

Bureau of Consumer Protection Division of Enforcement

> Julia Solomon Ensor Attorney

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## VIA EMAIL

Mr. Roberto Mejía President and Chief Executive Officer De Roblin Corp. d/b/a Mia Secret, Inc. 17011 Green Dr. City of Industry, CA 91745

Dear Mr. Mejía:

We received your submissions on behalf of De Roblin Corp. d/b/a Mia Secret, Inc. ("Mia Secret" or the "Company"). During our review, we discussed concerns that marketing materials may have overstated the extent to which Mia Secret cyanoacrylate nail glues are made in the United States. Specifically, although Mia Secret sources nail glues from a supplier that substantially transforms cyanoacrylates 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.<sup>1</sup> 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.

As you know, the fact that a supplier is based in the United States does not necessarily mean that the products it offers are "all or virtually all" made in the USA. Accordingly, "[r]ather

<sup>&</sup>lt;sup>1</sup> 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*.

than *assume* the [supplier's] input is 100 percent U.S.-made, . . . manufacturers and marketers would be wise to *ask* the[ir] suppliers about the percentage of U.S. content before they make a U.S. origin claim."<sup>2</sup>

To avoid deceiving consumers, Mia Secret implemented a remedial action plan to update its representations. This plan included: (1) seeking more detailed information about the U.S. content in Mia Secret products from its supplier; (2) removing unqualified U.S.-origin claims from marketing materials, including packaging, Company websites, and social media accounts; (3) removing unqualified claims from third-party sales platforms, including amazon.com;<sup>3</sup> and (4) introducing qualified claims, where appropriate.

As discussed, it is appropriate for the Company to promote the fact that it sources its cyanoacrylate nail glues from a company that 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. Moreover, Mia Secret should take care to maintain appropriate substantiation for its claims. 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 Mia Secret'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

Johndan J. Freeman

Lashanda Freeman Senior Investigator

<sup>&</sup>lt;sup>2</sup> See FTC, "Complying with the Made in USA Standard" (Dec. 1998) (further providing that marketers can rely on information from suppliers about the domestic content in those suppliers' products if given in good faith).

<sup>&</sup>lt;sup>3</sup> We understand that the Company has confirmed compliance across the majority of Mia Secret product listings on third-party platforms. However, unqualified claims remain on a small handful of listings controlled by nonresponsive resellers not controlled by the Company. Mia Secret has made – and continues to make – all diligent efforts to scrub the unqualified claims from these listings.