Controversy over Online Country of Origin Labeling

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Online retailers and other large manufacturers are voicing their opposition to proposed Senate legislation that would require country-of-origin labeling for goods sold online. The Country of Origin Labeling Online Act (COOL Online Act) would require goods sold online to conspicuously indicate in the product description the country of origin of the product as determined by the marking regulations administered by U.S. Customs and Border Protection (CBP). The proposed act states it would be enforced by the Federal Trade Commission (FTC), which currently regulates and enforces “Made in USA” claims, and not CBP, which regulates country of origin marking for imported goods.

The COOL Online Act has bipartisan support and is widely revered by many U.S. manufacturers and consumer organizations for promoting transparency with consumers in online sales, which they hope will persuade more online consumers to purchase American-made goods. However, the measure faces strong opposition from online retailers and other industry actors that source goods from abroad that point to the logical complexity of correctly marking a single product description for goods that may come from one of several countries, an obstacle that they say is distinct from country of origin marking on product packaging. The measure has reportedly received pushback from Amazon and other industry associations, including the National Retail Federation and the Consumer Technology Association.

Senator Tammy Baldwin (D-Wis) proposed the COOL Online Act as an amendment to
the Endless Frontier Act, **S. 1260**, introduced on April 20, 2021. S. 1260 is part of a broader legislative package that aims to improve U.S. competitiveness in trade, especially against China, as part of the **U.S. Innovation and Competition Act**. We will continue to monitor and report on this legislation.

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