Fact Sheet

Support the Truth in Fur Labeling Act

The Truth in Fur Labeling Act will soon be introduced by Sen. Robert Menendez (D-N.J.) and Reps. Jim Moran (D-Va.) and Mary Bono Mack (R-Calif.). This legislation—similar to S. 3610 and H.R. 891 in the 110th Congress—would require labeling of all animal fur apparel regardless of value.

The Fur Products Labeling Act of 1951 requires that animal fur garments be labeled with the name of the species used, manufacturer, country of origin, and other information. The law protects consumers by providing product information and letting them know whether the product is made from real animal fur, and if so, what type of fur. Moreover, the Dog and Cat Protection Act of 2000 prohibits the export, import, manufacture, or sale of dog and cat fur products.

A loophole in the labeling law, however, exempts products with a "relatively small quantity or value" of fur, and allows the Federal Trade Commission (FTC) to establish regulations determining that value. For several decades, the threshold remained the same—if the amount of fur on a garment was worth \$20 or less, no labeling was required. In 1998, the FTC increased the threshold amount by more than a factor of seven—to \$150—and this unreasonably high dollar amount constitutes a major loophole in the law.

Also, investigators have discovered that a type of dog—the "raccoon dog"—is still being killed in China for United States fur markets. Killing methods are particularly gruesome, including being skinned alive. Raccoon dog fur appears to be the most commonly unlabeled or mislabeled fur, so there is no consistency in the marketplace and consumers do not know what they are getting. Domestic dog fur is still being used, too, and is slipping into this country unlabeled or mislabeled, despite the existing ban.

This loophole in the current law should be closed—all fur should be labeled regardless of value—for the following reasons:

<u>Dog fur is still slipping into the United States.</u> A series of recent investigations by The Humane Society of the United States revealed that dozens of designers and retailers—including Foot Locker, Lord & Taylor, Neiman Marcus, Macy's, Dillard's, Barney's, and J.C. Penney—were selling some fur-trimmed jackets described as "faux," "raccoon," "coyote," or not labeled at all, which turned out to be raccoon dog, domestic dog, or wolf. Of 38 jackets subjected to mass spectrometry tests, every single garment was either unlabeled, contained a label that misidentified the animal, or was falsely advertised—some as "faux." Three of the jackets advertised as fake fur—two of which had no label--were found to contain fur from domestic dogs. Designers, retailers, and consumers can have no confidence in what they are getting—whether it is faux fur or real, and if real, from what animal—especially when it is sourced from China. Some companies have voluntarily pulled these jackets from their stores and adopted fur-free policies in response to the investigative findings.

Consumers are denied an opportunity to make educated choices. Many garments—such as jackets, parkas, sweaters, vests, and accessories—are trimmed with animal fur. If either the manufacturer's selling price of the finished garment or merely the cost to the manufacturer of the fur pelts (not including the cost of adding the fur trim to the garment) is \$150 or less, the product does not have to be labeled and consumers are left to guess whether the fur is real. Consumers who may have allergies to fur, ethical objections to fur, or concern about the use of certain species, cannot make informed purchasing choices. Consumers making well-informed decisions based on complete information is a cornerstone of a functioning market economy.



The labeling loophole is unreasonable and deceptive. If a \$500 coat has \$150 worth of fur on the collar and cuffs, it is unfair that this apparel does not require a label. Based on approximate pelt prices after tanning and dressing, an individual garment using the fur from 30 rabbits (\$5 each), 25 ermines (\$6 each), fifteen muskrats (\$10 each), twelve opossums (\$12 each), nine chinchillas (\$16 each), eight skunks (\$18 each), five raccoons (\$28 each), three badgers, beavers, fishers, or minks (\$50 each), three Arctic, grey, or red foxes (\$50 each), three raccoon dogs (\$45 each), two coyotes (\$75 each), one sable (\$90), one otter (\$120), one silver fox or wolverine (\$130), one lynx (\$135), one bobcat (\$140), or one bear or timber wolf (\$150) could be sold without a label.

<u>Fur manufacturing techniques create consumer confusion.</u> The fur industry uses dyeing and shearing today more than ever before, making the absence of a label especially problematic. If customers see pink, orange, blue, or sheared trim, they often assume it is faux or synthetic because it is not labeled and does not resemble an animal's fur. In 2000, Congress banned the import of fur products made from domestic dogs and cats, but customers are still wary that dog and cat fur is slipping into the U.S. In order to make informed purchases, consumers need to know what they are buying.

The existing law does not reflect the present market realities. When the Fur Products Labeling Act was passed, fur was primarily used for full-length coats and stoles. Fur-trimmed and faux fur items were relatively uncommon. Today, fashions have changed, and the market demand for fur trim is much larger. As many fur-trimmed garments are sold today as full-length fur coats, and the fur industry predicts that the use of fur for trim in the U.S. will soon surpass the use of fur for full-length apparel. With the improvements in synthetic materials, it is also more difficult today to distinguish between real and faux fur. The labeling law has not kept up with the changes in the marketplace.

Labeling fur trim will not be economically burdensome for apparel manufacturers or retailers. According to the FTC (Federal Register 9/28/05), the total number of fur garments, fur-trimmed garments, and fur accessories sold in the United States is estimated at 3,500,000. Of that, approximately 3,000,000 items—or 86 percent—are already required to abide by labeling requirements. It will not present a difficulty to label the additional 14 percent of products using animal fur, and it may actually increase the efficiency of the manufacturing process because they will no longer need to determine an item's value for labeling purposes.

Laws applying to other garments don't have an exemption like the fur industry. Although the Wool Products Labeling Act of 1939 provides exemptions for certain non-clothing items (such as carpets, rugs, and mats), it does not provide any exemptions for apparel based on value or cost. The labeling of fur garments should be treated no differently.

Consumer protection officials and leaders in the retail and fashion industries support this legislation. Fur labeling legislation has been endorsed by Tommy Hilfiger, Burlington Coat Factory, Loehmann's, Buffalo Exchange, House of Deréon, Jay McCarroll, and others. Outerwear company Andrew Marc has specifically endorsed closing the loophole in the Fur Products Labeling Act and related regulations. Leading designers and businesses understand the need for clear labeling laws to protect consumer confidence in their products. Additionally, the National Association of Consumer Agency Administrators (NACAA), an organization representing more than 160 government agencies and 50 corporate consumer offices, recently passed a resolution in support of truthful fur-labeling and advertising, including the elimination of loopholes.

The FTC should take steps to ensure more accuracy and consistency in labeling. In addition to closing the labeling loophole, the legislation also directs the FTC to initiate rulemaking on a review of its Fur Products Name Guide. Some of the species names listed in the guide may be confusing or out of date—for example, the raccoon dog (*Nyctereutes procyonoides*) is currently listed as "Asiatic raccoon." Allowing public notice and comment on agency review will allow all stakeholders, such as fur industry and animal welfare groups, to participate in the process and make recommendations for updating the guide.

