



November 1, 2022

VIA EMAIL

Matthew Everitt, General Counsel
Mercedes-Benz North America
1 Mercedes Benz Dr.
Sandy Springs, GA 30328-4312
matthew.j.everitt@mbusa.com

Re: Mercedes-Benz's Deceptive Built in USA Marketing

Dear Mr. Everitt:

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 Mercedes-Benz 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 recall from TINA.org's 2019 investigation of the Mercedes-Benz Sprinter van deceptively advertised as "Built in the USA,"¹ according to the Federal Trade Commission, "built" is synonymous with "made" in the U.S.² 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."³

For example, Mercedes-Benz is currently claiming on its website – mbusi.com – that the company "builds superior quality automobiles here in Alabama."⁴

A screenshot of the Mercedes-Benz U.S. International website. The header features the Mercedes-Benz logo and the text "Mercedes-Benz U.S. International, Inc." Below the header is a search bar. The main content area has a light gray background and contains several sections of text and logos. At the top of this area, it says "WELCOME TO MERCEDES-BENZ U.S. INTERNATIONAL, INC. (MBUSI)".

Welcome to Tuscaloosa County Alabama, U.S.A, and the production location of the Mercedes-Benz GLE SUV, GLS SUV, GLE Coupe, and the Mercedes-Maybach GLS.

Mercedes-Benz U.S. International (MBUSI) started with a clean "sheet of paper" in terms of vehicle concept, in the way it would produce Mercedes-Benz quality in the design of the factory and in the establishment of a young corporate culture. The result is Mercedes-Benz vehicles that are continually setting the standard in the industry.

We build superior quality automobiles here in Alabama using Mercedes-Benz and MBUSI's original production system which is a combination of American, Japanese, and German automotive best practices. This process contributes to the quality manufacturing of our vehicles in a safe, efficient, and predictable way.

GOAL | Mercedes-Benz U.S. International, Inc.

In reality, however, all Mercedes-Benz vehicles assembled in the U.S. are made using a substantial amount of imported parts.⁵ As such, Mercedes-Benz's Built in the USA claim is 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.

Mercedes-Benz 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. Mercedes-Benz must ensure that its marketing messages are truthful, nondeceptive, and in compliance with the law.

We trust Mercedes-Benz 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 "Laura Smith".

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

¹ TINA.org’s Mar. 22, 2019 letter to Mercedes-Benz Vans, https://truthinadvertising.org/wp-content/uploads/2019/03/Warning-Letter-TINA-to-MB-Vans-3_22_19-REDACTED.pdf.

² 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.”)

³ FTC, Complying with the Made in USA Standard, <https://www.ftc.gov/business-guidance/resources/complying-made-usa-standard>.

⁴ Mercedes-Benz U.S. International, Inc. website, <https://mbusi.com/>.

⁵ 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 2022 makes and models, <https://www.nhtsa.gov/sites/nhtsa.gov/files/2022-09/MY2022-AALA-Alphabetical-8-30-22.pdf> (showing that, at most, 69 percent of 2022 Mercedes-Benz vehicles are of U.S. content); 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, 69 percent of 2023 Mercedes-Benz vehicles are of U.S. content).