



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

Bureau of Consumer Protection
Division of Enforcement

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VIA EMAIL

Russell C. Menyhart, Esq.
Taft Stettinius & Hollister LLP
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Indianapolis, IN 46204
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Dear Mr. Menyhart:

We received your submissions on behalf of ThreeBond International, Inc. (“ThreeBond” or the “Company”). During our review, we discussed concerns that marketing materials may have overstated the extent to which proprietary and white label cyanoacrylate glues are made in the United States. Specifically, although many ThreeBond glues are substantially transformed in the United States, those glues incorporate significant imported ingredients.

As discussed, unqualified U.S.-origin claims in marketing materials – including claims that products are “Made” or “Manufactured” in the USA – likely suggest to consumers that the products advertised in those materials are “all or virtually all” made in the United States.¹ The Commission may analyze a number of different factors to determine whether a product is “all or virtually all” made in the United States, including the proportion of the product’s total manufacturing costs attributable to U.S. parts and processing, how far removed any foreign content is from the finished product, and the importance of the foreign content or processing to the overall function of the product.

To avoid deceiving consumers, ThreeBond implemented a remedial action plan to update its representations. This plan included: (1) reviewing and updating product labels and specification sheets; (2) updating internal policy documents; (3) conducting staff training; and

¹ Federal Trade Commission, *Issuance of Enforcement Policy Statement on “Made in USA” and Other U.S. Origin Claims*, 62 Fed. Reg. 63756, 63768 (Dec. 2, 1997). Additionally, beyond express “Made in USA” claims, “[d]epending on the context, U.S. symbols or geographic references, such as U.S. flags, outlines of U.S. maps, or references to U.S. locations of headquarters or factories, may, by themselves or in conjunction with other phrases or images, convey a claim of U.S. origin.” *Id.*

(4) confirming the accuracy of online marketing materials. ThreeBond also took the following steps with respect third-party customers and distributors: (1) sending written notification regarding the need to qualify U.S.-origin claims; (2) requesting destruction of outdated marketing materials and updates to online materials; (3) notifying third parties that failure to comply with ThreeBond's country-of-origin policy would result in suspension of distribution rights.²

As discussed, it is appropriate for the Company to promote the fact that it formulates glues in the United States from imported and domestic ingredients. However, marketing materials should not suggest that those glues are "all or virtually all" made in the United States, unless that becomes true. As you know, FTC staff is available to work with companies to craft qualified claims that serve the dual purposes of conveying non-deceptive information to consumers and highlighting work done in the United States.

Based on ThreeBond'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 Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. 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
Senior Investigator

² ThreeBond has confirmed compliance among its direct customers. However, there may be a small number of unaffiliated third-party resellers downstream of the Company's customers that continue to make unqualified claims. Threebond will continue to take all reasonable steps to eliminate these unqualified claims.