

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

July 8, 2025

Via Federal Express and Electronic Mail

Amazon.com, Inc. Attn: David A. Zapolsky, Esq. Senior Vice President, Chief Global Affairs & Legal Officer 410 Terry Ave. North Seattle, WA 98109-5210 David.Zapolsky@amazon.com and davidz@amazon.com

Letter Re: Misleading Made in USA Representations by Third-Party Sellers

Dear Mr. Zapolsky,

The Federal Trade Commission ("Commission") is the nation's consumer protection agency responsible for protecting American consumers from deceptive and unfair acts or practices. As part of the Commission's consumer protection mission, the Bureau of Consumer Protection ("Bureau") works to educate businesses, industries, and market participants on how to comply with the laws the Commission enforces. The Bureau understands that Amazon.com, Inc. ("Amazon") operates an online marketplace in which third-party sellers can advertise, market, promote, or offer for sale products to consumers. The purpose of this letter is to inform Amazon about how the Commission's truth-in-advertising laws and principles, such as those governing "Made in USA" and similar domestic origin claims, apply to third-party sellers on online marketplaces.

Section 5 of the Federal Trade Commission Act ("FTC Act") prohibits unfair or deceptive acts or practices in or affecting commerce. Among other things, the FTC Act requires that any representations be truthful, non-misleading, and adequately substantiated.² Accordingly, when a third-party seller on an online marketplace makes United States origin claims about its product (e.g., "Made in the USA"), or otherwise claims the product is of domestic origin, the product must be "all or virtually all" made in the United States.³ This means that "all significant parts and processing that go into the product" are of U.S. origin; the product should contain, at most, only negligible foreign content.⁴ The Commission also enforces the Made in USA

¹ 15 U.S.C. § 45.

² Fed. Trade Comm'n, Policy Statement on Deception, 103 F.T.C. 174 (1984) (appended to Cliffdale Assocs., Inc., 103 F.T.C. 110 (1984)); Fed. Trade Comm'n v. Direct Mktg. Concepts, Inc., 624 F.3d 1, 8 (1st Cir. 2010) ("Where the advertisers lack adequate substantiation evidence, they necessarily lack any reasonable basis for their claims. And where the advertisers so lack a reasonable basis, their ads are deceptive as a matter of law." (citation omitted)). ³ Fed. Trade Comm'n, Issuance of Enforcement Policy Statement on "Made in USA" and Other U.S. Origin Claims, 62 Fed. Reg. 63756, 63767-78 (Dec. 2, 1997), https://www.ftc.gov/legal-library/browse/enforcement-policystatement-us-origin-claims.

⁴ Id. at 63768. The Commission analyzes several factors to determine whether a product is "all or virtually all"

Labeling Rule ("MUSA Labeling Rule"), 16 C.F.R. Part 323. It is a violation of the MUSA Labeling Rule to label any product as "Made in the United States" unless the final assembly or processing of the product occurs in the United States, all significant processing that goes into the product occurs in the United States, and all or virtually all ingredients or components of the product are made and sourced in the United States.⁵ In other words, if a product sold is not "all or virtually all" made in the United States, then a third-party seller may violate Section 5 of the FTC Act or the MUSA Labeling Rule by making a "Made in USA" or other unqualified domestic origin claim about that product on your online marketplace.

Bureau staff have received information that third-party sellers on your online marketplace may be falsely advertising products as being made in the United States. In several instances, third-party sellers have used your online marketplace to make unqualified United States origin claims on product listings, packaging, and labeling, such as by claiming that their products are "Made in the USA" or "100% USA Made," even though the third-party seller is based outside the United States⁶ or the product listing describes the item as "imported." Unless third-party sellers can adequately substantiate that "all or virtually all" of a particular product is made in the United States, these types of "Made in USA" claims likely violate Section 5 of the FTC Act and the MUSA Labeling Rule.

The Bureau understands that Amazon requires prospective third-party sellers to adhere to certain Amazon Seller terms and conditions before they can advertise and sell products on your online marketplace. In particular, the Amazon Seller Code of Conduct requires third-party sellers to "[p]rovide accurate information to Amazon and [its] customers at all times" and prohibits such sellers from "[p]roviding misleading or inaccurate information to both Amazon and [its] customers." Based on our understanding of your policies, and our awareness of potential violations, I write to bring this matter to your attention so Amazon can monitor, identify, and take corrective action against third-party sellers who make false or misleading

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made in the United States, including the proportion of the product's total manufacturing costs attributable to U.S. parts and processing, how far removed any foreign content is from the finished product, and the importance of the foreign content or processing to the overall function of the product. *See id.* at 63768-69.

⁵ 16 C.F.R. § 323.2.

⁶ See, e.g., "Slakfsey SBA3 Storage Plug for SB Tactical Brace, High-Intensity," Amazon, (July 7, 2025) (Hong Kong-based seller advertising tactical storage plug as "Made in USA"), https://www.amazon.com/Slakfsey-Storage-Tactical-high-Intensity-Battle/dp/B0F9NDXZ5P; "SUREWAY 6in Wedge Moc Toe Work Boots for Men - Soft Toe, Premium Full-Grain Leather, Lightweight Work Boots/Shoes, Comfort Insole, Oil/Slip Resistant, Real Goodyear, EH Rated Industrial Construction," Amazon, (July 7, 2025) (foreign seller showcasing work boots with a "USA" label on them), https://www.amazon.com/SUREWAY-Wedge-Moc-Work-Boots/dp/B0BLH8XSH4; "American Flag 3x5 Ft Outdoor: 100% USA Made Duty Heavy Tearproof Spun Polyester Sided Embroidered Star for Outside Garden House Yard," Amazon, (July 7, 2025) (foreign seller touting American flag as "100% USA Made"), https://www.amazon.com/DERJLY-American-Flag-3x5-Outdoor/dp/B0F32HLL7M.

⁷ See, e.g., "This is My Happy Place Trucker hat Daddy hat Mens Beach hat Gifts for Her Baseball Hat Light Grey," *Amazon*, (July 7, 2025) (foreign seller with conflicting statements that hats' country of origin is USA and China), https://www.amazon.com/Rogany-Happy-Place-Trucker-Baseball/dp/B0F1RZR3N5.

⁸ See, e.g., "Amazon Services Business Solutions Agreement," Amazon, (July 7, 2025), https://sellercentral.amazon.com/help/hub/reference/external/G1791?locale=en-US; "Selling Policies and Seller Code of Conduct," Amazon, (July 7, 2025), https://sellercentral.amazon.com/help/hub/reference/external/G1801?locale=en-US.

⁹ Amazon Seller Code of Conduct, *supra* note 8.

"Made in USA" claims on Amazon's online marketplace in violation of the FTC Act, MUSA Labeling Rule, and the Amazon Seller Code of Conduct.

This letter does not reflect any assessment as to whether Amazon has engaged in conduct violative of the FTC Act or the MUSA Labeling Rule. The Bureau is also communicating with other companies about similar conduct. If you have any questions about this letter, please contact Michelle Schaefer (mschaefer@ftc.gov) or Lashanda Freeman (lfreeman@ftc.gov) in the Bureau's Division of Enforcement.

Very truly yours,

Christopher Mufarrige

Director, Bureau of Consumer Protection

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Federal Trade Commission