to update information. Be sure to include your RN. Mail or fax your completed form to the Commission.

NOTE: Failure to keep your RN information current may result in cancellation of your RN. An RN also may be canceled if obtained or used improperly.

Replacing another company's label with your own40

An importer, distributor, or retailer may want to replace the original label on a textile product with a label showing its company or RN. This is perfectly legal as long as the new label lists the name or RN of the person or company making the change.

NOTE: If you remove a label containing required information, the label you substitute also must contain that required information. Otherwise, you've violated the Textile Act.

SPECIAL CAUTION TO RETAILERS:

Some retailers, such as bridal salons, remove labels with required information from the garments they offer for sale without replacing them. This is illegal under the Textile Act. If a retailer removes any label containing required information, it must substitute another label with its own name or RN and any other required information that appeared on the original label. In addition, anyone substituting a label must keep records, for three years, showing the information on the removed label and the company from which the product was received.

Mechanics Of Labeling41

Amendments to the Textile and Wool Acts have simplified and streamlined the requirements for disclosing the necessary information:

- The three required disclosures may appear on one label or on separate labels. They may appear on a label with other information such as the care instructions. In fact, consumers and professional cleaners find it very helpful to have the fiber content on the same label with the care instructions.
- All parts of the required information must be clearly legible, conspicuous, and readily accessible to the consumer.
- All parts of the fiber content information must be in type or lettering of equal size and conspicuousness. For example, your label cannot say:

80% polyester 20% SILK

- All parts of the required fiber content information must appear in immediate proximity to each other.
- You can use other non-deceptive terms that accurately describe the fiber. For example:

100% crosslinked rayon or

100% Egyptian Cotton

- Other non-required information also may appear on the label with the required disclosures. This additional information cannot be deceptive or misleading and cannot minimize, detract from, or conflict with the required information.
- The country of origin must always be on the front side of the label. Fiber content and the identity of the manufacturer or dealer may appear on the back of a label. In that case, the label must be attached to the product only at one end so that the reverse side is accessible to the consumer.

Note: The phrase "Fiber Content on Reverse Side" is no longer required.

• Disclosures must be in English. They also can be in other languages, as long as the English version is included.

Exception: The English language requirement does not apply to disclosures in advertisements in foreign language newspapers or periodicals. (See discussion of advertisements for textile products at p.30.)

• The words of required disclosures cannot be abbreviated, designated by ditto marks, or placed in footnotes.

Exception for abbreviations of certain country names. (See discussion of country names at p.22.)

Some Examples of Correct Labels

100% Lyocell Made in Mexico RN 00003 55% polyester 45% cotton Size 10 Made in USA RN 00001 100% COTTON EXCLUSIVE OF DECORATION MACHINE WASH WARM TUMBLE DRY MEDIUM WARM IRON -12-MADE IN NEW ZEALAND KANGAROO IMPORTS, INC.

Front of Label

ElegantLinesTM
Size 10
Made in USA
of imported fabric

Back of Label

100% silk dry clean only RN00001

Label placement and attachment

• The label(s) with required information must be securely attached to the product until it is delivered to the consumer. However, the label(s) need not be permanently attached.

Note: Many consumers and professional cleaners consider it important to have fiber information on a permanent label. Also, remember that garments must have care instructions on a permanent label. Therefore, it may be useful to have the two pieces of information on the same label.

Note: Customs may require that the country of origin of imported goods be on a sewn-in label.

• In a garment with a neck, a label disclosing the country of origin (on the front) must be attached to the inside center of the neck — either midway between the shoulder seams or very near another label attached to the inside center of the neck. The fiber content and manufacturer or dealer identity can appear on the same label (front or back) or on another conspicuous and readily accessible label(s) on the inside or outside of the garment.

Example: In a jacket or blazer, the country of origin would always have to be disclosed on a label at or near the inside center of the neck. The fiber content and manufacturer or dealer could be disclosed on another label attached to a side seam. However, the fiber and manufacturer/dealer information could not be on a label attached to the inside of the elbow because it would not be conspicuous and readily accessible.

• On garments without a neck, and on other kinds of textile products, the required information must appear on a conspicuous and readily accessible label(s) on the inside or outside of the product.

Example: In a skirt or pair of slacks, a location on the inside of the waistband would be conspicuous and accessible. The inside of a pocket or pant leg would not be conspicuous or accessible.

Example: In a pillowcase, a location on the inside, but very close to the open end would be conspicuous and accessible. A location on the inside of the closed end would not be conspicuous or accessible

• The country of origin label should not be covered or obscured by any other label.

Special exception for hosiery sold in packages 42

Packaged hosiery products need not have a label on each piece of hosiery in the package, if the package has a label listing all of the required information and the information on the package is applicable to each of the products in the package.

Special requirements for socks

Beginning in March 2006, most socks<u>43</u> must be marked on the front of their packages or labels with the English name of the country of origin. This marking must be placed adjacent to the size designation. The marking must be done in a manner that is legible, indelible, conspicuous, readily accessible to the consumer, and as permanent as the nature of the article or package permits.

Exception: A package that contains several different types of goods, including socks, is exempt from this special requirement. However, such packages and their contents are subject to other labeling requirements, as stated below.

Other products sold in packages 44

For other packaged products — such as T-shirts — the required information must be on each item in the package, as well as on the package itself. However, if the package is transparent and the required information on the labels can be read without opening the package, the package need not be labeled.

Note: The provision that required information appear on packages does not apply to items packaged solely for mail order shipment.

Products with two or more items of the same fiber 45

If garments or other textile products are sold in pairs (such as socks, mittens, or gloves) or ensembles (such as a suit or a set of dinner napkins) of the same fiber content, only one part of the pair or ensemble needs to be labeled.

Products with two or more items of different fibers 46

If textile products are sold as a set or ensemble (such as a tablecloth and set of napkins), the required information may appear on a single label even if the fiber content is not the same for all parts of the set. In this case, the label must separately identify the fiber content of the components.

Tablecloth: 100% cotton

Napkins: 50% cotton, 50% polyester

If these items are not always sold as an ensemble, they must be separately labeled.

Bolts of cloth

Fabric cut from bolts or rolls in stores doesn't need a label if the bolt or roll is properly labeled.

Advertising And Catalogs Ads47

If a written ad for a textile product makes any statement about a fiber, or implies the presence of a particular fiber, the fiber content information required on the label — except for percentages — also must appear in the ad. Use of a fiber trademark in advertising also triggers disclosure, at least once in the ad, of the fiber content information. In this disclosure, the fiber trademark should appear very near the generic name of the fiber.

If an ad triggers fiber content disclosure, the fiber names must be listed as they appear on the label — in descending order of weight, with fibers constituting less than five percent designated as "other fiber" or "other fibers." The information must be conspicuous and easy to read, in lettering of equal size.

Other information in the ad cannot be false, deceptive, or misleading, or include any terms or representations that would be prohibited under the statute and rules. A fiber trademark cannot be used in a misleading manner to indicate or imply presence of a fiber that is not present.

Terms that truthfully describe a fiber may be used with its generic name, such as "cross-linked rayon," "solution dyed acetate," "combed cotton," "Pima cotton," or "Egyptian cotton."

Specialty cottons: If your ad refers to premium cottons, such as "Pima" or "Egyptian," be careful it does not convey to a reader that the product is made solely of the premium cotton, unless that is the case.

Written advertising includes Internet advertising. It does not include shelf or display signs indicating the location of textile products in stores.

Catalogs 48

When a textile or wool product is advertised in a catalog or other mail order promotional material, either printed or disseminated on the Internet, the description must include a clear and conspicuous statement that the item was either "made in U.S.A.," "imported," or "made in U.S.A. and [or] imported." Of course, catalog information about origin must be consistent with the information on the label. (See p.22 for more information about origin disclosures in catalogs.)

Continuing And Separate Guaranties 49

A guaranty is a written promise that the textile, wool, or fur products covered by the guaranty are properly labeled, and not falsely or deceptively described in advertising or on invoices. A separate guaranty is one given for goods in a particular transaction. A continuing guaranty covers all products subject to a particular statute, and may be provided by a seller to a buyer or filed with the FTC

Reliance on the properly executed guaranty of a seller is a legal defense. A business that, in good faith, relies on such a guaranty will not be found in violation of the law if the textile (or wool or fur) products are subsequently determined to be mislabeled.

(1) Separate guaranty

A separate guaranty promises compliance with the law for the products listed on the invoice for that transaction. It would state, for example:

We guarantee that the textile fiber [or wool or fur] products specified herein are not misbranded nor falsely nor deceptively advertised or invoiced under the provisions of the Textile Fiber Products Identification Act [or Wool Products Labeling Act or Fur Products Labeling Act] and rules and regulations thereunder.

The Textile, Wool, and Fur Acts allow four different types of guaranties, none of which is required by law. The furnishing of a guaranty is a matter between the buyer and seller. The furnishing or filing of a false guaranty is a violation of the law.

(2) Separate guaranty based on a guaranty

This is a guaranty of compliance with the law that is based upon another guaranty, issued by the previous seller of the products listed on the invoice. It would state, for example:

Based upon a guaranty received, we guarantee that the textile fiber [or wool or fur] products specified herein are not misbranded nor falsely nor deceptively advertised or invoiced under the provisions of the Textile Fiber Products Identification Act [or Wool Products Labeling Act or Fur Products Labeling Act] and rules and regulations thereunder.

(3) Continuing guaranty from seller to buyer

A continuing guaranty from seller to buyer guarantees compliance with the law for all of the covered products sold by that seller to that buyer. It would state:

We, the undersigned, guarantee that all textile fiber [or wool or fur] products now being sold or which may hereafter be sold or delivered to are not, and will not be, misbranded nor falsely nor deceptively advertised or invoiced under the provisions of the Textile Fiber Products Identification Act [or Wool		
Products Labeling Act or Fur Products Labeling Act] and rules and regulations thereunder. This guaranty effective until [date] or [revoked].		
Dated, signed, and certified this [date] day of [month], [year], at [city], [state], [name under which business is conducted].		
Under penalty of perjury, I certify that the information supplied in this form is true and correct.		
[signature of proprietor, principal partner, or corporate official]		
[name, title-printed]		

(4) Continuing guaranty filed with the FTC

A continuing guaranty filed with the FTC is a certified statement that all of the textile (or wool or fur) products manufactured or marketed by the guarantor are labeled in compliance with the law and will not be falsely or deceptively advertised or invoiced. The form for a continuing guaranty

to be filed with the Commission is found at the end of the <u>PDF version</u> of this booklet. A business that has filed a continuing guaranty with the FTC can give notice of that fact by stating on invoices or other papers covering the handling or distribution of guaranteed products:

Continuing guaranty under the Textile Fiber Products Identification Act [or Wool Products Labeling Act or Fur Products Labeling Act] filed with the Federal Trade Commission.

Any person or company in the U.S. that manufactures or otherwise handles covered textile, wool, or fur products may file a continuing guaranty with the Commission. The filing of a continuing guaranty is not required by law. However, some buyers may refuse to purchase textile, wool, or fur products from a seller that has not filed a continuing guaranty with the FTC. If you file a continuing guaranty with the Commission, you need not provide a separate guaranty to each customer or with each shipment of goods.

Foreign companies cannot file a continuing guaranty with the FTC. In addition, a guaranty received by a domestic firm from a foreign company will not serve as a legal defense if the importer is charged by the FTC with mislabeling products. An importer is legally responsible for the proper labeling of imported textile, wool, and fur products. Importers should periodically test the fiber or fur content of imported goods to verify label accuracy. Importers also should be aware that Customs may test products for fiber content and impound mislabeled shipments or obtain liquidated damages.

Continuing guaranties filed with the FTC are effective until revoked. Guarantors should promptly report any change in address or business status. Continuing guaranties filed with the FTC are public records.

Record Keeping 50

Manufacturers of textile products must keep records showing the information required to be on the label (fiber content, manufacturer or dealer identity or RN, and country of origin) for all textile products they produce. The records must adequately show that the requirements of the statute and rules have been met and establish a traceable line from the raw materials to the finished product.

Any business substituting a label on a textile product must keep records showing the information on the label that was removed and the name of the party from whom the product was received.

These records must be kept for three years.

The same record-keeping requirements apply to manufacturers of wool products, with the added requirement that their records show the percentage weight of any non-fibrous filling material.

Summary Of Fur Labeling Requirements 51 Label information

Fur products must have a label disclosing:

- The animal name (according to a name guide contained in the rules). If the animal came from a particular country, the adjective form of the country name may (but does not have to) precede the animal name (for example, "Russian Mink").
- The name or RN of the manufacturer, importer, or other seller, marketer, or distributor. In general, the requirements for a company name or RN, and for label substitution, are the same as those for textile and wool products, as described on pp.23-25.
- The country of origin for imported fur products (including country of origin for imported furs made into fur products in the U.S.). E.g., "fur origin: Canada."

 Domestic fur products may (but do not have to) be labeled to show origin. They also may be labeled to show the particular state or part of the country they came from. A name that connotes a false geographic origin cannot be used, and domestic furs cannot be labeled or advertised in a way that implies they are imported.
- If the fur is pointed, dyed, bleached, or artificially colored.

 If none of these treatments applies, the fur should be labeled as "natural."
- If the fur product is composed in whole or substantial part (more than 10 percent of surface area) of pieces, such as paws, tails, bellies, sides, flanks, gills, ears, throats, heads, scraps, or waste fur.
- If the fur is used or damaged.
- The textile or wool content of any part of the product.

For example, on a wool coat with fur trim, the label must disclose the wool content as required by the Wool Act and Rules.

The content of a fur coat lining must be disclosed if the lining provides added warmth. If the lining serves only a structural purpose, its fiber does not have to be disclosed.

Note: The Dog and Cat Protection Act of 2000<u>52</u> prohibits importing, exporting, manufacturing, selling, trading, advertising, transporting or distributing any products made with dog or cat fur.

Mechanics of labeling

- Size. Labels must be a minimum of 13/4 by 23/4 inches (4.5 x 7 cm).
- Durability. The label must be durable enough to remain on the fur until it is delivered to the consumer.
- Lettering. The required information must be no smaller than pica or 12 point type, with all parts of the information in letters of equal size and conspicuousness.
- Order. The required order of information on the label is:
 - 1. whether the fur is natural or pointed, bleached, dyed, etc.
 - 2. if the product contains fur that has been sheared, plucked, or let-out (optional)
 - 3. the adjective form of the name of the country from which the animal originated (optional)
 - 4. name of the animal
 - 5. if the fur product is composed of parts
 - 6. country of origin (stated as "fur origin: [name of country]")
 - 7. any other information that is required or permitted

8. the name or RN of the manufacturer or dealer may either precede or follow the above

Invoices and advertising

- The required information also must appear on invoices and in advertising for fur products.
- Ads for a group of furs with various countries of origin may use the following statement, instead of separately listing the countries: "Fur products labeled to show country of origin of imported furs." This does not apply to catalog advertising where the customer will not have the opportunity to examine the product and its label before purchase.
- Advertising of a general or institutional nature not intended to promote the sale of any particular product(s) does not have to have the required information. However, if the ad makes any reference to a color, and the color is caused by artificial coloring, that fact must be disclosed.

Exemption

If the cost to a manufacturer of fur trim used on a product (not including the cost of adding the trim to the product), or a manufacturer's selling price of a fur product does not exceed \$150, the product is exempt from the statute and rules. The invoice should state: "FPL EXEMPT"

The exemption does not apply if:

- the product contains dog or cat fur
- the product contains used fur
- the product is the whole skin of an animal, with head, ears, paws, and tail
- any false, deceptive, or misleading statements are made about the fur.

In addition, if any representations about the fur are made in labeling, invoicing, or advertising, disclosure also must be made concerning: the name of the animal, whether the fur is artificially colored, and whether the fur is composed of fur parts.

Record keeping; Continuing and separate guaranties

These provisions are basically the same as those for textile and wool products.

Enforcement Of The Textile, Wool, And Fur Rules

A violation of the Textile, Wool, and Fur Acts, or the Commission's rules under those acts, is considered an unfair method of competition and an unfair and deceptive act or practice under the Federal Trade Commission Act. 53

The FTC Act provides various remedies for these violations. The Commission may issue an administrative order prohibiting the act or practice that violates the FTC Act. Violators of an administrative order are subject to monetary civil penalties of up to \$16,000 for each violation.

Each instance of mislabeling under the Textile, Wool, and Fur Acts is considered a separate violation.

Businesses not subject to a previous administrative order also can be subject to monetary civil penalties, 54 an injunction, and other remedies — including consumer redress — in a federal district court action. The Commission can bring a civil penalty case against a company that knowingly engages in practices — such as the mislabeling of textile products — that the Commission has determined in prior cases to be unfair or deceptive. In this kind of case, "knowledge" refers to knowledge of the law. Because the Commission has widely distributed copies of the statutes, rules, and prior decisions in the textile, wool, and fur areas, many manufacturers and sellers have knowledge of the labeling requirements.

Improperly labeled imported items can be held up by Customs and possibly subject to liquidated damages.

For More Information

If you have questions about the Textile, Wool and Fur Acts and Rules, contact:

Textile Section Division of Enforcement Federal Trade Commission Washington, DC 20580 Phone: 202-326-3553

Fax: 202-326-3197

You are encouraged to visit us at ftc.gov on the Web. This booklet and the Textile, Wool, and Fur Rules, as well as the FTC's Care Labeling Rule, are found by clicking on For Business, then Textile, Wool, Fur and Apparel Matters. Other information relevant to these products, including recent cases, industry alerts, Federal Register notices, generic fiber petitions, staff opinion letters, and other consumer and business publications, are available at this website.

Your Opportunity To Comment

The National Small Business Ombudsman and 10 Regional Fairness Boards collect comments from small businesses about federal compliance and enforcement activities. Each year, the Ombudsman evaluates the conduct of these activities and rates each agency's responsiveness to small businesses. Small businesses can comment to the Ombudsman without fear of reprisal. To comment, call toll-free 1-888-REGFAIR (1-888-734-3247) or go to www.sba.gov/ombudsman.

Endnotes

1. The Textile Fiber Products Identification Act (Textile Act), 15 U.S.C. § 70, et seq., and the Wool Products Labeling Act of 1939 (Wool Act), 15 U.S.C. § 68, et seq. The Rules and Regulations under the Textile Fiber Products Identification Act (Textile Rules) are found at 16 C.F.R. Part 303 and the Rules and Regulations under the Wool Products Labeling Act (Wool

- Rules) are found at 16 C.F.R. Part 300.
- 2. The Fur Products Labeling Act (Fur Act), 15 U.S.C. § 69, et seq.; the Rules and Regulations under the Fur Products Labeling Act (Fur Rules) are found at 16 C.F.R. Part 301.
- 3. Care Labeling of Textile Wearing Apparel and Certain Piece Goods, 16 C.F.R. Part 423.
- 4. 15 U.S.C. § 70a(d).
- 5. 16 C.F.R. § 303.45(a)(1).
- 6. 15 U.S.C. § 70a(d)(5); 16 C.F.R. § 303.31.
- 7. 15 U.S.C. § 70j(a).
- 8. A backing is that part of the floor covering to which the pile, face, or outer surface is woven, tufted, hooked, knitted, or otherwise attached, and which provides the structural base of the floor covering. 16 C.F.R. § 303.1(m).
- 9. 15 U.S.C. § 70j(a)(8); 21 U.S.C. § 301, et seq.
- 10. For guidance concerning shoes, handbags, luggage, or belts made of leather or imitation leather, see the Commission's Guides for Select Leather and Imitation Leather Products, 16 C.F.R. Part 24.
- 11. 16 C.F.R. § 303.45(a)(2)-(9) and (b).
- 12. 16 C.F.R. § 303.1(o).
- 13. The Wool Products Labeling Act of 1939, 15 U.S.C. § 68; implementing rules found at 16 C.F.R. Part 300.
- 14. 15 U.S.C. § 70b(b)(1)-(2) and § 68b(a)(2)(A); 16 C.F.R. § 303.16(a)(1) and § 300.3(a)(1).
- 15. 15 U.S.C. § 70b(b)(2) and § 68b(a)(2)(A); 16 C.F.R. § 303.3 and § 300.3(a)(1).
- 16. 15 U.S.C. § 70j(a)(5) and § 68b(d); 16 C.F.R. § 303.12 and § 300.1(k).
- 17. 16 C.F.R. § 303.1(q) and § 300.1(c).
- 18. 15 U.S.C. § 70b(b)(2) and § 68b(a)(2)(A); 16 C.F.R. § 303.26 and § 300.16.
- 19. 15 U.S.C. § 70j(a)(3)-(4) and § 68b(d); 16 C.F.R. § 303.22 and § 300.23.
- 20. 16 C.F.R. § 303.25 and § 300.22.
- 21. 16 C.F.R. § 303.10.
- 22. 16 C.F.R. § 303.24 and § 300.26.
- 23. 16 C.F.R. § 303.6 and 303.7, and § 300.8(a)-(b).
- 24. The procedures for filing a fiber-name petition are found at 16 C.F.R. § 303.8.
- 25. 15 U.S.C. § 68(b).
- 26. 15 U.S.C. § 68(c); 16 C.F.R. § 300.3(b).
- 27. 16 C.F.R. §§ 300.18 and 300.19.
- 28. 16 C.F.R. §§ 303.1(r) and 303.17, and §§ 300.1(d) and 300.8(c)-(f).
- 29. 16 C.F.R. § 303.41.
- 30. 16 C.F.R. § 303.14, and §§ 300.28 and 300.29.
- 31. 16 C.F.R. § 303.13.
- 32. 16 C.F.R. § 303.21 and § 300.21.
- 33. 15 U.S.C. § 70b(b)(2); 16 C.F.R. § 303.43.
- 34. 16 C.F.R. § 303.43(c).
- 35. 15 U.S.C. § 68b(a)(2)(A).
- 36. 15 U.S.C. § 70b(b)(4)-(5) and § 68b(a)(2)(D); 16 C.F.R. § 303.33, and §§ 300.3(a)(4) and 300.25.
- 37. 19 C.F.R. § 102.21, implementing Section 334 of the Uruguay Round Agreements Act, 19 U.S.C. § 3592.
- 38. 15 U.S.C. § 70b(i) and § 68b(e); 16 C.F.R. § 303.34 and § 300.25a.

- 39. 15 U.S.C., § 70b(b)(3) and § 68b(a)(2)(C); 16 C.F.R. §§ 303.16(a)(2), 303.19, and 303.20, and §§ 300.3(a)(3), 300.4, and 300.13.
- 40. 15 U.S.C. § 70c(b) and § 68c(a).
- 41. 16 C.F.R. §§ 303.15 and 303.16, and §§ 300.5, 300.10, and 300.11.
- 42. 15 U.S.C. § 70b(e) and § 68c(c); 16 C.F.R. § 303.15(c) and § 300.5(c).
- 43. 15 U.S.C. § 70b(k). These special requirements apply to socks that are classified under subheadings 6115.92.90, 6115.93.90, 6115.99.18, 6111.20.60, 6111.30.50, or 6111.90.50 of the Harmonized Tariff Schedule of the U.S., as in effect on September 1, 2003.
- 44. 15 U.S.C. § 70b(e) and § 68c(c); 16 C.F.R. § 303.28 and § 300.15.
- 45. 16 C.F.R. § 303.29(b) and § 300.12(b).
- 46. 16 C.F.R. § 303.29(a) and § 300.12(a).
- 47. 15 U.S.C. § 70b(c) and § 68b(e); 16 C.F.R. §§ 303.40, 303.41, and 303.42.
- 48. 16 C.F.R. § 303.34 and § 300.25a.
- 49. 15 U.S.C. § 70h and 16 C.F.R. §§ 303.36, 303.37, and 303.38 (Textile Act and Rules); 15 U.S.C. § 68g and 16 C.F.R. §§ 300.32, 300.33, 300.34 (Wool Act and Rules); and 15 U.S.C. § 69h and 16 C.F.R. §§ 301.46, 301.47, 301.48, and 301.48a (Fur Act and Rules).
- 50. 15 U.S.C. § 70d and § 68d(b); 16 C.F.R. § 303.39 and § 300.31.
- 51. 15 U.S.C. § 69, et seq.; 16 C.F.R. Part 301.
- 52. 19 U.S.C. § 1308.
- 53. 15 U.S.C. §§ 70a and 70e; 15 U.S.C. §§ 68a and 68d; 15 U.S.C. §§ 69a and 69f; and 15 U.S.C. § 41, et seq.
- 54. 15 U.S.C. § 45(m)(1)(B).

Appendices FTC Address & Telephone Numbers for questions about the Textile, Wool, and Fur Rules

Textile Section
Division of Enforcement

Federal Trade Commission Washington, DC 20580

Phone: 202-326-3553 Fax: 202-326-3197

FTC website: ftc.gov

This booklet and the Textile, Wool, and Fur Rules are found by clicking on For Business.

Generic Names for Manufactured Fibers 16 CFR § 303.7

Acetate

Triacetate
Acrylic
Anidex
Aramid
Azlon
Olefin
Lastol
PBI
PLA
Polyester

Elastoester Elasterell-p

Fluoropolymer

Glass Triexta
Melamine
Metallic Rayon
Modacrylic Lyocell

Novoloid Nylon Rubber

Nytril Lastrile

Saran Spandex Sulfar Vinal Vinyon

ISO Names Permitted, Although Not Listed in Textile Rules

Alginate

Carbon

Chlorofibre

Cupro

Elastane

Elastodiene

Fluorofibre

Metal Fibre

Modal

Polyamide

Polyethylene

Polyimide

Polypropylene

Vinylal

Viscose

American Apparel & Footwear Association

The American Apparel & Footwear Association (AAFA) is the national trade association representing apparel, footwear, and other sewn products companies, and their suppliers, which compete in the global market. AAFA's mission is to promote and enhance its members' competitiveness, productivity, and profitability in the glogal market by minimizing regulatory, commercial, political, and trade restraints.

For More Information

The FTC works to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop and avoid them. To file a <u>complaint</u> or get <u>free information on consumer issues</u>, visit <u>ftc.gov</u> or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. Watch a new video, <u>How to File a Complaint</u>, at

<u>ftc.gov/video</u> to learn more. The FTC enters consumer complaints into the <u>Consumer Sentinel</u> <u>Network</u>, a secure online database and investigative tool used by hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.