

THE FTC'S 2021 "MADE IN THE USA" RULE

What does it mean for the jewelry industry?

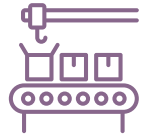


With the uptick in "Made in USA" claims made in every industry in recent years, you may be wondering whether your jewelry company can compliantly advertise its goods as "Made in USA." Unfortunately, under the FTC's [Made in USA Labeling Rule](#), the answer is more than likely **NO**.

Under the FTC's 2021 Rule, any product advertised as "Made in the USA" (or any like word or phrase) "all or virtually all" of the product must be made and sourced in the United States. This includes all ingredients, components, assembly and processing. "Made in the United States" includes any representation that a product is "made," "manufactured," "built," or "produced" in the United States, or any other U.S. origin claim. And you don't need to expressly use "Made in USA" for your advertising to fall into this standard; mere use of an American flag or anything that gives consumers the very impression that your product is made in the U.S. is enough to violate the Rule and could get your company into trouble.

To call a product "Made in the USA," "Made in America" or the like, the final assembly or processing of the product must occur in the United States, all significant processing that goes into the product must occur in the United States, and all or virtually all ingredients or components of the product must be made and/or sourced in the United States. For products made of precious metals, this can be very difficult if the metal was mined abroad, or if the origin of the metal is unknown. Additionally, virtually no products made with gemstones will qualify as "Made in the USA," as a majority of precious and semi-precious gemstones originate from outside of the U.S.

What we often encourage members to do when their advertising doesn't comply with the Made in USA Rule is to make qualified statements where appropriate. Of course, these statements must always be accurate and must be substantiated by facts.



Keep in mind...

...that the MUSA Rule has given the FTC the power to enforce the Rule against companies making claims that cannot be substantiated and to pursue meaningful financial penalties for violations. A few examples of recent enforcement actions are:

[FTC Order Requires Motocross and ATV Parts Maker Cycra to Pay for Falsely Claiming Its Products Were Made in USA \(April 2023\)](#)

[FTC Finalizes Order Against Pyrex Glass Manufacturer for False Made in USA Claims \(March 2023\)](#)

[FTC Approves Final Order against Electrowarmth Products, LLC and its Owner, Barring Them from Deceptive Made in USA Labeling Claims \(October 2022\)](#)



A FEW EXAMPLES OF QUALIFIED STATEMENTS THAT MAY NOT VIOLATE THE FTC'S MADE IN USA RULE ARE:

- Made in America from the World's Finest Materials
- Made in the USA from Foreign Materials
- Assembled in the USA with Indian Gold and Ethiopian Opal
- Hand Crafted in Brooklyn with the World's Finest Materials
- Designed in New York

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