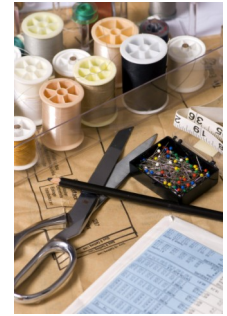

❖SPC&B Textile Report❖

A Newsletter for Clients of Sharretts, Paley, Carter & Blauvelt, P.C.

March 17, 2014

FTC Approves Final Rule on Textile Labeling



On March 14, 2014, the Federal Trade Commission finalized a number of amendments to its Textile Labeling Rules under the Textile Fiber Products Labelling Act. While nothing in these amendments changes the core requirement to disclose fiber content, country of origin, and manufacturer or marketer identification, there are certain useful clarifications of existing policy (often as represented in the FTC's publication "Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts") and a few changes that are important. The changes will go into effect 30 days from the date of publication in the *Federal Register*.

Several fiber content disclosure requirements are being amended. The generic fiber names for manufactured fibers have been updated to the 2010 ISO standard (2076:2010(E)) from the 1999 standard. Please contact us for specifics on the generic names provided for by the amendments.

In addition, the Rules no longer require a full fiber content disclosure on a hang-tag whenever fibers are mentioned. If fiber information is included on a hang-tag, it need simply indicate "this tag does not disclose the product's full fiber content." Please note that full fiber content would still need to be disclosed on the product's label.

The Rules requiring full fiber content disclosure in advertising when a fiber trademark is used, have been updated to also require full disclosure when a generic fiber name is used. The amendments also specify that, while the fibers must still be disclosed in order of predominance by weight, the advertisement need not state the percentage of each fiber.

While not a substantive change in policy or enforcement, another amendment provides clarity as to the coverage of the Rules. In this regard, the Rules formerly had a list of products subject to and exempt from the Textile Act all under one heading for "Exclusions from the act," which could cause confusion. They now clearly identify which product categories are subject to the Act's requirements and which are specifically excluded., under the heading "Coverage and exclusions from the act."

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There were also a number of minor amendments that were intended to clarify and codify existing FTC policy. Thus, the Rules now provide that the Act's required country-of-origin disclosures are to be determined according to the country-of-origin rules enforced by Customs under the Tariff Act; language has been updated to address E-Commerce, specifically allowing for electronic invoicing, signatures, and record preservation; there is now an express statement that trim, other than decorative trim, is exempt from fiber content disclosure requirements; and various updates to guarantor provisions were also made.

If you have any questions about how these amendments may affect your labeling obligations or any other requirements under the FTC's regulations, please contact Gail Cumins at gcumins@spcblaw.com, Alli Baron at abaron@spcblaw.com or Donna Shira at dshira@spcblaw.com, or call us at (212) 425-0055.