



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

Bureau of Consumer Protection  
Division of Enforcement

March 31, 2017

**VIA FEDEX**

Mr. Dan Weber  
Chief Strategy Officer  
Versa Products, Inc.  
14105 Avalon Blvd.  
Los Angeles, CA 90061

Dear Mr. Weber:

We received your submissions on behalf of Versa Products, Inc., also d/b/a VersaTables, VersaDesks, Thrive Furniture, and Vanity Girl Hollywood ("Versa"). During our review, we raised concerns that certain marketing materials may have overstated the extent to which Versa's products are made in the United States. For example, although Versa's adjustable standing desks include some U.S. components, key parts such as the electric motors used to raise and lower the desks are imported.

As discussed, the FTC's Enforcement Policy Statement on U.S. Origin Claims ("Policy Statement") states that unqualified "Made in USA" claims likely suggest to consumers that products are "all or virtually all" made in the United States.<sup>1</sup> The Commission may analyze a number of different factors to determine whether a product is "all or virtually all" 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.

The Commission has noted that "[w]here a product is not all or virtually all made in the United States, any claim of U.S. origin should be adequately qualified to avoid consumer deception about the presence or amount of foreign content. In order to be effective, any qualifications or disclosures should be sufficiently clear, prominent, and understandable to prevent deception."<sup>2</sup>

In this case, to avoid deceiving consumers, Versa implemented a remedial action plan to remove all unqualified U.S.-origin claims from the company's websites and social media, product packaging, and marketing material for all Versa brands. Where appropriate, Versa

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<sup>1</sup> Federal Trade Commission, *Issuance of Enforcement Policy Statement on "Made in USA" and Other US Origin Claims*, 62 Fed. Reg. 63756, 63768 (Dec. 2, 1997).

<sup>2</sup> *Id.* at 63769.

introduced qualified claims such as “Designed and Assembled in the USA” and/or “Designed and Assembled with Love in the USA.”

Based on your actions and other factors, the staff has decided not to pursue this investigation any further. This action should not be construed as a determination that there was no violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45. The Commission reserves the right to take such further action as the public interest may require. If you have any questions, you can reach me at (202) 326-3405.

Sincerely,



Crystal D. Ostrum  
Investigator