



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

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The Commission has explained that, unless marketers either specify which products are covered or directly link claims to particular products, consumers generally interpret U.S.-origin claims in marketing materials to cover *all* products advertised in those materials. Accordingly, the Policy Statement provides, “marketers should not represent, either expressly or by implication, that a whole product line is of U.S. origin (*e.g.*, ‘Our products are Made in USA’) when only some products in the product line are, in fact, made in the United States.”<sup>3</sup>

When a product is last substantially transformed in the USA but contains more than *de minimis* imported content, a marketer may be able to make a qualified claim that conveys truthful information about U.S. processes or content without implying the product is “all or virtually all” made in the United States. A marketer may make any qualified claim that is truthful and substantiated, including one that generally alerts consumers to the existence of foreign content in the product (*e.g.*, “Made in USA of Imported Parts”), one that identifies the particular countries from which the parts came (*e.g.*, “Made in USA from French and Korean Parts”), or one that specifies the proportion of the product that comes from the U.S. (*e.g.*, “60% U.S. Content”).<sup>4</sup>

Alternatively, a marketer may advertise a product as “Assembled in USA” if the product is last substantially transformed in the USA, its principal assembly takes place in the USA, and United States assembly operations are substantial.<sup>5</sup> In most cases, marketers need not qualify “Assembled in USA” claims with information about the origin of the parts or materials the product contains. The FTC reminds marketers when a product is last substantially transformed abroad and thus required by Customs and Border Protection (“CBP”) to be marked with a foreign country of origin, “it would be inappropriate, and confusing,” to make a U.S. origin claim.<sup>6</sup>

As discussed, it is appropriate for General Pencil to promote its company history, commitment to American jobs, and U.S. manufacturing processes. However, marketing materials should not state or imply products are wholly or partially made in the United States unless the Company can substantiate those claims. The Company is reminded of its ongoing obligation to review its claims and make appropriate updates to ensure they remain accurate and substantiated.<sup>7</sup>

To avoid deceiving consumers, General Pencil implemented a corrective action plan. This plan included: (1) updating marketing materials, including websites, invoices, product

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violation.

<sup>3</sup> Policy Statement, 62 Fed. Reg. 63756, 63768 n.111.

<sup>4</sup> Policy Statement at 63769.

<sup>5</sup> *Id.* at 63770.

<sup>6</sup> *Id.*

<sup>7</sup> See FTC, Complying with the Made in USA Standard (July 2024), <https://www.ftc.gov/business-guidance/resources/complying-made-usa-standard> (“If something changes and the company no longer has a reasonable basis to support its Made in USA claim (for example the company begins sourcing parts overseas), the company must update its marketing materials.”).

