

**FEDERAL TRADE COMMISSION**

**16 CFR PARTS 300 and 303**

**Rules and Regulations Under the Textile Fiber Products Identification Act**

**Rules and Regulations Under the Wool Products Labeling Act of 1939**

**AGENCY:** Federal Trade Commission

**ACTION:** Final rule

**SUMMARY:** The Federal Trade Commission (FTC or Commission) amends the Rules and Regulations under the Textile Fiber Products Identification Act (Textile Rules) to: (1) revise the form for Application for a Registered Identification Number (“RN”) in order to facilitate receiving applications electronically; (2) incorporate by reference the generic fiber names and definitions for manufactured fibers in International Organization for Standardization standard ISO 2076: 1999(E), “Textiles – Man-made fibres – Generic names;” (3) clarify origin labeling requirements for products made in the U.S. and assembled or finished abroad or products manufactured abroad of U.S. fabric; and (4) correct a typographical error. The Commission amends the Rules and Regulations under the Wool Products Labeling Act of 1939 (Wool Rules) to: (1) clarify that only one RN will be granted to a qualifying firm; and (2) clarify the origin labeling requirements for products made in the U.S. and assembled or finished abroad or products manufactured abroad of U.S. fabric. Because these amendments are technical and non-substantive, the Commission finds that notice and comment are not required. *See* 5 U.S.C. 553(b). For this reason, the requirements of the Regulatory Flexibility Act also do not apply. *See* 5 U.S.C. 603, 604.

**EFFECTIVE DATE:** The amended Rules are effective on [insert date of publication in the *Federal Register*].

**ADDRESS:** Requests for copies of the amended Rules should be sent to the Consumer Response Center, Room 202, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580. The notice announcing the amendments is available on the Internet at the Commission's website: <http://www.ftc.gov>.

**FOR FURTHER INFORMATION CONTACT:** Stephen Ecklund, Senior Investigator, (202) 326-2841, [secklund@ftc.gov](mailto:secklund@ftc.gov), or Faith Vieno, Paralegal Specialist, (202) 326-2299, [fvieno@ftc.gov](mailto:fvieno@ftc.gov), Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

The Textile Fiber Products Identification Act (Textile Act), 15 U.S.C. 70, requires manufacturers and sellers of covered textile products to mark each product with: (1) the generic names and percentages by weight of the constituent fibers present in the product, in the order of predominance by weight; (2) the name under which the manufacturer or other responsible company does business or, in lieu thereof, the RN issued to the company by the Commission; and (3) the name of the country where the product was processed or manufactured. Pursuant to section 7(c) of the Textile Act, 15 U.S.C. 70e(c), the Commission has issued implementing regulations, the Textile Rules, 16 CFR Part 303. Similar information is required pursuant to the Wool Products Labeling Act (Wool Act), 15 U.S.C. 68, and the Fur Products Labeling Act (Fur Act), 15 U.S.C. 69. Implementing rules under those statutes are found at 16 CFR Part 300 (Wool

Rules) and 16 CFR Part 301 (Rules and Regulations under the Fur Products Labeling Act).

## **II. Registered Identification Numbers Issued by the Commission**

Pursuant to its Rules, the Commission issues RNs to qualified applicants, *i.e.*, those who manufacture or market textile, wool or fur products covered by the labeling requirements and who reside in the U.S.<sup>1</sup> In the past, applicants were required to submit RN applications to the Commission by mail or fax on the form that appears at 16 CFR 303.20(d).<sup>2</sup> The Commission now has the capability to receive applications and updates to applications online at its website, [www.ftc.gov](http://www.ftc.gov). Therefore, it is amending the application form in order to facilitate the online application process. The requirement for a signature, line 8 of the form, is eliminated. The online form will require entry of the name of a responsible official who certifies, in making the application, that the business is eligible for the RN by virtue of residing in the U.S. and manufacturing or marketing a product covered by one of the three labeling statutes. Other minor changes to the application form have been made to facilitate the process. The online application will require the same information as the printed application, although it necessarily will appear in a different format.

An amendment to section 300.4(b) of the Wool Rules clarifies that a qualified applicant will be assigned only one RN, which may be used for the labeling of any products covered by the Textile, Wool, or Fur Acts. In the past, the Commission did, on occasion, assign more than one RN to a particular company; however, it ceased this practice a number of years ago. Therefore,

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<sup>1</sup> 16 CFR 303.20, 16 CFR 300.4, 16 CFR 301.26.

<sup>2</sup> The Wool and Fur Labeling Rules cross-reference the form that appears in the Textile Rules. *See*, 16 CFR 300.4(e) and 16 CFR 301.26(d).

this section is amended, consistent with current RN procedures, by removing a clause that refers to assignment of multiple numbers.

The Commission's RN database is available on the FTC's Internet website. Businesses are urged to use this service to check whether the information concerning their RN is current and, if necessary, update the information. Updating an application also can be accomplished online.

### **III. Recognition of ISO Standard for Generic Fiber Names**

In 1998, the Commission amended the Textile Rules to incorporate by reference the generic fiber names and definitions for manufactured fibers in ISO 2076: 1989, "Textiles – Man-made fibres – Generic names."<sup>3</sup> The Commission noted that a revision of ISO 2076 was under consideration at that time and stated that when the revised standard was finalized, it would amend the Textile Rules to reference that revised standard. The revised ISO standard was finalized in 1999; therefore, the Commission amends the Textile Rules to incorporate the new standard.

### **IV. Clarification of Country of Origin Disclosure Requirements**

The Textile and Wool Acts require that covered products be labeled to show the country of origin, whether domestic or foreign.<sup>4</sup> The Commission's Rules implement the statutory requirement, explain how it applies to products made in part in the U.S. and in part in another country, and provide examples of proper labeling.<sup>5</sup>

Imported products must name the country where they were manufactured or processed.

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<sup>3</sup> 63 FR 7508, 7510-11 (Feb. 13, 1998).

<sup>4</sup> 15 U.S.C. 70b(b)(4) & (5); 15 U.S.C. 68b(e).

<sup>5</sup> 16 CFR 303.33; 16 CFR 300.25.

Products made in the U.S. of materials also made in the U.S. should be labeled as “Made in USA,” or words to that effect. Products made in the U.S. of imported materials should disclose both the U.S. manufacturing and the imported component -- for example, “Made in USA of imported fabric” or “Knitted in USA of imported yarn.” Similarly, products partially manufactured in a foreign country and partially manufactured in the U.S. should be labeled to show the manufacturing process in both the foreign country and the U.S. – for example, “Imported cloth, finished in USA,” “Sewn in USA of imported components,” or “Made in [foreign country], finished in USA.” The same disclosure principle applies to products manufactured abroad of fabric made in the U.S., or products assembled abroad of components manufactured in the U.S. Therefore, the Commission is revising section 303.33(a)(4)(i) of the Textile Rules and section 300.25(a)(4)(i) of the Wool Rules to add examples covering these latter situations. For example, a product manufactured abroad of U.S. fabric could be labeled “Made in [Foreign Country]/fabric made in USA” or simply “Made in [Foreign Country] of US fabric.” A garment that is assembled or finished abroad of components made in the USA could be labeled, for example: “Knit in USA, assembled in [Foreign Country],” or words to that effect.<sup>6</sup>

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<sup>6</sup> Minimal foreign processing that does not alter the basic identity or character of the product would not have to be disclosed under this provision. For example, a product made in the U.S. then sent abroad for a minor finishing process, such as washing, dyeing, pressing, application of ink designs, adding buttons, repairs or alterations, tagging or labeling, etc., could be labeled simply “Made in USA.” See, Comment of the FTC before the Dept. of Treasury, Customs Service, “In the Matter of Country of Origin Marking Rules for Textiles and Textile Products Advanced in Value, Improved in Condition, or Assembled Abroad,” Dec. 18, 1998. (This comment is available online at <http://www.ftc.gov/os/statutes/textilejump.htm>.)

**List of Subjects in 16 CFR Parts 300 and 303**

Incorporation by reference, Labeling, Textile fiber products identification, Trade Practices, Wool products.

For the reasons set forth above, the Commission amends 16 CFR Part 300 and 16 CFR Part 303, as follows:

**Part 300— RULES AND REGULATIONS UNDER THE WOOL PRODUCTS**

**LABELING ACT OF 1939**

1. The authority citation for Part 300 continues to read as follows:

**Authority:** 15 U.S.C. 68 *et seq.* and 15 U.S.C. 70 *et seq.*

2. Section 300.4(b) is revised to read as follows:

**§ 300.4 Registered identification numbers.**

\* \* \* \* \*

(b) Any manufacturer of a wool product or person subject to section 3 of the Act with respect to such wool product, residing in the United States, may apply to the Federal Trade Commission for a registered identification number for use by the applicant on the stamp, tag, label, or other mark of identification required under the Act.

3. Section 300.25(a)(4)(i) is revised to read as follows:

**§ 300.25 Country where wool products are processed or manufactured.**

(a) \* \* \*

(4) \* \* \*

(i) The manufacturing process in the foreign country and in the USA; for example:  
Imported cloth, finished in USA

or

Sewn in USA of imported components

or

Made in [foreign country], finished in USA

or

Scarf made in USA of fabric made in China

or

Comforter Filled, Sewn and Finished in the U.S. With Shell Made in China

or

Made in [Foreign Country]/fabric made in USA

or

Knit in USA, assembled in [Foreign Country].

**PART 303—RULES AND REGULATIONS UNDER THE TEXTILE FIBER PRODUCTS  
IDENTIFICATION ACT**

1. The authority citation for Part 303 continues to read as follows:

**Authority:** 15 U.S.C. 70 *et seq.*

2. Section 303.5(a) is revised to read as follows:

**§ 303.5 Abbreviations, ditto marks, and asterisks prohibited.**

(a) In disclosing required information, words or terms shall not be designated by ditto marks or appear in footnotes referred to by asterisks or other symbols in required information, and shall not be abbreviated except as permitted in § 303.33(e) of this part.

3. The first sentence of section 303.7 is revised to read as follows:

**§ 303.7 Generic names and definitions for manufactured fibers.**

Pursuant to the provisions of section 7(c) of the Act, the Commission hereby establishes the generic names for manufactured fibers, together with their respective definitions, set forth in this section, and the generic names for manufactured fibers, together with their respective definitions, set forth in International Organization for Standardization ISO 2076: 1999(E), “Textiles—Man-made fibres—Generic names.” \* \* \*

4. Section 303.20(d) is revised to read as follows:

**§ 303.20 Registered identification numbers.**

\* \* \* \* \*

(d) Form to apply for a registered identification number or to update information pertaining to an existing number (the form is available upon request from: Enforcement Division, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580, or on the Internet at <http://www.ftc.gov>; application may also be made directly on the Internet):

**[INSERT FORM]**



**APPLICATION FOR A REGISTERED IDENTIFICATION NUMBER ("RN")**

DO NOT WRITE IN THIS SPACE

DATE ISSUED: \_\_\_\_\_

DATE UPDATED: \_\_\_\_\_

RN: \_\_\_\_\_

BY: \_\_\_\_\_

1. PURPOSE OF APPLICATION (Both new applicants and update applicants must complete all entries on this form)

- APPLY FOR A NEW RN  
 UPDATE INFORMATION ON AN EXISTING RN OR WPL NUMBER. ENTER EXISTING RN OR WPL NUMBER \_\_\_\_\_

2. LEGAL NAME OF APPLICANT FIRM (Note: Proprietorships, please provide full legal name of the person who is the proprietor)

3. NAME UNDER WHICH APPLICANT DOES BUSINESS (Only if different from legal name)

4. TYPE OF COMPANY (if "OTHER" is checked, please state the type of company)

- PROPRIETORSHIP     PARTNERSHIP     CORPORATION     LLC / LLP     OTHER \_\_\_\_\_

5. ADDRESS OF PRINCIPAL OFFICE OR PLACE OF BUSINESS (Include zip code. Address must be actual location where business is conducted in the US. An *additional* mailing address or PO Box address may also be listed, if desired)

STREET ADDRESS (Required)

OPTIONAL ADDITIONAL  
MAILING ADDRESS

CONTACT INFORMATION

TELEPHONE NUMBER  
( ) \_\_\_\_\_

FAX NUMBER  
( ) \_\_\_\_\_

E-MAIL ADDRESS  
\_\_\_\_\_@\_\_\_\_\_

INTERNET URL ADDRESS  
\_\_\_\_\_

6. TYPE OF BUSINESS (Mark *all* that apply)

- MANUFACTURING     IMPORTING     WHOLESALING     RETAILING     MAIL-ORDER     INTERNET     OTHER \_\_\_\_\_

7. LIST PRODUCTS (To qualify for an RN, a company must be engaged in the importation, manufacturing, selling or other marketing of at least one (1) product line subject to the Textile, Wool or Fur Act)

8. CERTIFICATION

By filing this form with the Federal Trade Commission, the company named above applies for a registered number to use on labels required by one or more of the following acts: the Textile Fiber Products Identification Act (15 U.S.C. §§70-70k), the Wool Products Labeling Act (15 U.S.C. §§68-68j), or the Fur Products Labeling Act (15 U.S.C. §§69-69k). The company official (proprietor, partner, or corporate officer) listed below verifies that the information supplied on this form is true and correct.

9. NAME OF COMPANY OFFICIAL (Type or print legibly)

10. TITLE OF COMPANY OFFICIAL

11. DATE SUBMITTED

**INSTRUCTIONS**

Regulations under the Textile Fiber Products Identification Act, the Wool Products Labeling Act, and the Fur Products Labeling Act provide that any USA company that is a manufacturer or marketer of fiber or fur products may, in lieu of the name under which it does business, be identified by its RN on labels required by these statutes.

In completing this form, please observe the following:

- (a) All numbered boxes must be filled in except for optional information.  
 (b) PLEASE, Type or Print legibly.

(c) Submit one (1) completed application:

By Mail to:                      Federal Trade Commission  
    Division of Enforcement  
    600 Pennsylvania Avenue NW  
    Washington, DC 20580

Or By Fax to:                      (202) 326-3197

Or On-Line at:                      www.ftc.gov

**CANCELLATION POLICY**

RNs are subject to cancellation if the holder fails to promptly submit an updated FTC Form 31 upon any change(s) in its legal name (Line #2), type of company information (Line #4), or business address (Line #5).

5. Section 303.33(a)(4)(i) is revised to read as follows:

**§ 303.33 Country where textile fiber products are processed or manufactured.**

(a) \* \* \*

(4) \* \* \*

(i) The manufacturing process in the foreign country and in the USA; for example:

Imported cloth, finished in USA

or

Sewn in USA of imported components

or

Made in [foreign country], finished in USA

or

Scarf made in USA of fabric made in China

or

Comforter Filled, Sewn and Finished in the U.S. With Shell Made in China

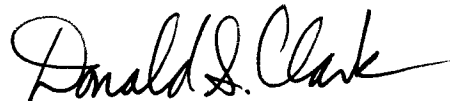
or

Made in [Foreign Country]/fabric made in USA

or

Knit in USA, assembled in [Foreign Country].

By direction of the Commission.



Donald S. Clark  
Secretary