UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

COMMISSIONERS:	Jon Leibowitz, Chairman Pamela Jones Harbour William E. Kovacic J. Thomas Rosch		
In the Matter of))) DOCKET NO		
SAMI DESIGNS, LLC, a	so d		

- 4. Respondents manufacture, advertise, market, promote, offer to sell, sell, and distribute textile fiber products, including a line of "ecoKashmere" products, throughout the United States, using both Jonäno's own website, www.jonano.com, and other retailers.
- 5. Respondents price the textile fiber products that they manufacture, market, promote, distribute, and sell at a premium compared to other, similar products in the marketplace.
- 6. In advertisements to induce consumers to purchase their textile fiber products, Respondents make or have made various claims, on their website and elsewhere, concerning the fiber content and anti-microbial characteristics of their textile fiber products, as well as the environmentally friendly manufacturing processes used to make their products, including, but not limited to, the following:

A. Jonäno Website (www.jonano.com)

1. Get Natural

Nurture yourself in soft sustainable style with our bamboo ecoKashmere, eColorgrown organic cotton and crisp hemp linen.

* * * *

Comfort with Benefit $^{\rm TM}$ - Organic Cotton, Natural Fibers and Bamboo Apparel

* * * *

EcoKashmere: Soft, Knit Bamboo Fiber

(Homepage, Exhibit A at 1-2).

2. **BAMBOO CLOTHING**

Bamboo is a natural, renewable resource that can be made into easy-care fabrics. Made from the cellulose extracted from the bamboo plant, this elegant eco-fiber is manufactured using a non-toxic process which spins buttery-soft machine washable fabrics.

* * * *

Jonano natural bamboo clothing provides a high level of comfort, plus natural antimicrobial protection designed to inhibit the growth of the bacteria and fungi that cause odor. The natural antimicrobial qualities of bamboo clothing help to protect you from perspiration, staining, and helps keep your clothes looking great longer. Best of all, bamboo clothing keeps its natural antimicrobial benefits even after repeated washing.

("Natural Fibers" page, Exhibit A at 4).

3. **Eco-fashion**

in accordance with ISO 1400 environmental standards. It is made from organically grown bamboo and harvested close to vertically integrated manufacturers to lessen the transportation costs between fabrication facilities.

The bamboo is spun, and then dyed using closed systems mild alkali bath processes which has been determined to be safest for the environment.

* * * *

It is absolutely essential that the chemicals used in the production of textiles must not have any negative effects on human health and the environment. For this reason, authorized laboratories and professional certification groups test our textile products; physical and chemical analyses are used to verify that textile products are safe to be used for the consumer and the environment. Our manufacturing systems have been certified that they have met the OKO-TEK STANDARD 100.

("About Jonäno" page, Exhibit A at 7-9).

6. Women

Bamboo Pique Long Sleeved Vee Polo Red

Composition: 95% Bamboo 5% Lycra Pique

("Product" page, Exhibit A at 10-11).

7. February 25, 2006 Press Release:

Why You Should Buy Organic Clothing

* * * *

1. ... Jonäno manufactures only authentic spun bamboo of the highest quality and strength.

* * * *

 Natural and organic fiber fabrics are processed with as few chemicals and harmful impact on the environment as possible. By purchasing natural and organic fiber clothing you are supporting environmental causes. By purchasing sustainable clothing that reduces environmental impact, clothing that supports and nourishes the earth and the lives of all people involved in the process of growing, manufacturing and distributing the clothing, you also support the principals (sic) of Fair Trade working conditions, earth and animal welfare.

("News and Events" page, Exhibit A at 12-13).

8. March 8, 2006 Press Release:

Skin Care And Hypoallergenic Solutions For Diabetics

Skin care problems are common in diabetics. Jonäno offers hypoallergenic, naturally antimicrobial baselayer protection against bacteria and fungus that cause odor.

* * * *

Keeping your diabetes under control is the most important factor in preventing skin complications . . . Proper skin care will also reduce your risk of skin problems:

* * * *

• Choose newly available hypoallergenic and naturally antimicrobial clothing options . . . Jonäno offers naturally antimicrobial, hypoallergenic clothing for Men, Women and babies.

("News and Events" page, Exhibit A at 14-15).

9. October 25, 2008 Press Release

Eco-minded Shoppers are Discovering Renewable Bamboo

Designed for parents who seek only the best when it comes to their precious little ones, soft, ringspun bamboo ecoKashmere is both luxurious and healthy not only for your little ones, but also for the environment.

* * * *

Safer for the environment and baby, look for organics that are not only chemical-free, but also produced without any harsh chemical bleaches or dyes. Organically grown ensures that the fabric and crop remain pure and free from harmful chemicals and dyes. As a result, organics are not only

gentle on baby's sensitive skin, but also safer for the people who make the clothes, for the farmers who grow the crops, and for the environment.

("News and Events" page, Exhibit A at 16-17).

B. **Product Hangtag**

1. Discover the difference of ecoKashmereTM

Made from the fastest growing woody plant on earth, bamboo requires no pesticides, making this exotic fiber 100% eco-friendly. Renowned for its antibacterial properties and breathability, bamboo provides *comfort with benefit*.TM Wear your values in luxurious style created using sustainable business practices and fair labor standards that honor Mother Earth.

(Exhibit B at 1).

2. **Organic Bamboo**

Nurture yourself as you Wear your ValuesTM in luxurious ecoKashmere® bamboo clothing – a sustainable choice that honors Mother Earth.

Bamboo is a natural, renewable resource that can be made into easy-care textiles. This luxurious eco fabric is derived using a low impact process, which spins machine washable buttery cashmere-like fabrics.

- Bamboo offers a high level of comfort, plus natural antimicrobial protection;
- Bamboo inhibits the growth of the bacteria and fungi that cause odor and perspiration staining;
- Best of all, bamboo clothing retains its natural antimicrobial benefits even after repeated washing.

(Exhibit B at 2).

C. **Product Labels**

1. 95% Bamboo 5% Spandex

(Exhibit C at 1).

- 7. The textile fiber products manufactured, marketed, promoted, distributed, and sold by Respondents consist of rayon and not actual bamboo fibers woven into fabric.
- 8. Rayon is the generic name for a type of regenerated, or manufactured, fiber made from cellulose. Rayon is manufactured by taking purified cellulose from a plant source, also called a cellulose precursor, and converting it to a viscous solution by dissolving it in one or more chemicals, such as sodium hydroxide. The chemical solution is then forced through spinnerets and into an acidic bath where it solidifies into fibers.
- 9. The process used to manufacture rayon from cellulose involves hazardous chemicals. *See* 40 C.F.R. Part 63 ("National Emissions Standards for Hazardous Air Pollutants: Cellulose Products Manufacturing").
- 10. "[H]azardous air pollutants (HAP) emitted from cellulose products manufacturing operations" include carbon disulfide, carbonyl sulfide, ethylene oxide, methanol, methyl chloride, propylene oxide, and toluene. 40 C.F.R. § 63.5480.
- 11. Many plant sources may be used as cellulose precursors for rayon fabric, including cotton linters (short cotton fibers), wood pulp, and bamboo. Regardless of the source of the cellulose used, however, the manufacturing process involves the use of hazardous chemicals and the resulting fiber is rayon and not cotton, wood, or bamboo fiber.
- 12. Respondents do not state that their textile fiber products are r

.**Re**, § 63.51.00000d

VIOLATIONS OF SECTION 5 OF THE FTC ACT

FALSE OR MISLEADING REPRESENTATIONS

- 16. Through the means described in Paragraph 6, Respondents represent or have represented, expressly or by implication, that:
 - a. Their textile fiber products are bamboo fiber;
 - b. Their textile fiber products are manufactured using an environmentally friendly process; and
 - c. Their textile fiber products retain anti-microbial properties of the bamboo plant.

17. In truth and in fact:

- a. Respondents' textile fiber products are not bamboo fiber, but instead are rayon, a regenerated cellulose fiber;
- b. Respondents' textile fiber products are not manufactured using an environmentally friendly process but rather a process that involves the use of toxic chemicals and results in the emission of hazardous air pollutants; and
- c. Respondents' textile fiber products do not retain anti-microbial properties of the bamboo plant.
- 18. Therefore, the representations set forth in Paragraph 16 were, and are, false or misleading, and the making of such representations constitutes a deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

UNSUBSTANTIATED REPRESENTATIONS

- 19. Through the means described in Paragraph 6, Respondents represent or have represented, expressly or by implication, that they possessed and relied upon a reasonable basis that substantiated the representations set forth in Paragraph 16, at the time the representations were made.
- 20. In truth and in fact, Respondents did not possess and rely upon a reasonable basis that substantiated the representations set forth in Paragraph 16, at the time the representations were made.
- 21. Therefore, the representation set forth in Paragraph 19 was, and is, false or misleading, and the making of such representation constitutes a deceptive act or practice, in or affecting commerce, in violation of Section 5(a) of the Federal Trade Commission Act.

TEXTILE FIBER PRODUCTS IDENTIFICATION ACT and RULES AND REGULATIONS

- 22. The Textile Fiber Products Identification Act, 15 U.S.C. § 70, *et seq.* ("Textile Act"), governs, *inter alia*, the labeling and advertising of textile fiber products introduced, manufactured for introduction, delivered for introduction, sold, advertised, or offered for sale in commerce. *See* 15 U.S.C. § 70a.
- 23. Under the Textile Act, a textile fiber product is "misbranded if it is falsely or deceptively stamped, tagged, labeled, invoiced, advertised, or otherwise identified as to the name or

9

only a slight variation of spelling from the name or designation of such a fiber shall not be used in such a manner as to represent or imply that such fiber is present in the product." 16 C.F.R. § 303.18. Any term used in advertising, including internet advertising, that constitutes or connotes the name or presence of a textile fiber is deemed to be an implication of fiber content. 16 C.F.R. § 303.40; and

F. Any information or representations included in advert

30.	Respondents' violations of the Textile Act and constitute deceptive acts or practices, in or affection of the Federal Trade Commission Act.		C
	REFORE, the Federal Trade Commission, this d this complaint against Respondent.	day of	, 2009, has
	By the Commission.		
		Donald S. Clark Secretary	k