

## UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

## Remarks of Chair Lina M. Khan Regarding the Care Labeling Rule

July 21, 2021

The Care Labeling Rule makes it unfair or deceptive for manufacturers and importers to sell clothing without attaching care labels. The Federal Trade Commission first promulgated the Care Labeling Rule in 1971, with the goal of ensuring buyers were provided clear and accurate information on how to take care of their fabrics. Since then, the agency periodically has reviewed the rule, seeking public comments to ensure the rule is keeping pace with new developments and still providing buyers with relevant information. The public comments the Federal Trade Commission has received during these reviews have highlighted the many benefits that care labels provide to both clothing buyers and cleaners. Although some consumers have raised concerns about the standardized symbols and terms used on the labels, the majority of comments the FTC has received over the years support retaining the rule.

In July 2011, the Commission issued a notice requesting comments on the overall costs, benefits, and necessity of the Care Labeling Rule.<sup>3</sup> Of the 120 comments submitted, all but two agreed that care labels are necessary for consumers and industry stakeholders alike.<sup>4</sup> In a 2012 summary of the proceeding, the FTC stated that the two commenters opposed to the Rule had "failed to provide any tangible evidence to support their assertions," and that there was "no evidence in the record showing that a voluntary scheme would work better than the Rule."

<sup>&</sup>lt;sup>1</sup> See Part 423 – Care Labeling of Textile Wearing Apparel, Promulgation of the Trade Rule and Statement of Basis and Purpose, 36 Fed. Reg. 23883 (codified as 16 C.F.R. Part 423) (Dec. 16, 1971), https://archives.federalregister.gov/issue\_slice/1971/12/16/23870-23893.pdf#page=14.

<sup>&</sup>lt;sup>2</sup> The FTC typically reviews this rule every ten years. For a full list of past rulemakings involving the Care Labeling Rule, see Care Labeling of Textile Wearing Apparel & Certain Piece Goods, Fed. Trade Comm'n, <a href="https://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/care-labeling-textile-wearing-apparel">https://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/care-labeling-textile-wearing-apparel</a> (last visited on July 21, 2021).

<sup>&</sup>lt;sup>3</sup> See Care Labeling of Textile Wearing Apparel and Certain Piece Goods as Amended, 76 Fed. Reg. 41148 (July 13, 2011), <a href="https://www.federalregister.gov/documents/2011/07/13/2011-17512/care-labeling-of-textile-wearing-apparel-and-certain-piece-goods-as-amended">https://www.federalregister.gov/documents/2011/07/13/2011-17512/care-labeling-of-textile-wearing-apparel-and-certain-piece-goods-as-amended</a>.

<sup>&</sup>lt;sup>4</sup> See #384: 16 C.F.R. Part 423: Care Labeling of Textile Wearing Apparel and Certain Pieces of Goods as Amended: Advance Notice of Proposed Rulemaking; Request for Public Comment; FTC Project No. R511915, Matter No. R511915, FED. TRADE COMM'N, <a href="https://www.ftc.gov/policy/public-comments/2013/08/initiative-384">https://www.ftc.gov/policy/public-comments/2013/08/initiative-384</a>. See 16 CFR Part 423, Trade Regulation Rule on Care Labeling of Textile Wearing Apparel and Certain Piece Goods, 77 Fed. Reg. 58338 (Sept. 20, 2012), <a href="https://www.federalregister.gov/documents/2012/09/20/2012-22746/trade-regulation-rule-on-care-labeling-of-textile-wearing-apparel-and-certain-piece-goods">https://www.federalregister.gov/documents/2012/09/20/2012-22746/trade-regulation-rule-on-care-labeling-of-textile-wearing-apparel-and-certain-piece-goods</a>. <sup>6</sup> Id.

In March 2014, the FTC held a roundtable to give members of the public the opportunity to present their views orally. The discussion at this event focused mainly on amendments proposed in comments during the 2011 review, such as the inclusion of wetcleaning instructions, clarifications to the rule's reasonable basis requirement, and the use of various specific cleaning symbols. None of the participants contested the Commission's 2012 decision to retain the Rule. 8

In July 2020 the FTC issued a supplemental notice of proposed rulemaking, this time seeking comments to determine whether the rule's requirements are burdensome to manufacturers and whether rescinding the rule would be in the public interest. During this comment period, the agency received 244 responses, most of which were submitted by individuals and small businesses who opposed the repeal. These comments emphasized that buyers rely on clothing labels to help extend the life of their clothes and that these labels provide valuable care guidance to both consumers and businesses. Many in the apparel manufacturing and cleaning industries noted that removing the labels would increase the likelihood that their customers' items might be damaged in the wash and, as a result, expose their businesses to liability.

After careful consideration, I believe the record supports retaining the Care Labeling Rule and that it should not be rescinded. For this reason, I move that the Commission issue a statement informing the public that it does not intend to repeal the rule but will continue to consider ways to improve the Care Labeling Rule to the benefit of buyers and businesses alike.

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<sup>&</sup>lt;sup>7</sup> Care Labeling Rule - An FTC Roundtable, FED. TRADE COMM'N (Mar. 28, 2014), <a href="https://www.ftc.gov/news-events/events-calendar/2014/03/care-labeling-rule-ftc-roundtable">https://www.ftc.gov/news-events/events-calendar/2014/03/care-labeling-rule-ftc-roundtable</a>.

<sup>&</sup>lt;sup>8</sup> See Federal Trade Commission, Care Labeling Rule Roundtable Transcript (Mar. 28, 2014), https://www.ftc.gov/system/files/documents/public events/114528/clr roundtable transcript.pdf.

<sup>&</sup>lt;sup>9</sup> Trade Regulation Rule on Care Labeling of Textile Wearing Apparel and Certain Piece Goods, 85 Fed. Reg. 44485 (July 23, 2020), <a href="https://www.federalregister.gov/documents/2020/07/23/2020-13919/trade-regulation-rule-on-care-labeling-of-textile-wearing-apparel-and-certain-piece-goods">https://www.federalregister.gov/documents/2020/07/23/2020-13919/trade-regulation-rule-on-care-labeling-of-textile-wearing-apparel-and-certain-piece-goods</a>.