

October 23, 2015

## VIA EMAIL AND OVERNIGHT MAIL

Doug McMillon, President and CEO Leon Bechet, Associate General Counsel Wal-Mart Stores, Inc. 702 SW 8<sup>th</sup> Street Bentonville, AK 72716-8611

Re: Walmart.com's U.S.-Origin Representations

Dear Mr. McMillon and Mr. Bechet:

As you know, TINA.org originally reached out to you in June to notify you of our investigation of Walmart.com, which revealed numerous Made in the USA misrepresentations. In response, Walmart informed us that it was taking steps to ensure that these types of "errors" would be promptly and fully corrected. However, three weeks later, our continued investigation revealed that Walmart.com was still riddled with false and deceptive Made in the USA representations, prompting us to file a complaint on July 14, 2015 with the Federal Trade Commission, which then commenced its own investigation.

In the three months that have since passed, we see that Walmart has removed the vast majority of false and deceptive Made in the USA representations on its website, which we are, of course, pleased to see. It is, however, unfortunate – both for American manufacturers and consumers -- that Walmart has chosen to remove Made in the USA representations regardless of the products' origins, rather than simply fix the false and deceptive representations, as now even U.S.-made products are no longer marketed as such.

Nevertheless, the FTC concluded its investigation based on Walmart's definitive representations that it had removed *all* U.S.-origin claims when, for better or for worse, that is not the present case. TINA.org's review of the 200 examples of Made in the USA misrepresentations on Walmart.com that we found during our original investigation revealed that the website still contains numerous U.S.-origin representations, some of which are false and/or deceptive. For example, as of today:

- Walmart.com's listing for the <u>Majestic Pet Products Universal Waterproof Back</u>
  <u>Seat Cover</u> indicates in the product description that it is "Made in the USA" when the manufacturer's product packaging indicates that it is actually made in China.
- Walmart.com's listing for the <u>Step2 Play Up Teeter-Totter</u> indicates in the product description that it is "Made in the USA" when Step2 the manufacturer indicates that the product actually contains imported parts from China.
- Walmart.com's listing for the Men's 6mm African Blackwood Exotic Wood Stainless Steel band indicates in the product description that it is "proudly made in the USA" when such wood originates from Central and Southern Africa.

TINA.org found more than a dozen other Made in the USA misrepresentations – just by reviewing the sampling of 200 products – all of which are attached.<sup>1</sup>

In addition, we note that some products listed at Walmart.com still contain red, white, and blue U.S.-origin labels that do not clearly or prominently disclose the important qualifying language that only a certain percentage of the product is made in the United States.<sup>2</sup>

In short, despite the steps Walmart has taken to correct false and deceptive Made in the USA marketing on its website, and despite its representations to the FTC that it wiped its entire website clean of all U.S.-origin claims, errors still remain and consumers continue to be deceived.

We trust Walmart will immediately correct these issues, as well as review each and every product listed for sale on its website to ensure that no other false or deceptive U.S.-origin representations exist. To date, Walmart's assurances to TINA.org, the FTC, and

<sup>&</sup>lt;sup>1</sup> The full set of examples of Walmart.com U.S.-origin misrepresentations is collectively attached as Attachment A.

<sup>&</sup>lt;sup>2</sup> Examples of Walmart.com products that feature deceptive Made in the USA labels are listed below and collectively attached as Attachment B:

http://www.walmart.com/ip/Evenflo-Amp-Select-No-Back-Booster-Car-Seat/19414722

<sup>• &</sup>lt;a href="http://www.walmart.com/ip/Cosco-Scenera-NEXT-Convertible-Car-Seat-Choose-your-Color/41126745">http://www.walmart.com/ip/Cosco-Scenera-NEXT-Convertible-Car-Seat-Choose-your-Color/41126745</a>

<sup>• &</sup>lt;a href="http://www.walmart.com/ip/Evenflo-Tribute-Sport-Convertible-Car-Seat-Willa/21670118">http://www.walmart.com/ip/Evenflo-Tribute-Sport-Convertible-Car-Seat-Willa/21670118</a>

http://www.walmart.com/ip/Little-Tikes-Girls-Mobile-Ride-on/14711557

http://www.walmart.com/ip/Little-Tikes-2-in-1-Cozy-Coupe-Roadster/16474449

<sup>• &</sup>lt;a href="http://www.walmart.com/ip/Little-Tikes-Little-HandiWorker-Workhorse-Tool-Play-Set/23787886">http://www.walmart.com/ip/Little-Tikes-Little-HandiWorker-Workhorse-Tool-Play-Set/23787886</a>

http://www.walmart.com/ip/Little-Tikes-Princess-Cozy-Coupe-Trailer/15734396

<sup>•</sup> http://www.walmart.com/ip/Little-Tikes-Cozy-Pumper/14711554

<sup>•</sup> http://www.walmart.com/ip/Little-Tikes-Cook-n-Grow-BBQ-Grill/30581825

consumers have been lacking. It is time for the world's largest retailer to do the right thing and clean up its act once and for all.

Sincerely,

Laura Smith, Esq. Legal Director

Truth in Advertising, Inc.

Cc: Julia Solomon Ensor, Federal Trade Commission