



November 1, 2022

VIA EMAIL

Shawn Murphy, General Counsel
Mazda North American Operations
200 Spectrum Center Drive
Irvine, CA 92694
smurphy5@mazdausa.com

Re: Mazda’s Deceptive Built in USA Marketing

Dear Mr. Murphy:

I am writing to you on behalf of Truth in Advertising, Inc. (“TINA.org”), a nonprofit consumer advocacy organization dedicated to protecting consumers from deceptive advertising. An investigation of Mazda North American Operations has revealed that it is deceptively marketing certain vehicles as “built” in the United States when, in reality, the vehicles are assembled in the U.S. using imported parts. As you may be aware, according to the Federal Trade Commission, “built” is synonymous with “made” in the U.S.¹ and therefore requires that any vehicle being marketed as such must be “all or virtually all” made domestically and contain “no – or negligible – foreign content.”²

For example, Mazda is claiming on its website that the Mazda CX-50 is “built” in Huntsville, Alabama.³

<p>2021</p> <ul style="list-style-type: none">• Mazda reveals first-ever CX-50 to be built in Huntsville, AL
<p>2023 CX-50</p> <p>Share article: </p> <p></p> <p>Mazda North American Operations today hosted the virtual world premiere of the first-ever Mazda CX-50. A completely new model, CX-50 is the first Mazda vehicle to be built at the new Mazda Toyota Manufacturing (MTM) plant in Huntsville, Alabama, with production beginning in January 2022.</p>

In reality, however, all CX-50 vehicles assembled in the U.S. are made using a substantial amount of imported parts.⁴ As such, Mazda’s Built in the USA claims are deceptive and in violation of Section 5 of the FTC Act, 15 U.S.C. § 45. To the extent

similar deceptive claims are repeated in physical or digital labels, they would also be in violation of the FTC's Made in USA Labeling Rule, 16 CFR Part 323.

Mazda has every right to boast of its assembly plants in the United States that create American jobs and strengthen the U.S. economy, but it cannot illegally embellish the amount of manufacturing that takes place domestically. Mazda must ensure that its marketing messages are truthful, nondeceptive, and in compliance with the law.

We trust Mazda will take immediate action to rectify this deceptive marketing.

If you have any questions, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "L. Smith". The signature is written in a cursive, flowing style.

Laura Smith, Esq.
Legal Director
Truth in Advertising, Inc.

¹ See *United States v. iSpring Water Systems, LLC, et al.*, Stipulated Order for Civil Penalties, Permanent Injunction, and Other Relief, Apr. 19, 2019, https://www.ftc.gov/system/files/documents/cases/172_3033_ispring_water_systems_-_stipulated_order.pdf (“‘Made in the United States’ means any representation, express or implied, that a product or service, or a specified component thereof, is of U.S.-origin, including, but not limited to, a representation that such product or service is ‘made,’ ‘manufactured,’ ‘built,’ ‘produced,’ or ‘crafted’ in the United States or in America, or any other U.S.-origin claim.”). See also Made in USA Labeling Rule, 16 CFR Part 323 (“The term *Made in the United States* means any unqualified representation, express or implied, that a product or service, or a specified component thereof, is of U.S. origin, including, but not limited to, a representation that such product or service is ‘made,’ ‘manufactured,’ ‘built,’ ‘produced,’ ‘created,’ or ‘crafted’ in the United States or in America, or any other unqualified U.S.-origin claim.”)

² FTC, Complying with the Made in USA Standard, <https://www.ftc.gov/business-guidance/resources/complying-made-usa-standard>.

³ See, e.g., Mazda History, <https://news.mazdausa.com/mazda-history>; Mazda 2023 CX-50, https://news.mazdausa.com/vehicles-2023-cx-50#assets_119:123204.

⁴ See U.S. Department of Transportation, NHTSA, Part 583 American Automobile Labeling Act Reports, <https://www.nhtsa.gov/part-583-american-automobile-labeling-act-reports>; U.S. Department of Transportation, NHTSA, Part 583 American Automobile Labeling Act Report for 2023 makes and models, <https://www.nhtsa.gov/sites/nhtsa.gov/files/2022-10/MY2023-AALA-Alphabetical-10-6-22.pdf> (showing that, at most, 50 percent of 2023 CX-50 vehicles are of U.S. content).