

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

Bureau of Consumer Protection Division of Enforcement

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November 1, 2016

## **VIA FEDEX**

Mr. Brian Stoiber Director of Marketing & Support Laser Products Industries, Inc. 1344 Enterprise Dr. Romeoville, IL 60446

Dear Mr. Stoiber:

We received your submissions on behalf of Laser Products Industries, Inc. ("Laser Products Industries" or the "Company"). During our review, we raised concerns that marketing materials may have overstated the extent to which certain Laser Products Industries products are made in the United States. Specifically, although the Company assembles its products in the United States using many U.S. parts, certain key parts, including the lasers in the Company's 3D laser measuring systems, are imported.

As discussed, unqualified "Made in USA" or "Built in USA" claims likely suggest to consumers that products 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.

In this case, although the cost of the imported content may be small relative to overall manufacturing costs, the imported lasers are essential to the function of the Company's products. Accordingly, to avoid deceiving consumers, Laser Products Industries implemented a remedial action plan to clarify its representations. This plan included: (1) removing unqualified claims from the Company website and product labels; (2) revising the website and product labels to clarify that the Company's products are "Made in USA with US and Imported Parts;" and (3) sending a letter to all sales personnel and distributors instructing them to discard old marketing materials and to revise their claims.

Based on your 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