



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

Bureau of Consumer Protection
Division of Enforcement

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VIA EMAIL

Mr. Bruce Tretter
Chief Operations Officer
GDMC USA LLC d/b/a VOmax
48 Damon Rd.
Northampton, MA 01060

Dear Mr. Tretter:

We received your submissions on behalf of GDMC USA LLC d/b/a VOmax (“VOmax” or the “Company”). During our review, we discussed two sets of concerns. First, certain marketing materials may have overstated the extent to which VOmax products are made in the United States. For example, VOmax made “#madeinusa” and other unqualified U.S.-origin claims in social media posts and other online materials, even though some VOmax cycling apparel is imported or made from imported fabrics. Second, certain VOmax marketing materials may have failed to comply with provisions of the Textile Products Identification Act, 15 U.S.C. § 70 *et seq.* (“Textile Act”), and implementing rules, 16 C.F.R. Part 303 (“Textile Rules”). Specifically, for some apparel products, materials omitted required country-of-origin information, or failed to disclose that products were made from imported fabrics.

Unqualified U.S.-origin claims in general marketing materials, including social media posts, likely suggest to consumers that all products advertised in those materials are made in the United States.¹ As the Commission has explained, “marketers should not represent, either

¹ VOmax sells articles of wearing apparel, which are covered by the Textile Act and Rules. See 16 C.F.R. §§ 303.45(a)(1). The Textile Rules set forth specific factors for marketers to apply in deciding whether to mark a product as of U.S. origin. Marketers should be aware that this analysis differs from the “all or virtually all” analysis the Commission has traditionally applied to claims for products in other categories. Specifically, 16 C.F.R. § 303.33 states that, when evaluating whether a covered product may be marked as wholly or partially made in the United States, marketers need only consider 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, and a manufacturer of apparel made from cloth must identify imported fabric. FTC, *Threading Your Way Through the*

expressly or by implication, that a whole product line is of U.S. origin (e.g., ‘Our products are Made in USA’) when only some products in the product line are, in fact, made in the United States.”²

Moreover, because they are covered by the Textile Act and Rules, VOMax’s wearing apparel products are subject to mandatory country-of-origin labeling requirements, including requirements to disclose use of imported fabric. *See* 16 C.F.R. §§ 303.15(b); 303.16 (requiring a “conspicuous and readily accessible [country of origin] label or labels on the inside or outside of the product”).³ The Textile Act also requires marketers to disclose product origin in “mail order advertising,” including online materials. 16 C.F.R. § 303.34 (advertising must contain “a clear and conspicuous statement that the product was either made in U.S.A., imported, or both”).

To come into compliance with Section 5 of the FTC Act, 15 U.S.C. § 45(a) (“Section 5”), and the Textile Act and Textile Rules, VOMax implemented a remedial action plan to update its labels and marketing materials. This plan included: (1) removing broad, unqualified U.S.-origin claims from advertisements, including social media posts; (2) updating product labels, where appropriate; and (3) ensuring all “mail order advertising” contains required origin information.

As discussed, it is appropriate for VOMax to promote the fact that it employs workers in the United States and offers a line of U.S.-origin apparel. However, marketing materials that cover imported products or products made from imported fabrics must (1) not overstate the extent to which company products are made in the United States, and (2) make clear origin disclosures in compliance with the Textile Act and Textile Rules. FTC staff is available to work with companies to craft appropriate claims that comply with the Textile Act and Textile Rules, convey non-deceptive information to consumers, and highlight work done in the United States.

Based on VOMax’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 the Textile Act or Section 5. 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
Federal Trade Investigator

Labeling Requirements Under the Textile and Wool Acts, www.ftc.gov/tips-advice/business-center/guidance/threading-your-way-through-labeling-requirements-under-textile.

² Federal Trade Commission, *Issuance of Enforcement Policy Statement on “Made in USA” and Other U.S. Origin Claims*, 62 Fed. Reg. 63756, 63768 n.111 (Dec. 2, 1997).

³ Origin disclosure requirements apply regardless of whether products originated in the United States or abroad.