

Client Alert

International Trade & Litigation Practice Group

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U.S. Senators Introduce Bill To Create Nationwide “Made In USA” Labeling Standard

On June 4, 2015, Senators Mike Lee (R-UT), Angus King (I-ME), Susan Collins (R-ME), and Deb Fischer (R-NE) introduced the *Reinforcing American-Made Products Act of 2015* (Senate Bill 1518). This bill seeks to clarify that the U.S. Government’s “Made in USA” labeling standard supersedes differing standards imposed by individual states. The bill **does not** propose to modify the Federal Trade Commission’s (FTC) “Made in USA” labeling standard, which requires that “all or virtually all” of a product be made in the United States.

Nearly all 50 states use a similar or identical labeling standard to the FTC’s “all or virtually all” standard. **According to Senator King**, however, “one state [– California –] has complicated [this] standard, setting a rigid 100 percent threshold and exposing manufacturers to unnecessary litigation.” The *Wall Street Journal* has reported that California’s stricter standard has caused certain American manufacturers of basketball hoops, flashlights, and other products that contain small amounts of non-U.S. origin content to face law suits for false advertising.

According to **Senator Collins**, it is necessary to “protect the intent” of the “Made in USA” standard, “which allows for products to be labeled ‘Made in the USA’ even if a small piece, such as a screw or a shoe lace, is sourced from a foreign country.” Thus, these senators introduced this bill to ensure that the U.S. Government “maintains authority in setting country-of-origin labeling standards and that states do not create a patchwork of different standards governing interstate and exported goods.”

The bill would amend the existing “Made in USA” labeling statute (15 U.S.C. § 45a) by clarifying that the provisions of section 45a supersede any state law provisions “relating to the extent to which a product is introduced, delivered for introduction, sold, advertised, or offered for sale in interstate or foreign commerce with a ‘Made in the U.S.A.’ or ‘Made in America’ label, or the equivalent thereof[.]”

If enacted into law, the bill **would not** modify the FTC’s “all or virtually all” labeling standard. According to **Senator Lee**, “[w]ithout weakening the standard, [these senators] hope to make use of the label less complicated, thus supporting American manufacturing jobs, limiting frivolous lawsuits, and strengthening the U.S. economy.”

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King & Spalding will continue to monitor the progress of this bill and its impact on U.S. manufacturers and importers. Please contact us if you have any questions or would like additional information.

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