

SPC&B Update

November 5, 2014 - In This Issue:

Federal District Court Allows California "Made in USA" Suit

.....



Federal District Court Allows California "Made in USA" Class Action Suit

In our July 9, 2014 Update, we alerted you to the fact that apparel companies have been threatened with class action lawsuits under California's "Made in USA" false advertising law, which prohibits the use of the words "Made in U.S.A.," "Made in America," "U.S.A.," or similar words when a product contains any article, unit or part thereof that has been made outside of the U.S. Even qualified claims such as "Made in USA of Imported Materials" have prompted threatening letters because of the reference to USA, even though such a label is in complete compliance with federal law.

The federal Southern District Court of Southern California recently denied a request by AG Adriano Goldschmied and Nordstrom to dismiss a class action suit claiming a violation of the California law for products sold with the unqualified label "Made in USA," which was acceptable under federal law. The defendants argued the California statute was preempted by the Federal Trade Commission Act and the federal Textile Products Identification Act. Concluding that sales in California should comply with California law, the Court found that jeans made from imported fabric and certain imported components (e.g., buttons, thread, etc.) should be labeled "Made in USA of imported fabric and components," thereby satisfying both state and federal laws.

Future pending court actions may shed additional light on the appropriate labeling of products sold in California. We will continue to keep you apprised of further developments.

Anyone with concerns about labeling should contact Gail Cumins at gcumins@spcblaw.com, Donna Shira at dshira@spcblaw.com, or Alli Baron at abaron@spcblaw.com, or call us at 212-425-0055.

Sharretts, Paley, Carter & Blauvelt, P.C.
75 Broad Street, 5th Floor
New York, NY 10004
212-425-0055
customs@sharretts-paley.com

For more than sixty years, Sharretts, Paley, Carter & Blauvelt, P.C. has been one of the preeminent firms in the fields of global customs law, international trade law, and compliance. Our mission is to provide our clients with the personalized, focused service of a small-sized firm while offering the advantages of a top national law firm.

Attorney Advertising pursuant to New York RPC 7.1.
This newsletter is provided for information purposes only.