

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

Bureau of Consumer Protection Division of Enforcement

> Julia Solomon Ensor Attorney

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December 14, 2018

VIA FEDEX

Megan Miller, Esq. Assistant General Counsel Electrolux North America, Inc. 10200 David Taylor Drive Charlotte, NC 28262

Dear Ms. Miller:

We received your submissions on behalf of Electrolux North America, Inc. ("Electrolux" or the "Company"). During our review, we discussed concerns relating to potentially deceptive U.S.-origin claims made in conjunction with Electrolux's "Built with American Pride" campaign for Frigidaire-branded products that incorporate significant imported parts.

As we discussed, unqualified "Made in the USA," "Built in the USA," or "Produced in the USA" claims on marketing materials likely suggest to consumers that all products advertised in those materials are "all or virtually all" made in the United States. 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, Electrolux implemented a remedial action plan to qualify its representations. This plan included: (1) updating claims on frigdaire.com, including on the homepage and individual product pages; (2) using Google tools to accelerate the removal of Frigidaire pages from certain consumer searches; (3) removing certain YouTube videos; (4) updating the product information management system, which automatically results in updates to retailer pages; (5) removing affected in-store materials; and (6) sending field representatives to more than 2,000 retail locations to confirm updates were made.

Based on Electrolux'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, you can reach me at (202) 326-2377.

Sincerely,

Julia Solomon Ensor

Staff Attorney