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# ❖ SPC&B Textile Report ❖

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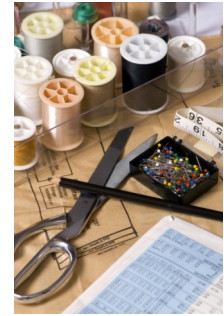
A Newsletter for Clients of Sharretts, Paley, Carter & Blauvelt, P.C.

May 13, 2013

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## *I. Heightened Concern in Supply Chain Verification — Building Safety*

## *II. FTC Proposes Changes to Textile Labeling Rules*



**I.** In light of recent fires and building collapses related to apparel production, the issue of building safety and stability has become more of a concern for retailers and other importers in recent weeks. In this regard, while in the past importers have focused on workers rights/social compliance and cargo security at the facilities where their merchandise is being produced, the stability and safety of the physical facilities themselves has not always been a component of routine factory audits.

This situation is changing rapidly. There is renewed interest in the Higg Index, currently being tested by the Sustainable Apparel Coalition, which initially started with measurements for environmental goals, but will now include social and labor measurements, to be used as an industry standard. In addition, in direct response to the disasters in Bangladesh, IndustriALL Global Union has proposed an Accord on Fire and Building Safety in Bangladesh, between IndustriALL Global Union, UNI Global Union, and apparel companies and retailers.

Inasmuch as retailers will certainly soon be expecting more accountability from apparel importers and distributors with respect to the physical safety and security of factory premises, now is the time for importers to review factory profiles and inspection checklists to ensure that physical integrity and safety are part of their supply chain reviews.

**II.** As part of an ongoing review of its regulations under the Textile Fiber Products Identification Act, the Federal Trade Commission (FTC) has issued proposed amendments to several provisions and is seeking additional comments. Among the proposals are the incorporation of the international ISO standard for generic man-made fiber names, a clarification of when the statement “exclusive of decoration” is required and what trimming is exempt from disclosure, and conforming origin determinations to the U.S. Customs origin regulations for textile products.

If you would like more information on supply chain verification and factory audits or the FTC regulation changes, please contact Gail Cumins at [gcumins@spcblaw.com](mailto:gcumins@spcblaw.com) or Donna Shira at [dshira@spcblaw.com](mailto:dshira@spcblaw.com), or call us at 212-425-0055.

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